

United Native American Telecommunications, INC.

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November 8, 1993

Secretary
Federal Communications Commission
Personal Communications Services
1919 M. Street, N.W.
Washington, D.C. 20554

93-253

NOV 10 1993
FCC

Dear Mr. Secretary:

Transmitted herewith for filing on behalf of United Native American Telecommunications, Inc. is an original and four copies of comments in the matter of Implementation of Section 309(j) of the Communications Act Competitive Bidding, PP Docket No. 93-253, FCC 93-455, Notice of Proposed Rule Making with comments due to the Federal Communications Commission NLT November 10, 1993.

Upon the Commission's review and subsequent adoption of PCS filing procedures and processing rules, the United Native American Telecommunication company will be filing for a portion of the PCS spectrum. UNAT's comments to the Notice of Proposed Rule Making, reflects UNAT's intent to seek the Commission's authority to provide and set aside a 20 Mhz frequency block of PCS spectrum to be licensed on a nationwide basis for Native American Reservations, Rancherias, Pueblo's, Native Alaskan Villages, Native American Communities and Native Hawaiian Communities.

UNAT's application will serve the public interest by promoting substantial support to the Congressional goal in Section 309(j)(4)(D) on preferential measures and Section(j)(4)(C)(ii) by providing economic opportunity for the Native American Peoples in the PCS and Telecommunications industry. Also, the Commission will exceed the requirements of Section (b) of the Communications Act of 1934, as amended, by providing equality of service and making a fair and equitable allocation of licenses and frequencies. UNAT's application will directly address and correct the 6.5 percent representation of minority firms in the SIC Code 4812 and 4813 combined, and to the SBAC Report, dated 15 Sept. 93, Appendix C, General Docket 90-314. Approval of UNAT's filing and issuance of subsequent licenses would satisfy the underused and often abused Public Law 61-313, enacted on June 25, 1910, the "Buy Indian Act" which in effect states that Indians will have first preference to any governmental contract or decision in or around Reservations, Native Villages, Pueblo's, Rancherias, or Native American Communities.

Sincerely,



James L. Bradley

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

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In the Matter of

Implementation of Section 309(j))
of the Communications Act)
Competitive Bidding)

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FCC - WASH DC

COMMENTS

United Native American Telecommunications, Inc. (UNAT) hereby provides comments to Implementation of Section 309(j) of the Communications Act Competitive Bidding, PP Docket No. 93-253, FCC 93-455, Notice of Proposed Rule Making, released October 12, 1993 and comments due the Federal Communications Commission **NLT 10 November 1993**.

The "Summary" portion of the PP Docket No. 93-253 proposal outlined areas where specific comments were requested. UNAT is addressing those areas of concern that affect "Designated Entities."

United Native American Telecommunications is a registered tariffed Public Utility in the State of Washington. UNAT's status as a member of the Washington State Public Utilities was granted by the Washington State office under Docket No. UT-920836 on 19 Aug 92.

United Native American Telecommunications is a certified state Minority Business Enterprise and a certified Disadvantaged Business Enterprise under the Standard Industrial Classification (SIC) 4813 - Telephone Communications. UNAT's status as an MBE/DBE was obtained through the Washington State Office of Minority and Women's Business Enterprises with a Certification Identification No. of D1M5010465.

United Native American Telecommunications Carrier Identification Code (CIC) issued by Bellcore is 196. UNAT's FG D Access Code is 10196, ACNA is UNA.

UNAT was licensed as an InterState Common Carrier by the Federal Communications Commission on 18 May 93.

**United Native American Telecommunications
"UNAT"**

**"Comments"
FCC 93-455**

**NOTICE OF PROPOSED RULE MAKING
Implementation of Section 309 (i)
of the
Communications Act Competitive Bidding
PP Docket No. 93-253**

RECEIVED

NOV 0 1993

FCC-AMBI-80000

Comments due the Federal Communications Commission **NLT 10 Nov 93**

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I. OVERVIEW OF THE NEW AUCTION LAW

Sub-Paragraph

- 12.** Further, under Section 309(j)(2)(B), the Commission must determine that use of a system of competitive bidding will promote the objectives described in Section 309(j)(3), which, in addition to those in Section 1 of the Act, are
- (A) the development and rapid deployment of new technologies, products, and services for the benefit of the public, including those residing in rural area, without administrative or judicial delays.

