CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

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EXECUTIVE VICE PRESIDENT
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Via Electronic Filing

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554

Re: License Application for the NCP Submarine Cable System, File No SCL-LIC-20151104-00029

Dear Ms. Dortch:

On behalf of the U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, I write to support timely grant of a submarine cable landing license application for the New Cross-Pacific (NCP) cable system that will connect the United States with China, Japan, South Korea, and Taiwan. The NCP system would provide critical connectivity between the United States and its largest Asian trading partners, growing the U.S. economy and promoting competition and continuity in the delivery of U.S.-international telecommunications and information services.

Submarine cables form the backbone of the Internet and global e-commerce. Submarine cables carry more than 95 percent of transoceanic voice and data communication and have therefore been designated by the U.S. Government as critical communications infrastructure. U.S. telecommunications and technology companies have worked to expand significantly the circuit capacity of submarine cables landing in the United States in order to meet exploding consumer demand for data, particularly on mobile devices. This demand shows no signs of slowing. A recent global bandwidth forecast published by TeleGeography estimates that trans-Pacific capacity demand will increase at a compounded annual rate of 33 percent between 2013 and 2020.

New submarine cables like the proposed NCP system are vital to the continued growth of U.S. commerce. With landings in China, Japan, South Korea, and Taiwan, the NCP cable would connect U.S. businesses with four of the top-ten trading partners of the United States. NCP would therefore support the expansion of U.S. trade, particularly in Asian markets, by facilitating high-speed communications with Asian partners, investors, and employees.

As U.S. information technology companies expand their cutting-edge service offerings both in the United State and in East Asia, they rely increasingly on large amounts of capacity to carry Internet traffic. Cloud services, for instance, demand very large amounts of capacity on submarine cable systems like NCP. While the United States is presently the largest regional market for cloud services, Global Industry Analysts, Inc. reports that the Asia-Pacific region is one of the fastest-growing cloud services markets, largely driven by demand in China. NCP would help deliver the capacity that U.S. companies need to remain leaders in the development and delivery of cloud services in East Asia and in the United States.

In addition to growing demand for cloud services, Asian Internet users demand access to U.S. content, much of which is still stored in the United States. According to the Internet Society, there are more than one billion Internet users in Central and East Asia, with more than 630 million of such users in China alone. NCP would also serve the interests of U.S. content providers by ensuring that Asian consumers and businesses have access to U.S. content, particularly on their mobile devices.

NCP would additionally compete vigorously with other cross-Pacific cable systems and carriers, increasing competition on the key U.S.-Asia route. The Chamber anticipates that such competition would lower prices for the inputs for vital telecommunications and information technology services in the United States, promoting U.S. competitiveness.

The Chamber appreciates the opportunity to comment on this matter and urges prompt and favorable consideration on the NCP application.

Sincerely,

R. Bruce Josten