Perspectives on a Flexible Framework for Global Internet Growth

Walter B. McCormick, Jr.
President & CEO
United States Telecom Association

Presentation to ETNO-ITU Workshop
19 April 2012
Brussels, Belgium
USTelecom Represents Broadband Providers

• Members include more than 100 companies, spanning small rural to multinational competitors: AT&T and Verizon

• Offer voice, video, Internet service

• Invest tens of billions annually, supporting 11 million ICT jobs

• Transitioning from switched-voice service to IP-based broadband
‘88 Framework Fostered Exponential Growth of Global Internet

Estimated Global Internet Protocol (IP) Traffic, 1988-2010 (Petabytes per Year)

1988
- ITR revisions adopted, Melbourne, Australia
- International connectivity for data services and flexible framework pave way for Internet growth

2010
- Global traffic is equivalent to 55 billion DVDs
- 1.2 million times traffic since U.S. privatization began in 1994
- Approximately 3% of total Internet traffic voice

Source: Cisco Visual Networking Index (VNI) and USTelecom Analysis.
Estimated Global Internet Protocol (IP) Traffic and U.S. Share, 1988-2010 (Petabytes per Year)

Under ‘88 Framework Internet No Longer Primarily U.S. Phenomenon

United States Share of Global IP Traffic

Global IP Traffic (Petabytes per Year)

Source: Cisco Visual Networking Index (VNI) and USTelecom Analysis. 2005 and later U.S. data were revised. Pre 2005 data were not revised and are estimated by applying pre 2005 growth rates to revised 2005 data.
Internet Backbone Is Becoming More International

Renesys™ Global Internet Provider Rankings, 2008 - 2011

January 2008 Ranking – Top 13
1. Sprint 8. TeliaSonera
2. Level 3 9. Tata
4. NTT 11. Qwest
5. Global Crossing 12. Tiscali
7. AT&T

Year End 2011 Ranking – Top 13
1. Level 3 8. Cogent
2. Global Crossing 9. Verizon
3. NTT 10. Sparkle (T. Italia)
4. Sprint 11. China Telecom
5. TeliaSonera 12. AT&T
6. Telnet 13. Savvis
7. Tata