

CONNECTIVITY

Why it matters to startups:

Thanks to the Internet, an entrepreneur located anywhere in the country can launch and grow a company that reaches users across the world. Increasing reliable, affordable broadband access—through wireless and wireline connectivity, devices, and digital literacy resources—creates more opportunities for innovation and entrepreneurs. Startups also need net neutrality protections—to prevent ISPs from blocking or throttling Internet traffic or charging companies for better access to users—to ensure the Internet is a level playing field. Startups also benefit from balanced telecom policy, including around unlicensed spectrum, the shared airwaves that fuel Wi-Fi networks and are available for use by anyone that abides by set standards. Increases in the availability of unlicensed spectrum have created vast opportunities for the companies that make and use technology that relies on the high-frequency airwaves—such as connected devices—as well as generally improving Wi-Fi networks across the country.

KEY TAKEAWAYS:

- Startups need policymakers at all levels of government to prioritize more reliable and affordable broadband across the country to ensure the startup ecosystem is accessible to today's startup founders and users as well as tomorrow's.
- Net neutrality is crucial for startups and provides a level playing field online. Without net neutrality protections, Internet Service Providers (ISPs) can block, throttle, or charge more to prioritize certain Internet traffic.

What policymakers can do:

Policymakers should continue working to improve broadband access across the country by increasing the amount of spectrum available for use by the public, pushing ISPs to build out broadband access in underserved areas, and supporting subsidies that have lowered broadband costs for U.S. households. During the pandemic, when Internet access became even more critical, Congress passed a handful of bills aimed at closing the digital divide, including one creating the Affordable Connectivity Program, which helped make broadband more affordable for millions of households across the country. Congress should ensure that the program has the funding necessary to continue.

Policymakers should also reinstate strong net neutrality protections to ensure that the Internet is a level playing field and guarantee that startups don't have to worry about their large competitors paying ISPs for better, faster access to users. After years of attempts and legal challenges, the Federal Communications Commission (FCC) in 2015 adopted strong net neutrality protections. But the FCC reversed course in 2017, repealing the 2015 rules and replacing them with weaker obligations for ISPs to disclose how they treat Internet traffic. The FCC started a process to reinstate strong net neutrality protections at the end of 2023, and the agency should proceed with strong rules that keep the Internet a level playing field for startups.



STARTUP SPOTLIGHT

Lumo

(Santa Rosa, Calif.)
Devon Wright, CEO

Lumo produces an Internet-connected valve that improves the water control and monitoring capabilities of farmers for more precise irrigation.

"The biggest hurdle that any of us face in the agricultural technology space is access to cellular connectivity... [O]n farms and in more rural areas, it's rare that you'll find a clear connection. And even when a connection is present, you have to use chips connected to expensive base stations that require lots of logistical work to connect to valves out in the fields. Direct investment into telecom for startups would unlock a whole new world for our work, and ultimately, would help us make major improvements in food quality and productivity per acre."

