



Dorothy Coleman
Vice President
Tax and Domestic Economic Policy

November 16, 2015

The Honorable Greg Walden (R-OR)
Chairman
Communications and Technology
Subcommittee
Energy and Commerce Committee
United States House of Representatives
Washington, DC 20515

The Honorable Anna G. Eshoo (D-CA)
Ranking Member
Communications and Technology
Subcommittee
Energy and Commerce Committee
United States House of Representatives
Washington, DC 20515

Dear Chairman Walden and Ranking Member Eshoo,

On behalf of the more than 14,000 members of the National Association of Manufacturers (NAM), the largest manufacturing association in the United States representing manufacturers in every industrial sector and in all 50 states, I write to express the strong concerns our industry has with recent actions by the Federal Communications Commission (FCC) to impose unnecessary regulations that will stifle future investment and lead to decreased innovation in our sector.

The growth of faster and more capable wireless and wireline high speed broadband networks, which has been fueled over the past 20 years by a sensible policy toward government regulation, has transformed the way the manufacturing industry operates and has contributed significantly to the growth of that sector in the United States. Our nation's telecommunications infrastructure has helped our shop floors become some of the most highly sophisticated and connected environments in the world.

Leveraging the Internet and connected technology has led to groundbreaking innovations in our products and processes. Production line activities, plant security safeguards and monitoring, product performance and reliability, customer needs, inventory and raw materials management, and shipping logistics can all be managed using technical tools and infrastructure.

This nexus of connected products and processes has been called the "Internet of Things" (IoT) – the interconnectivity of devices of all kinds that has resulted from secure network connectivity, wireless technology, security and cloud infrastructure. It is transforming every sector of the manufacturing industry. As PTC President & CEO James E. Heppelmann and renowned Harvard Business School Professor Michael E. Porter recently wrote, "Smart,

connected products are changing how value is created for customers, how companies compete, and the boundaries of competition itself.”

This has all been built on a broadband ecosystem that has developed in the carefully balanced regulatory environment that has been in place over the past 20 years. That smart regulatory framework encouraged the private investment in our nation’s telecommunications infrastructure that has helped foster the technological and innovative leadership of manufacturers in the United States. Unfortunately, the FCC’s policy reversal that took effect earlier this year threatens to derail this innovation with counterproductive regulations that will cut off incentives to invest in the networks our companies rely on to be competitive.

The NAM and our members are greatly concerned with the impact the FCC’s new Open Internet rules will have on all manufacturers in the U.S. The FCC’s decision to subject the 21st Century Internet to 20th Century-era laws will lead to a slowdown in innovation, chill investment in future technologies and stall much needed economic growth.

Manufacturers support an estimated 17.6 million jobs and contribute \$2.09 trillion to the national economy. Undoubtedly, these new regulations will create undue hardship on our sector and severely limit opportunities for the jobs they create.

Manufacturers are committed to working with Congress and the Administration on sensible regulatory and legislative solutions that encourage the investment in our nation’s telecommunications infrastructure, which drives innovation in the manufacturing sector. If the regulatory scheme recently approved by the FCC remains in place, we run the risk of losing our lead in the race for new and innovative technologies that have the potential to transform our industry and create jobs in the United States.

Sincerely,

A handwritten signature in black ink that reads "Dorothy Coleman". The signature is written in a cursive, slightly slanted style.

Dorothy Coleman