IAW: UNAT intends to provide new technologies, products and services to Native American Communities, Reservations (see attached list), Rancheros (See Attached List), Pueblo's (see attached list), and Native American Villages and in doing so will provide comprehensive services to rural areas throughout the United States.

- (B) promoting economic opportunity and competition and ensuring that new and innovative technologies are readily accessible to the American people by avoiding excessive concentration of licenses and by disseminating licenses among a wide variety of applicants, including small business, rural telephone companies, and businesses owned by members of minority groups and women.

IAW: UNAT's approach has been to promote economic opportunity to all Native Americans by ensuring that our people are trained to operate and maintain new and innovative technical systems.

- (C) recovery for the public of a portion of the value of the public spectrum made available for commercial use and avoidance of unjust enrichment through the methods employed to award uses of that resource, and

If allocation is allowed "at cost" for the spectrum to a designated entity, the FCC is not violating this objective.

(D) efficient and intensive use of the electromagnetic spectrum

UNAT's comprehensive system design will support this objective.

- 13.** In addition, Subsection(j)(3) requires that the Commission, in identifying classes of licenses and permits to be assigned by competitive bidding, include safeguards to protect the public interest in the use of the spectrum. Under Subsection(j)(4) of the statute, the Commission, when promulgating bidding regulations, must also

(A) consider alternative payment schedules and methods of calculation, including lump sums or guaranteed installment payments, with or without royalty payments, or other schedules or methods that promote the objectives described in paragraph (3)(B), and combinations of such schedules and methods;

UNAT agrees, this would be very important to an Indian Owned Economic Enterprise affording it the maximum practicable opportunity to participate.

(B) include performance requirements, such as appropriate deadlines and penalties for performance failures, to ensure prompt delivery of service to rural areas, to prevent stockpiling or warehousing of spectrum by licenses or permittees, and to promote investment in and rapid deployment of new technologies and services;

UNAT agrees.

(C) consistent with the public interest, convenience, and necessity, the purposes of this Act, and the characteristics of the proposed service, prescribe area designations and bandwidth assignments that promote

- (i) an equitable distribution of licenses and services among geographic areas

UNAT agrees.

(ii) economic opportunity for a wide area of applicants including small business, rural telephone companies, and businesses owned by members of minority groups and women.

UNAT agrees, for groups that are qualified to participate, certified as Public Utilities and are now providing telecommunication services in their business operation.

(iii) investment in and rapid deployment of new technologies and services;

UNAT will began immediate deployment within service areas requested.

(D) ensure that small businesses, rural telephone companies, and businesses owned by members of minority groups and women are given the opportunity to participate in the provision of spectrum-based services, and, for such purposes, consider the use of tax certificates, bidding preference, and other procedures; and

UNAT requests the "bidding preference" of 10% IAW SBAC and the FAR's as a certified MBE/DBE and a Washington State P.U.C. that is licensed by the F.C.C. as an InterState Common Carrier and is owned by an "economically disadvantaged individual".

UNAT requests further declaration stating the qualifications of the applicant, that a company must have participated in similar cellular or Telco service regulated by a State Public Utility Agency or by the Federal Communications Commission in the operation of a telecommunications business.

II. DISCUSSION

B. Principles for Determining Whether a License Should be Auctioned

21. Although both the legislation and the Conference Report are silent on this point, the House Report states at 254 that the Commission is expected to determine "auctionability" when a service or class of service is defined by the Commission or, if the service already exists, the Commission is to determine whether the service meets the test set forth in Section 309(j)(2). H.R. Rep 111, 103d Cong. 1st Sess. 254 (1993) (H.R. Rep. No 103-111). We propose to use the services as currently defined by the Commission to conduct the review contemplated by Congress, and to identify those services that we tentatively conclude should be excluded from or subject to competitive bidding. We request comment on these tentative however, we shall discuss in greater detail the general criteria that must be met before competitive bidding is possible.

