

The President's Weekly Address

April 16, 2016

Hello, everybody. One of America's greatest strengths is our free market. A thriving private sector is the lifeblood of our economy. It's how we create jobs, expand opportunities, and give everybody a shot at success. It's what's made America the strongest country on Earth.

The most essential ingredient in a healthy free market is competition. But right now too many companies are engaging in behaviors that stifle competition, like blocking new competitors from entering the market or limiting the information and options that give consumers real choice. As a consequence, the rest of us pay higher prices for lower quality products and services. Workers receive lower wages than they otherwise would. Small businesses and entrepreneurs can get squeezed out of the market. And none of that is fair or good for our economy.

The deck should not be stacked in favor of the wealthiest individuals and the biggest corporations, against working Americans. That's why my administration is doing everything we can to reverse this trend and promote more competition in the marketplace. In addition to enforcing the rules on the books, I've directed Federal agencies to identify anticompetitive behavior in different industries and find new and specific ways to promote competition.

One industry that's ripe for change is cable TV. Right now 99 percent of cable and satellite TV customers rent set-top boxes from their providers. According to one survey, this costs households an average of more than \$230 per year. We spend some \$20 billion to rent these devices. While we have almost unlimited choice in what we watch on television, from traditional programming to online content, there's next to no competition to build a better, user-friendly product that allows you to easily

access all this content in one place. So most consumers just rent whatever the cable company offers. Because we have to. That means companies have little incentive to innovate. As a consequence, we need multiple devices and controllers to access content from different sources. That makes no sense. So my administration has encouraged the FCC to remove the barriers to competition that prevent new players from offering innovative cable box options to consumers.

We know this works. For years, Americans had to rent our telephones from the phone company. This was a while ago, but when the FCC finally unlocked competition for home phones, the marketplace was flooded with all kinds of phone options with new features and at different price points. Consumers suddenly had many options. And the whole industry moved forward as a result. The same can happen with cable boxes and in dozens of areas of our economy, all of which can make a difference in your everyday life.

The bottom line is, competition is good for consumers, workers, businesses, and our economy. So I'm going to keep doing everything I can to make sure that our free market works for everyone. Thanks, and have a great weekend.

NOTE: The address was recorded at approximately 11:35 a.m. on April 15 in the Map Room at the White House for broadcast on April 16. The transcript was made available by the Office of the Press Secretary on April 15, but was embargoed for release until 6 a.m. on April 16. The Office of the Press Secretary also released a Spanish language transcript of this address.