

June 10, 2019

Re: Docket 18-122, Expanding Flexible Use of the 3.7 to 4.2 GHz Band

Chairman Ajit Pai
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Commissioner Jessica Rosenworcel
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Commissioner Michael O’Rielly
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Commissioner Geoffrey Starks
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Commissioner Brendan Carr
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Dear Chairman Pai, and Commissioners O’Rielly, Rosenworcel, Carr, and Starks:

We support the Federal Communications Commission (FCC) moving quickly to enable secondary market transactions in mid-band spectrum. This will make valuable swaths of wireless spectrum available for 5G deployment. The FCC has important evidence and experience from earlier liberalizations which support this path of action. A market-based approach represents the most timely and optimal choice for success.

4G wireless has transformed our economy and has changed for the better, how we live, work and communicate. The impact of fifth-generation, or 5G, wireless communication promises to be another transformation. The US was the undisputed leader in 4G, but now it faces fierce global competition to deploy 5G networks and monetize the 5G economy.

The FCC has played a vital role by freeing up new high-band millimeter wave spectrum for high-capacity 5G services. Now it must focus on mid-band spectrum and the hundreds of megahertz in the 3.7-4.2 gigahertz C-band to fill gaps critical to deploying 5G networks nationwide.

Fortunately, the main stakeholders operating in this band are supportive of the reallocation process and are ready to reallocate. Intelsat, SES, Eutelsat, and Telesat, which serve all C-band customers and operate nearly every C-band satellite, recently formed the C- Band Alliance (CBA) to transition a portion of the spectrum to flexible use licensees via secondary market transactions with private sector partners.

Under regular circumstances, it can take a decade or more to bring spectrum to market. Waiting that long, the US will likely miss the 5G opportunity. Instead, the FCC should support the CBA proposal as it is a more efficient – and timely – approach to put the spectrum to work for 5G.

The FCC has an important role to play in this process. In addition to its leadership with its 5G Fast Plan, the FCC can address the concerns that some have previously expressed regarding that the process brings fiscal benefits to US taxpayers and is conducted in the public interest. The 4G revolution in the last 20 years has demonstrated how private sector investment and innovation unleashes economic growth and job creation. This in turn has driven tax revenues. Repurposing C-band spectrum to support advanced wireless services will likely have a similar economic effect.

Moreover, the FCC also builds upon the success of similar liberalization efforts such as the 2011 Advanced Wireless Spectrum 4 repurposing satellite spectrum, the 2012 Wireless Communications Services repurposing satellite radio spectrum, and the 2004 Broadband Radio Service & Education Broadband Service repurposing non-profit and educational broadcasting.

The FCC has wisely recognized the importance of 5G. We hope that it will continue to encourage the market players to undertake speedy and efficient reallocation of valuable mid-band spectrum.

Thank you for considering our views.

Sincerely,

American Consumer Institute

Steve Pociask

American Enterprise Institute*

Mark Jamison
Roslyn Layton
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*Please note that the American Enterprise Institute itself does not take policy positions; only its individual scholars take policy positions.