UNAT feels that in the case of Native America the Commission should exclude an "economical disadvantaged individual" or "economical disadvantaged firm" from the bidding process, and issue licenses on the basis of performance and on how the "firm" will impact the area served by creating not only access to the system, but by creating employment and a solid economic base.

22. By its terms, Section 309(j) only permits auctions if mutual exclusivity exists among applications that have been accepted for filing. Therefore, if mutual exclusivity among such applications does not exist, a license is not subject to competitive bidding. We propose to incorporate this standard into our rules. Congress's use in Section 309(j)(1) of the term initial license or construction permit indicates that renewal licenses or permits are to be excluded from the competitive bidding process. See H.R. Rep. No. 103-111 at 253. It also does not appear that Congress expected that applications to modify existing licenses would be subject to

competitive bidding. We propose to confirm in our rules that neither renewal nor modification applications would be subject to competitive bidding.

UNAT agrees, understanding that all existing licenses are presently held by "individuals" or "companies" that are certified as Public Utilities or are actively operating a business under S.I.C. 4813 "Telephone Utilities"

23. The next major criterion for competitive bidding is that the licensee have paying subscribers. The legislative history in H.R. Rep. No. 103-111 at 254, incorporated by reference in the Conference Report, makes clear that traditional over-the-air broadcast services would not be subject to competitive bidding (there being no subscriber fee). Therefore, we propose to exclude from the competitive bidding process the following classes of licenses which provide broadcast services and request comment on our proposal.

a. Broadcast television [VHF, UHF, LPTV]

UNAT agrees.

b. Broadcast radio [AM or FM]

UNAT agrees.

We seek comment, however, on other mass media services that might be subject to competitive bidding [e.g. Direct Broadcast Satellite] and specifically request that comments address how the statutory criteria for competitive bidding may apply to such services.

UNAT maintains that all services active in the bidding process must demonstrate their past or future ventures in communications that are full interactive services.

32. Note 15

As discussed below with respect to General Category channels and channels obtained through intercategory sharing, however, we may determine that public interest requires that competitive bidding not be used in some circumstances even if services might satisfy that requirement. See Section 309(j)(3). We also recognize that the principal use test may create incentives for applicants to structure their service

offerings in order to avoid competitive bidding. We intend to scrutinize any such developments and take steps to deal with such behavior, such as reclassifying services or service categories, if and when it occurs.

UNAT's intent through its application is to create employment opportunities within Native America and to create educational and training criteria to meet the systems demand.

III AUCTION DESIGN

34. In this section we discuss the design of alternative auction methods that promote the objectives specified in Section 309(j)(3) of the Act and the broad goals put forth in the introductory discussion above. As a general matter and consistent with Sections 309(j)(3)(9A) and (D), we seek a bidding system that awards licenses to the eligible parties that value them the most within the guidelines set by Congress. Absent market failures, the parties that value licenses the most should generally best serve the public and make rapid and efficient use of the spectrum.

UNAT values the licenses sought with reference to two very powerful goals, 1) to create and employ a new generation of workers from within the ranks of Native America, an area that over the past decades has experienced double digit unemployment. 2) To construct and operate a comprehensive, innovative communications system that will perform well into the future, providing consistent steady economic growth for the people involved.

Note 20: We believe that appropriate safeguards generally can be designed to prevent significant market failure, while awarding licenses to the parties who value them the most. For example: government-provided financing of licenses (through special payment schedules) could mitigate the effects of undue discrimination against small businesses in private capital markets. In some cases, however, eligibility restrictions, i.e., excluding parties who are potentially the highest bidders, may be an appropriate safeguard to promote

economic efficiency and the statutory objectives in Section 309(j)(3). For example, the Commission may wish to limit the concentration of licenses within each geographic market to prevent abuse of market power. The fact that a monopolist in a market would be willing to pay the most for a second license does not indicate that it would best serve the public. Finally, restrictions may be an appropriate means of addressing the statutory objectives in Section(j)(3)(B). Of course, a policy to set aside certain licenses only for some designed group of applicants may exclude bidders who value the licenses the most.

