

## **Press Statement**

**Contact:** Marcella Gadson, Director of Communications mgadson@mmtconline.org

## MMTC Releases Zero-Rating White Paper: The Use and Impact of Free Data in the Mobile Broadband Sector

**Washington, DC** (May 9, 2016): Today, the Multicultural Media, Telecom and Internet Council (MMTC) released a white paper on zero-rating, the practice by mobile carriers of offering data access to some websites and content at no charge to customer data plans. The paper, titled *Understanding and Appreciating Zero-Rating: The Use and Impact of Free Data in the Mobile Broadband Sector*, examines the zero-rated plans offered by the four major mobile carriers and the impacts and benefits for consumers.

The paper assesses the impacts of free data plans in five key areas: (1) the digital divide, (2) consumers who rely on mobile broadband connectivity, (3) mobile broadband business model experimentation, (4) innovation in the mobile ecosystem, and (5) consumer empowerment. In each of the five areas assessed, MMTC found that the benefits and impacts of free data are profound and wide-ranging. Benefits abound at both the industry level and consumer level, including bringing more people online, bolstering the uses and experiences of those who rely on mobile broadband connections, and supporting more vibrant and robust innovation in the mobile ecosystem.

The paper also addresses concerns that frame free data offerings as contrary to the Federal Communications Commission's Open Internet Order. The Commission initially lauded the free data programs but later adopted a more skeptical approach. MMTC concludes that "free data remains vulnerable to the capricious political winds that are increasingly shaping the broadband ecosystem," adding that "[p]remature or unnecessary intervention by an entity like the FCC would likely chill further experimentation with offerings such as free data, an outcome that would prove devastating to consumers and contrary to the innovative ethos that has long permeated the U.S. wireless space."

"In an era where it is increasingly important to have access to broadband, millions of people – primarily in low-income and multicultural communities – rely on only their cell phones to go online," stated MMTC President and CEO Kim Keenan. "Free data provides much needed relief to families with limited resources who have to count every penny and would otherwise be forced to miss out on the many opportunities broadband access affords. Digital disconnection is something none of us can afford."

The full paper is available on MMTC's website.

\* \* \* \* \*

## **About MMTC:**

The Multicultural Media, Telecom and Internet Council (MMTC) is a non-partisan, national nonprofit organization dedicated to promoting and preserving equal opportunity and civil rights in the mass media, telecommunications and broadband industries, and closing the digital divide. MMTC is generally recognized as the nation's leading advocate for minority advancement in communications.