

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions	)	GN Docket No. 12-268
	)	
Media Bureau Seeks Comment on Updates to Catalog Reimbursement Expense	)	MB Docket No. 16-306
	)	

**COMMENTS OF GATESAIR, INC.**

GatesAir, Inc. (“GatesAir”), respectfully submits these comments in response to the *Public Notice* issued by the Federal Communications Commission’s (“FCC” or “Commission”) “Media Bureau Seeks Comment on Updates to Catalog of Reimbursement Expense” regarding the process and costs associated with the post-incentive auction transition (the “Widely Report”).<sup>1</sup>

Doing business in 185 countries, GatesAir is the world’s leading supplier of broadcast transmission equipment, and has been supplying equipment to a long list of the world’s broadcast operators and network operators since 1922. Headquartered in Cincinnati, Ohio, GatesAir maintains broadcast research centers across the United States and Canada. GatesAir’s Quincy, Illinois, broadcast electronics manufacturing facility is the largest such facility in the world. Between these two facilities, domestically we employ over 275 dedicated individuals.

The Broadcast Television Spectrum Auction was born out of the Middle-Class Tax Reform and Job Creation Act of 2012 (H.R. 3630). In furtherance of this Auction, the U.S.

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<sup>1</sup> See Public Notice, *Media Bureau Seeks Comment on Updates to Catalog of Reimbursement Expenses*, DA 16-1164, MB Docket No. 16-306, GN Docket No. 12-268 (Oct. 13, 2016).

Congress established a \$1.75 billion TV Broadcaster Relocation Fund to pay reasonable relocation costs of TV stations, including reimbursing broadcasters for the purchase of new equipment and related services required for stations to move from one frequency to another.

With the auction in full swing and the procedures for reimbursements being finalized, GatesAir believes that the **FCC should adopt specific guidelines giving preference to U.S. manufacturers and service providers** in accordance with the 1933 “Buy American Act” (U.S.C. 8301 - 8303). When the repack of U.S. broadcasters takes place, many foreign competitors will show up in the U.S., most without any real installation base or knowledge of the customer. They will lower their prices and dump their inferior products in order to get a short-term piece of the U.S. market. As a global business, we have encountered hurdles when filing tenders in other countries. Often, the cards are stacked against U.S. companies to be competitive in foreign markets: whether it is through onerous duties/taxes; financing requirements; or direct decree to purchase locally or regionally. U.S. companies should not face similar adversities in our home market.

With a near century-long legacy of pioneering transmission technologies and contributing to today’s and tomorrow’s broadcasting standards, GatesAir has a unique understanding of the challenges that broadcasters will face to provide uninterrupted free, over-the-air television service to viewers while adhering to the FCC’s aggressive 39-month repacking timeline<sup>2</sup>. In keeping with the spirit of the original legislation, GatesAir has created and maintained jobs in preparation and anticipation of the repack of our U.S. TV broadcasters. In the last several years, GatesAir has moved all foreign manufacturing back to our Quincy, Illinois factory, preparing the

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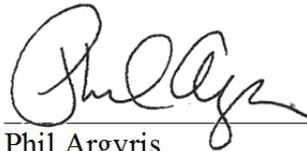
<sup>2</sup> See Public Notice, *Incentive Auction Task force and Media Bureau Seeks Comment on Post-Incentive Auction Transition Scheduling Plan*, DA 16-1095, MB Docket No. 16-306, GN Docket No. 12-268 (Sept. 30, 2016).

facility to meet the upcoming demand, and spent between \$8 - 10 million in product development for equipment specifically related to the post-Incentive-Auction process.

Allowing foreign manufacturers and service providers to participate and be reimbursed will mean the potential loss of U.S. job opportunities. Our President-Elect has made it a priority to promote new jobs in the United States. This is an American initiative which will build the American infrastructure, and thus should benefit American jobs.

Respectfully submitted,

GatesAir, Inc.

A handwritten signature in black ink, appearing to read "Phil Argyris", is written over a horizontal line.

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