UNAT believes that the process must be fair and equitable for all parties involved and must include equal opportunity for even the smallest bidder or special interest group.

- 48.** When multiple homogeneous licenses are offered, we tentatively conclude that the Commission should experience with sealed (or electronically filed) bidding methods used by the U.S. Treasury to auction securities. We seek comment on whether in this case each bidder should pay the bid price or a single price equal to the highest losing bid. We also seek comment on our tentative conclusions on bidding methods, as well as whether, and under what circumstances, the Commission should use other bidding methods or variants of the methods discussed here.

UNAT feels that if a company bids and wins, they pay the price they bid. If a company knows that you can bid outrageously high for a license and then only pay the cost of the highest losing bid, you will have instances of the New Zealand example provided with this proposal. Additionally, if no spectrum set aside is decided upon and the larger businesses bid this way in BTAs, the Small Business Women Owned, Minority Owned and Small Disadvantaged Business enterprises will certainly lose.

50. Finally, we request comment on the use of the Small Business Advisory Committee -(SBAC)- proposed "innovator's bidding preference." The credit is intended to encourage participation by designated entities, and by strategic small business alliances, by awarding credits equal to 10 percent of an applicant's bid. To the extent the credit is based on technological innovation, we seek comment on whether it is feasible to expeditiously determine eligibility for such credits prior to an auction.

UNAT agrees that a 10 percent advantage/credit should be given to small businesses and all Women Owned, Minority Owned, Small Disadvantaged Business concerns. In regard to a bid given by a firm which is judged to be eligible for the 10% advantage due to innovative technology, UNAT feels that this would be time consuming for the Commission and would be difficult to judge without actual field testing or complete analysis by the Commission prior to the awarding of the bid. Additionally, it would eliminate the small firms who have not been able to spend large amounts of capital developing an innovative concept before the actual award of a license.

69. Allowing installment payments is equivalent to the government extending credit to the winner. This would reduce the amount of private financing needed by a prospective licensee, but it burdens the government with the risk of default. For this reason, we propose to limit this option to the entities designated by the Act as groups whose economic opportunity should be ensured and are likely to have difficulty obtaining adequate private financing. We seek comment on alternative installment payments options, including options for payment of interest.

UNAT agrees, but "certified" Women Owned, Minority Owned, Disadvantaged Businesses who have established "Joint Ventures" with large firms will have an advantage in competing with "Stand-Alone" firms with the same certifications. In such cases, we feel, a special category should be established. This would allow a "Stand-Alone" firm an equal opportunity for success in creating a comprehensive

communications system in areas of the country that have had very little growth in new services or advanced technology.

C. Treatment of Designated Entities

72. The new subsection 4(D) of Section 309(j) directs the Commission to ensure that *small businesses, rural telcos, and businesses owned by women and minorities* are "**given the opportunity to participate**" in the provision of spectrum-based services. Congress's objective was apparently to promote economic opportunity for the entities enumerated in the statute.

UNAT submits for record,

Title 25 - Indians §450a. Congressional declaration of policy.

(a) Recognition of Obligation of United States

The Congress hereby recognizes the obligation of the United States to respond to the strong expression of the Indian people for **self-determination** by assuring **maximum Indian participation** in the direction of educational as well as other Federal services to Indian communities so as to render such services more responsive to the needs and desires of those communities.

(b) Declaration of Commitment

The Congress declares its commitment to the maintenance of the Federal Government's unique and continuing relationship with, and responsibility to, individual Indian Tribes and to the Indian People as a whole through the establishment of a meaningful Indian **self-determination** policy -

UNAT contends that it is supporting this Congressional objective by creating employment for a new generation of Native American workers and providing steady economic growth.

73. Before addressing specific proposals, it is appropriate to address at the outset the legal issues raised by these

proposals. To implement this provision, we are considering a variety of measures including tax certificates, set-asides (i.e., certain designated spectrum blocks to be awarded in auctions open only to applicants that fall under one of the definitions for the eligible entities), bidding preferences, preferential payment terms such as delayed or extended installment payments to qualifying bidders, or other procedures. We note that any benign race or gender-conscious measures mandated by Congress - even those not "remedial" in the sense of being designed to compensate victims of past governmental or societal discrimination - are constitutionally permissible to the extent that they serve important governmental objectives within the power of Congress and are substantially related to the achievement of those objectives.

