

Rural Cellular Association

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November 9, 2011

Via ECFS

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: WT Docket No. 11-18

WT Docket No. 06-150

WT Docket No. 11-186

RM-11592 RM-11497

Dear Ms. Dortch:

On November 7, 2011, Steven K. Berry, President and CEO of RCA; Tim Donovan, VP of Legislative Affairs of RCA; In-Sung Yoo, Assistant Regulatory Counsel of RCA; and I met with the following staff from the Wireless Telecommunications Bureau: Jim Schlichting, Senior Deputy Bureau Chief; Paul Murray, Assistant Bureau Chief and Chief Counsel; Patrick DeGraba, Chief Economist; and Tom Peters, Chief Engineer. The parties discussed a new economic study on the negative effect of non-interoperability in the 700 MHz band, and how interoperability supports competition in the mobile market and ubiquitous deployment of mobile broadband service. This *ex parte* notification is being filed electronically with your office pursuant to Section 1.1206 of the Commission's Rules.

RCA presented FCC participants with a copy of the economic study, "Non-Interoperability at 700 MHz: Lower Revenues & Higher Prices." Consistent with prior findings, the study concludes

¹ *In re* Request for Licensing Freezes and Petition for Rulemaking to Amend the Commission's DTV Table of Allocations to Prohibit the Future Licensing of Channel 51 Broadcast Stations and to Promote Voluntary Agreements to Relocate Broadcast Stations From Channel 51; Petition for Rulemaking Regarding the Need for 700 MHz Mobile Equipment to be Capable of Operating on All Paired Commercial 700 MHz Frequency Blocks, *Comments of Rural Cellular Association*, RM-11626; RM-11592 (Apr. 27, 2011) at 4–5; *In re* Request for Licensing Freezes and Petition for Rulemaking to Amend the Commission's DT Table of Allocations to Prohibit the Future Licensing of Channel 51 Broadcast Stations and to Promote Voluntary Agreements to Relocate Broadcast Stations From Channel 51; Petition for Rulemaking Regarding the Need for 700 MHz Mobile Equipment to be Capable of Operating on All Paired Commercial 700 MHz Frequency Blocks, *Reply Comments of Rural Cellular Association*, RM-11626; RM-11592 (May 12, 2011) at 4–6; Letter of Rebecca M. Thompson, General Counsel, RCA, to Marlene H. Dortch, Secretary, FCC, filed in WT Docket No. 06-150; WT Docket No. 05-265; PS Docket No. 06-229; GN Docket No. 09-51; RM-11592 (Feb. 24, 2011) (including summary of economic study by Dr. Raul Katz); Letter of Rebecca M. Thompson, General Counsel, RCA, to Marlene H. Dortch, Secretary, FCC, filed in RM-11592; WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51; PS Docket No. 07-114 (Aug. 18, 2010) (including paper by Peter Cramton); Letter of David L. Nace, Counsel to Cellular South, Lukas, Nace, Gutierrez & Sachs, to Marlene H. Dortch, Secretary, FCC, filed in RM-11592

that the continuation of non-interoperability in the 700 MHz band will result in a number of negative outcomes regarding revenues and federal budget contributions from future spectrum auctions; the potential to fulfill the goal of ubiquitous mobile broadband; and competition, innovation, and pricing in the wireless market.

RCA noted that previous assertions of technical impediments to 700 MHz interoperability may have been exaggerated. RCA referred to recent AT&T statements that acknowledged that concerns of interoperability in the 700 MHz band are a "myth," with one AT&T official stating that "[m]ulti-frequency and multiprotocol devices have been working in the market for a long period of time With the processing speeds and the radio capabilities, that's really a problem that's been solved ... so that's really not an issue."

RCA strongly urged the FCC to support interoperability across the 700 MHz band. As AT&T continues its ongoing spectrum aggregation attempts through several pending transactions, this progression towards consolidation cannot be left unchecked if the Commission desires to engender robust competition in the wireless sector. RCA emphasized that current market realities require an expeditious resolution to prevent further harms caused by a lack of interoperability. Competitive carriers urgently need workable glide paths to 700 MHz deployment.

Finally, RCA sought further information on 700 MHz build-out status reporting and guidance on the nature of information sought by the Bureau in response to the recently released Public Notice seeking input for the Commission's Sixteenth Annual Report on mobile wireless competition.⁴

Sincerely,

/s/

Rebecca M. Thompson General Counsel

ce: Jim Schlichting
Paul Murray
Patrick DeGraba
Tom Peters

(June 15, 2011); Letter of Michele C. Farquhar, Counsel to Vulcan Wireless, Hogan Lovells, to Marlene H. Dortch, Secretary, FCC, filed in WT Docket No. 11-18, RM-11592, RM-11626 (July 27, 2011).

² See Jackson, Donny, Harris-AT&T Alliance Continues Partnership Trend, Urgent Communications, Oct. 27, 2011, available at http://urgentcomm.com/networks and systems/commentary/harris-att-continue-partner-trend-20111027/.

³ See In re Applications of AT&T Inc. and Deutsche Telekom AG, For Consent to Assign or Transfer Control of Licenses and Authorizations, *Petition to Deny of Rural Cellular Association*, WT Docket No. 11-65, at 11–14 (May 31, 2011); *In re* AT&T Mobility Spectrum LLC and Qualcomm Incorporated Seek FCC Consent to the Assignment of Lower 700 MHz Band Licenses, *Petition to Deny of Rural Cellular Association*, WT Docket No. 11-18, at 3–8 (March 11, 2011).

⁴ Public Notice, Wireless Telecommunications Bureau Seeks Comment on the State of Mobile Wireless Competition, WT Docket No. 11-186, DA 11-1856.