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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matters of	)	
	)	
Implementation of Sections 3(n) and 332 of the Communications Act	)	GN Docket No. 93-252
	)	
Regulatory Treatment of Mobile Services	)	

COMMENTS OF METROCALL, INC.

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Date: June 20, 1994

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SUMMARY OF COMMENTS

Metrocall submits that regulatory "symmetry" does not necessarily equate to regulatory "common sense," unless the newly merged rules will help the mobile communications industry to continue to grow, create new jobs, and improve our nation's competitive posture. The crux of Metrocall's comments is to suggest how the FCC might infuse this monumental undertaking with consideration for the practical needs of the mobile radio industry.

To achieve that end, a useful corollary to the FCC's "substantial similarity" test might be called the "practical alternative" test. When faced with two alternative rules or regulations, whenever possible the FCC should choose the alternative that would be most "practical" for the mobile radio industry.

In conclusion, Metrocall hopes that the Further Notice itself could be interpreted as good faith compliance with the August 1994 statutory deadline, and that the FCC could take some time to carefully read the industry's comments, consider their concerns and practical needs, and ensure that the quality of the new CMRS rules does not suffer in the haste to adopt them.

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Metrocall, Inc., through its undersigned counsel and pursuant to Section 1.415 of the Commission's Rules, 47 C.F.R. § 1.415, respectfully submits these Comments in response to the Further Notice of Proposed Rule Making ("Further Notice") adopted by the Commission in the above-referenced proceeding.[1]

I. Statement of Interest.

Metrocall has long been authorized to provide radio common carrier ("RCC") and private carrier paging ("PCP") services pursuant to Parts 22 and 90 of the Commission's Rules. Metrocall currently provides wide-area paging services to over 260,000 subscribers at various locations throughout the United States, and continues to expand its RCC and PCP paging services in order to meet the growing public demand for rapid, efficient, and reasonably-priced one-way signalling services.

Metrocall's currently-authorized RCC an PCP service areas are primarily located along the East and West Coasts of the United States. In recent years, Metrocall has determined that many of its subscribers require nationwide or regional coverage

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[1] Further Notice of Proposed Rule Making, GN Docket No. 93-252, adopted April 20, 1994 (FCC 94-100).

extending beyond Metrocall's existing coverage areas. Since the RCC frequencies for which Metrocall is authorized were not available nationwide, Metrocall applied for, and has been granted, PCP licenses pursuant to Part 90 of the Commission's Rules. To date, Metrocall has received PCP authorizations for over 800 PCP transmitter sites, and has applied for many more. Metrocall has constructed many of the PCP facilities for which it has been authorized, and seeks to expeditiously place additional PCP stations in operation. Metrocall already provides nationwide PCP services, and seeks to expand its service coverage into areas where it already owns RCC transmitters.

For these reasons, the rule changes proposed in the FCC's Further Notice are likely to have an immediate impact on Metrocall's paging business. Moreover, due to its practical experience in this field, Metrocall is well-qualified to comment on the advantages and disadvantages of the proposed rule changes. Thus, Metrocall has standing as a party in interest to file formal comments in this proceeding.

II. Summary of Further Notice.

In its earlier notices in this rulemaking proceeding, the Commission sought comments to implement the basic provisions of Sections 3(n) and 332 of the Communications Act, whereby Congress mandated a comprehensive new regulatory framework for all mobile radio services. See Second Report and Order at ¶ 1. Specifically, all mobile service providers, whether currently

regulated as common carriers or private land mobile licensees, were re-categorized as "commercial mobile service" or "private mobile service" providers; future services such as Personal Communications Services ("PCS") were also included in the new framework. Id. at ¶ 3.

In this Further Notice, the FCC seeks additional comments as it strives to reconcile the differences between, for the most part, Parts 22 and 90 of its Rules. Consistent with its Congressional mandate, the FCC is seeking to ensure that comparable mobile services competitors are subject to "comparable regulatory requirements." Further Notice at ¶ 2.

The FCC's efforts are prodded by a Congressionally-imposed deadline to establish "regulatory symmetry" between the private and common carrier mobile services rules by August 10, 1994. The FCC's task -- to reconcile virtually overnight decades' worth of divergent technical, licensing, and operational rules and regulations -- is certainly a daunting one.

By these comments, Metrocall hopes that it may be of some assistance in achieving the Commission's goals. Before turning to an item by item response to specific proposed rule revisions, however, two broad suggestions are offered below in the interests of improving the FCC's regulation of commercial mobile radio services.