UNAT submits for record,

Public-Law 100-472 (100th Congress)

Section 102 - Declaration of Policy

In accordance with this policy, the United States is committed to supporting and assisting Indian Tribes in the development of strong and stable Tribal governments, capable of administering quality programs and developing the economies of their respective communities.

UNAT's unique status within the Native Communities and its plan for economic development within each designated community is primarily focused on self-determination and equal opportunity for the entire community, not just a select few. New technology such as P.C.S. will ensure steady economic growth for decades in those communities affected. UNAT fully understands that any race or gender-conscious preferential measures taken by the government must be supported by a convincing and comprehensive record that demonstrates that the government's methods are substantially related to the goal it hopes to achieve. UNAT feels that this opportunity will enhance the Indian's chances and increase our ability to compete in the new world of technology. At the same time it will provide advanced

technology to the real Rural Areas of America. UNAT's program will directly impact and support The Rural Economic Development Act of 1990 which encourages economic development and job creation projects in rural areas in the Distance Learning and Medical Link Grant Programs. UNAT's president and owner sits on the advising board for Distance Learning and Medical Communications in the Lower Yukon and Lower Kuskokwim region of Alaska. UNAT has, with Northern Telcom of Richardson Texas, developed a Distance Learning/Medical Data Network that will enable interactive video/data/voice connectivity with as many remote-locations as necessary. Access and control are provided to each location from within the Network which is capable of Ten-Thousand or more points of connectivity. The technology uses I.S.D.N techniques through satellite transmission in bandwidths from 64 Kbps to DS-1 speeds.

- 74.** Because case law in this area has a bearing on our legal authority, commenters should address whether we could satisfy the congressional objective simply by affording preferences to small businesses and other small entities, and through this means promote economic opportunity by ensuring that women and minorities are afforded an opportunity to participate. Alternatively, if commenters believe we should go further and provide preferences specifically tied to an applicant's minority or gender status, regardless of economic circumstances, these commenters should discuss how the standard of judicial review for such preferences can be satisfied. For example, commenters may wish to address whether evidence of discrimination against these groups within the context of radio licensing or financial lending practices is required, and if so, what type. If such evidence is required, commenters should point to the source of that evidence, for example, in the record of congressional proceedings or elsewhere. Alternatively, commenters should provide evidence of the degree to which these groups are underrepresented in the ownership of non-broadcast licenses. In this regard, commenters should address the findings

contained in the SBAC Report, discussed below, para 80.

UNAT satisfies the Congressional objective for **economic development** and its **direct impact on Indian Country**.

Statutes in effect within the written mandates of the United States government, including "Buy Indian Law" which in effect states that Indians will have first preference to any governmental contract or decision in or around Reservations, Native Villages, Pueblo's, Rancherias or Native American Communities. All fall within UNAT's operational goals for Native American Self-Determination.

- 75.** While the statute lists all of the enumerated groups together, it does not indicate that each group must be afforded the same type of treatment. Thus we tentatively concur with the SBAC Report that different approaches may be appropriate to address the specific concerns applicable to each enumerated entity. For example, the Commission could propose deferred payment terms for small business and tax certificates for businesses owned by woman and minorities. Notably, as discussed above, preferences afforded to businesses owned by women and members of minority groups could apply regardless of whether such businesses are small businesses. In addition, measures such as set-asides may be better suited for some specific services than others.

UNAT submits that it is the only Native American owned Corporation certified as S.I.C. 4813, MBE/DBE, registered tariffed public utility licensed by the Commission as a InterState Common Carrier and deserves special consideration because of that fact. UNAT, as a Native American firm, feels that to be grouped with other small business firms, women or minority owned, who do not share the same qualifications as UNAT would be unfair. UNAT, according to the report "Market Analysis of the Telecommunications Industry - Opportunities for Minority Businesses", falls into the category that historically has had very low participation in the industry. **"minority firms represent only 0.5 percent (0.05%) of all firms in S.I.C. Code 4812 and 4813 combined."** UNAT additionally feels that we should not be grouped with Rural

Telephone Companies. UNAT with its qualifications and certifications represents a unique opportunity for the Indian and a unique opportunity for the Government to fulfill its outstanding obligations to the first people of this nation. UNAT feels that it must be given the opportunity to demonstrate that we can provide a competitive P.C.S. link in all areas in and around Native American communities. UNAT's request for this spectrum involves more than communications. It is our goal and mandate that a Native owned company must establish a concrete effective operation within a field that has been historically non-Indian. We feel that it is time that an Indian company be allowed to operate as a prime contractor without operating as a front for a non-Native corporation or controlled by the B.I.A. UNAT asks for "**Special Preference**" from the Commission with the issuance of licenses allowing UNAT to compete in the BTA's where Native American Reservations, Rancherias, Pueblo's, Native American Communities, Native Alaskan Villages and Native Hawaiian Communities are located. UNAT through agreements and existing contracts will be able to establish a comprehensive communications network throughout Indian country in the Continental U.S., Alaska and Hawaii.

- 76.** We request comment on the types of mechanisms the Commission might employ to promote the objectives of Section(j)(4)(D). As indicated above, we are particularly interested in comments that discuss ways in which the Commission might craft a scheme of preferences that would both fulfill the objectives of the statute and comport with the relevant case law precedent.

UNAT feels that the Public Law cited in paragraph 73 above, sets a precedence in crafting specific schemes to fulfill the objective of the statute, and agrees that each group should not be afforded the same type of treatment.

UNAT as a Native American firm requesting "Special Preference" for licensing only in and around Reservations, Rancherias, Pueblo's, Alaskan Villages, Native Hawaiian Communities and Native American Communities solves a number

of U.S. Laws and Congressional Mandates in dealing with Native America. UNAT will increase the employment base and create a new generation of workers from within Native America. Establishing communication cells in Rural American (Native America) more than meets the requirements set forth in The Rural Economic Development Act of 1990, which in its policy statement relates, "Communications is a vital component of the infrastructure of rural areas and is necessary to promote economic development."

- 78.** We also specifically request comment on how the Commission could ensure that any policies we might adopt to aid those groups that Congress was particularly concerned about did in fact aid those groups and not others who might merely use a member of one of those groups for the purpose of achieving special treatment by the Commission. In addition, we ask how we should apply such eligibility criteria to consortia, that is, whether such consortia must be wholly or predominantly comprised of the eligible entities in order to qualify for a preferential measure.

UNAT agrees that a consortia of like entities is one method of overcoming the financial burden of this auction process. But like any filing for an IntraState and InterState authorization, the companies affiliations must be reviewed, thereby avoiding license concentration in the control of larger corporations. In determining the legal limit of the status of the consortia, 51% owned and operated is the legal definition under which UNAT operates. Even though UNAT is 100% Native Owned and Operated our legal status with all Government Contracts is based on 51%.

- 80.** The SBAC Report addresses special barriers to telecommunications ownership encountered by women and members of minority groups, and we seek comment on its conclusions. Specifically, the SBAC Report recommends that we satisfy spectrum efficiency and economic opportunity objectives, and avoid undue concentration of ownership by affording licensing opportunities to small (i.e., independently owned, non-

dominant) bidders. In addition it recommends measures to include such businesses through financial certifications procedures, bidding credits, installment payments and royalties, distress sales, and tax certificates. The SBAC Report, however, does not suggest the same treatment for each group targeted for the economic opportunity provisions. In support of its recommendations, the SBAC Report cites its finding that **"entry opportunities for small service providers have been constrained in existing telecommunications markets by undercapitalization, concentration of ownership, and other conditions contributing to the exclusion of businesses owned by minorities and women."** The SBAC Report also found that **"capital formation is one of the major barriers to full participation by small and minority businesses."** We request comment concerning these measures discussed in the SBAC Report insofar as they relate to spectrum auctions.

UNAT agrees with the SBAC Report and has through its own experiences found that it is difficult for a *Small Minority Business Enterprise* to enter into a market historically controlled by big business.