III. The Private Radio "Model" for Licensing CMRS

The FCC has no choice but to review every one of its private and common carrier rules, line by line, in light of Congress's

mandate that "substantially similar" services be subject to "substantially similar" rules. It is evident from the Further Notice that the FCC's staff has undertaken this arduous task in extremely short order. What may be missing from that review, however, is an appreciation of the practical impact that these rule revisions will have on the industry that must soon be subject to them.

Regulatory "symmetry" does not necessarily equate to regulatory "common sense," unless the newly merged rules will help the mobile communications industry to continue to grow, create new jobs, and improve our nation's competitive posture. The crux of Metrocall's comments is to suggest how the FCC might infuse this monumental undertaking with consideration for the practical needs of the mobile radio industry.

To achieve that end, a useful corollary to the FCC's "substantial similarity" test might be called the "practical alternative" test. When faced with two alternative rules or regulations, whenever possible the FCC should choose the alternative that would be most "practical" for the mobile radio industry.

An example of how the "practical alternative" test could be applied is to compare how the FCC grants private carrier paging

a specialized attorney, to prepare. After those costs are incurred, there is an additional $230 FCC filing fee. Then, the application must be microfiched, at additional delay and cost; most companies do not maintain their own microfiche equipment. The application must then be delivered to the FCC's lockbox in Pittsburgh, PA; after all the costs and efforts involved in preparing these applications, few applicants are willing to trust their filing to the U.S. mails, so, additional messenger or overnight costs are incurred. Once the application reaches the FCC, it may be six months to a year before a license can be granted, even if there are no protests or mutually exclusive filings. During that waiting period, the applicant can only begin some pre-operational construction of the facilities.

By comparison, the private radio licensing model is lightning fast, and moderately priced. The FCC Form 574 private radio application is only one page long; it does not require an engineer or attorney to complete; and it allows the applicant to obtain authorization for up to six transmitter sites. PCP frequency coordination fees are approximately $110 (they've actually gone down in price in the past year); the FCC filing fee is a modest $35.00. No microfiche or paper copies are required; indeed, some applications can be filed directly by computer. Once frequency coordination is granted (typically in 30 to 60 days), the applicant can immediately begin providing service for 180 days under conditional licensing authority. The coordinator files the application with the FCC. FCC licenses are typically

granted well before the expiration of that 180 day period.

In short, the private radio licensing model wins the "practical alternative" test. The point is not to denigrate one FCC bureau or division over another (there are obvious statutory and historical differences between these services that have caused divergent licensing methods); rather, now that the FCC must make some drastic choices between regulatory alternatives, the mobile radio industry would prefer that the FCC favor the choice that will impose the least regulatory burdens on the industry.

IV. Special Needs of Shared Frequency Services.

Because it is a shared frequency operator, Metrocall is well-qualified to comment on the unique needs of shared frequency CMRS operators. The Further Notice references certain differences between exclusive and shared frequency operators, but, it is important for the FCC to understand the practical needs of shared frequency operators, which are quite different from exclusive frequency operators.

Today, many CMRS systems operate quite well on a shared basis, but, some "frequency coordination" mechanism must remain in place under the new CMRS rules to guard against overcrowding on and interference on shared channels. If the FCC intends to place RCCs and PCPs together under one regulatory roof, it must consider how it will continue to coordinate these shared users.

There are other examples of fundamental differences between shared and exclusive use systems. For instance, the rules for

obtaining PCP "exclusivity" are substantially different than any Part 22 paging rules. There is also a need to mitigate or mediate shared channel congestion and interference problems, and to find means of promoting more efficient use of shared channel spectrum.

Many of these issues for shared frequency CMRS operators apply equally to "non-commercial" private mobile radio services ("PMRS"). Congress's amendments to the Communications Act do not prohibit the FCC from regulating similar shared frequency CMRS and PMRS licensees under similar rules. In light of the unique needs of shared frequency operators, it would make sense for the FCC to streamline and consolidate the shared use rules in one place, apart from the "exclusive channel" CMRS Rules.

V. Classification of Substantially Similar Services.

The Commission seeks comments on whether a variety of services should be treated as "substantially similar." Metrocall has already suggested that the FCC should continue to treat shared frequency services differently from exclusive frequency services. This should apply whether the service is one-way or two-way.

That distinction provides an easily administrable "dividing line" for the Commission. For instance, though PCP services may be considered "substantially similar" to RCC paging from the customer's perspective, the practical and regulatory differences between the services are driven by the shared nature of PCP

service. Metrocall believes that the FCC may be wise to maintain those distinctions.

The FCC has proposed that 900 MHz PCPs could be deemed "substantially similar" to Part 22 paging operators, but that PCPs operating below 900 MHz would be deemed "different" from Part 22 paging. That is a troublesome basis for distinguishing between CMRS licensees. It makes little sense to have regulatory requirements driven by the happenstance of the frequency that an operator is licensed to use, unless that frequency has some inherently unique properties. The fact is that the UHF and VHF frequencies are actually superior, in some respects, to 900 MHz paging frequencies, however, the FCC's proposal implicitly suggests that those PCP systems are somehow inferior to 900 MHz systems.