Yes, it is very difficult for a small business to enter into the telephone communications business. This fact alone justifies the number [0.5% of the firms combined in SIC Code 4812 & SIC Code 4813] of minority businesses in business in the **"Market Analysis of the Telecommunications Industry - Opportunities for Minority Business"** It is because of the above that UNAT had to reassess their position in the market and at the present time is only doing "private line" provisioning. It is very difficult for a firm operating in a competitive market that excludes them from major opportunities because of low operating capital, and a firm that finds it very difficult to borrow or secure investments due to their status as a "economically disadvantaged" company. Lending institution restrictions, and investor demands are so high that minority firms lose their identity and ability to grow.

Note: 60

The SBAC Report recommends that applications from enumerated entities should be allowed to "self-certify" financial qualifications. That is, such applicants could include an investment banker's letter, combined with the applicant's internal funds and bank commitments. In addition, it recommends that SBA chartered Small Business Investment Companies (SBICs) and Specialized Small Business Investment Companies (SSBICs), should be treated as *bona fide* financial institutions for reasonable assurance purposes. SBAC Report 12-19.

UNAT agrees understanding that a *Small Disadvantaged Business* will be allowed the same latitude in funding its system as would AT&T, MCI, Sprint or McCaw.

Note: 61

The SBAC recommended that the Commission protect the public interest in the use of the spectrum by authorizing alternative methods of bidding, bid calculation, and bid payments for bidders with superior service proposals. In particular, alternative bidding calculations would allow technical and non-technical innovators to discount, or amortize, the bid the applicant would otherwise pay based on a qualitative assessment of the applicant's business development proposal. To qualify for the credit, the SBAC Report states that the bidder would have to qualify as

- (a) a member of a designated entity, or
- (b) a consortium owned and controlled by firms owned by members of the designated entities.

We seek comment on the extent to which members of the preferred groups can be deemed to be "technical innovators" and the extent to which it is feasible to reach such determinations prior to conducting individual auctions.

UNAT understands the Commission's mandate of providing the best for the American people, and yet, competition in bidding with groups offering "technical breakthroughs" will only be experienced from groups that have had tremendous amounts of capital for research. Our feeling is that groups must

demonstrate truly innovative concepts, not just their ability to respond to the public's demand of supplying them with a portable communications device - no matter how fancy. There is no doubt Technology will spring from this concept. UNAT proposes its innovative breakthrough is to provide P.C.S. services to that part of America which may generate only a small cash flow but will create employment where double-digit unemployment is the norm. This would be innovation.

United Native American Telecommunications, Inc.

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P.O.C.

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Continental United States
Indian Reservations, Rancheria's, Pueblo's
&
Native American Trust Lands.

Alabama

Poarch Creek Reservation
Junction of Hwy. 21 & US 31

Arizona

Ak Chin Reservation
40 Miles South of Phoenix

Camp Verde Reservation
Central Arizona, Verde Valley

Cocopah Reservation
Near Borders of Arizona, California, Mexico

Colorado River Reservation
North of I-10, along Arizona-California Border

Fort Apache Reservation
East Central Arizona, US 60 Crosses the Reservation

Fort McDowell Reservation
Adjacent to Fountain Hills, western shore of Verde River

Gila River Reservation
On I-10, 15 Miles South of Phoenix

Havasupai Reservation
60 Miles north of Hwy. 66, East of Peach Springs

Hopi Reservation
Northeastern Arizona

Hualapai Reservation
West of Flagstaff and East of Kingman

Kaibab Paiute Reservation
Remote Northwestern Arizona, near Utah/Arizona Border

Navajo Reservation
Four Corners, Utah, Arizona, New Mexico

Pascua-Yaqui Reservation
Picture Rocks, Old Tucson, and Saguaro National Monument

San Carlos Apache Reservation
Mountains of Southeastern Arizona

San Juan Southern Paiute Reservation
Northern Arizona, Hidden Springs
Tohono O' odham Reservation
Border of Mexico to Casa Grande National Monument
Tonto Apache Reservation
Near Payson, Tonto National Forest
Yavapai-Prescott Reservation
Prescott

Northern California

Big Lagoon Rancheria
Pacific Coast - 330 miles north of San Francisco - Trinidad
Colusa Rancheria
Northwest of Sacramento - Colusa, Ca
Coyote Valley Rancheria
North of Napa Valley - Redwood Valley, Ca
Fort Bidwell Reservation
Northeastern corner of Northern California
Hoopa Valley Reservation
Northeast of Eureka, Hoopa, Ca
Karuk Reservation
Near Oregon Border, Klamath National Forest
Quartz Valley Reservation
Scott River, south of Yreka near the Oregon/California Border
Robinson Rancheria
2 Hours north of San Francisco, Nice, Ca
Rumsey Rancheria
Northwest of Sacramento - Brooks, Ca
Sherwood Valley Rancheria
Ukiah, Ca
Trinidad Rancheria
South of the Redwood Forest, Trinidad, Ca
Tuolumne Rancheria
Western Foothills of the Sierra Nevada Mtns, Tuolumne, Ca
Benton Paiute Reservation
Benton, Ca
Berry Creek Rancheria
Oroville, Ca

Big Bend Rancheria
Burney, Ca

Big Valley Reservation
Finley, Ca

Blue Lake Rancheria
Blue Lake, Ca

Bridgeport Indian Colony
Bridgeport, Ca

Buena Vista Rancheria
Ione, Ca

Cedarville Rancheria
Cedarville, Ca

Cloverdale Rancheria
Cloverdale, Ca

Cortina Rancheria
Citrus Heights, Ca

Dry Creek Rancheria
Geyserville, Ca

Elk Valley Rancheria
Crescent City, Ca

Enterprise Rancheria
Oroville, Ca

Greenville Rancheria
Redding, Ca

Grindstone Rancheria
Elk Creek, Ca

Hopland Rancheria
Hopland, Ca

Inaja-Cosmit Reservation
Ramona, Ca

Jackson Rancheria
Jackson, Ca

Laytonville Rancheria
Laytonville, Ca

Likely Rancheria
Burney, Ca

Lookout Rancheria
Burney, Ca

Manchester - Pt. Arena Rancheria
Point Arena, Ca
Middletown Rancheria
Middletown, Ca
Montgomery Creek Rancheria
Burney, Ca
Mooretown Rancheria
Oroville, Ca
Pinoleville Rancheria
Ukiah, Ca
Pit River Tribe of California
Burney, Ca
Potter Valley Rancheria
Ukiah, Ca
Redding Rancheria
Redding, Ca
Redwood Valley Rancheria
Redwood Valley, Ca
Rohnerville Rancheria
Eureka, Ca
Sheep Ranch Rancheria
Sheep Ranch, Ca
Shingle Springs Rancheria
Shingle Springs, Ca
Smith River Rancheria
Smith River, Ca
Stewarts Point Reservation
Stewarts Point, Ca
Sulphur Bank Rancheria (Elem Colony)
Clearlake, Ca
Susanville Rancheria
Susanville, Ca
Table Bluff Rancheria
Loleta, Ca
Upper Lake Rancheria
Sacramento, Ca
XL Ranch
Burney, Ca

Southern California

Agua Caliente Reservation
Palm Springs, Ca

Barona Reservation
Lakeside, Ca

Cabazon Reservation
India, Ca

Chemehuevi Reservation
Chemehuevi Valley, Ca

Fort Independence Paiute Reservation
Fort Independence, Ca

Fort Mojave Reservation
Needles, Ca

La Jolla Reservation
Valley Center, Ca

Los Coyotes Reservation
Warner Springs, Ca

Pala Reservation
Pala, Ca

Picayune Rancheria
Coarsegold, Ca

Rincon Reservation
Valley Center, Ca

Santa Rosa Rancheria
Lemoore, Ca

Santa Ynez Reservation
Santa Ynez, Ca

Santa Ysabel Reservation
Santa Ysabel, Ca

Soboba Reservation
San Jacinto, Ca

Sycuan Reservation
El Cajon, Ca

Tule River Reservation
Porterville, Ca

Viejas Reservation
Alpine, Ca