The FCC has already raised PCP industry concerns that by adopting exclusivity rules only for 900 MHz frequencies, it has, perhaps unintentionally, labeled the UHF and VHF bands as somehow inferior to the 900 MHz band. On the other hand, there is no avoiding the fact that even with "exclusivity", many 900 MHZ PCP operators will be, for the foreseeable future, sharing "exclusive" 900 MHz frequencies with other PCPs. Rather than brandishing one group of PCPs as being better or worse than the other, it makes more practical sense to acknowledge the unique properties of PCPs, and to regulate them under one coherent and benevolent set of rules.

The PCP industry has managed to flourish in a shared

environment; it is unlikely that the public will care one wit about whether the FCC deems them to "substantially similar" or not to their Part 22 brothers and sisters. The shared frequency/commercial use alternative has spurred incredible business, job, and alternative service opportunities for thousands of people in a relatively brief period of time. Many PCPs are also RCC operators, such as Metrocall, and they have found practical reasons to provide one or the other type of service. The public has benefitted from having an alternative, reasonably priced communications service. In adopting new CMRS Rules, the FCC should continue to promote and protect the development of both shared and exclusive use commercial services.

VI. Technical & Operational Rules.

The Commission observes that if a reclassified private land mobile radio service is determined to be "substantially similar" to a common carrier service, the Budget Act requires the agency to modify its rules, to the extent "necessary and practical," to ensure that services are subject to comparable technical requirements. Further Notice at ¶ 20. Congress has given the Commission discretion to demur from adopting "comparable" technical requirements even if the services are deemed "substantially similar."

Metrocall submits that a broader, more "practical" approach would be to seek to reconcile disparate technical rules across not just the private and common carrier commercial services, both

across both the CMRS and PMRS services, whether "substantially similar" or not. There is no statutory or practical reason why a technical or operational rule, if "good enough" for a commercial service, should not also be "good enough" for non-commercial services.

On the other hand, disparate technical rules that favor one service over another work with the inexorable logic of Darwin's theory: the stronger of the two services evolves and survives at the expense of the technically inferior service (there are many examples of this, but the success of cellular over IMTS service is a compelling one). If Congress and the FCC believe in the need for diversity of radio "species," and the CMRS/PMRS statutory distinction suggests that this agency has a mandate to preserve such speciation, then the Commission ought to strive for technical and operational comparability, wherever possible, throughout the mobile services Rules.

A. Channel Assignment & Service Area.

The Further Notice grapples with one of the most complicated, and diverse, aspects of the agency's rules: the channel assignment rules. The private radio and common carrier rules are truly a "crazy quilt"; some licenses are granted on a site specific basis (PCPs and RCC paging), others according to FCC designated service areas (cellular/PCS). Channel sizes and assignments also vary from service to service.

Though Congress has instructed the FCC to attempt to reconcile these disparate channel assignment rules, that exercise

would appear to be largely academic at this point in time, since all but a modest amount of mobile radio spectrum has already been allocated or licensed for use. Assuming that the FCC were to find large amounts of unallocated and unlicensed radio spectrum in the future, it still makes little practical sense to attempt to formulate one common scheme for all CMRS channel assignments. The best FCC regulatory models are those that allow applicants the most flexibility and the greatest options for utilizing radio spectrum.

In that spirit, Metrocall proposes two not necessarily mutually exclusive channel assignment proposals for future mobile spectrum allocations, or for the allocation of unused mobile spectrum: (1) Allow the applicant to select a channel assignment "model" in its application. For instance, FCC Form 574 already allows an applicant to designate, with a simple check mark, whether it intends to provide service throughout a particular community, county, or for a specific mile radius. CMRS applications could have similar options. (2) Establish various frequency "pools" that will have different channel assignment policies. For example, the FCC already designates certain Part 22 paging channels to be "nationwide only." Similarly, multiple frequency pools could be established for a variety of assignment methods, such as city-wide, state-wide, MTA, SMSA, or "self-defined" service regions.

B. <u>Co-channel Interference Protection</u>.

The Commission acknowledges that revising its co-channel

interference criteria in this proceeding could be "particularly complex ... because changes to our current rules could have a direct impact on the location of stations and selection of equipment in existing systems." Further Notice at ¶ 40. It is also obvious that the FCC has more than one set of co-channel interference rules to reconcile across the mobile services. Id. at ¶ 39. For PCP and other shared use commercial service operators, interference avoidance may be the most critical issue in this rulemaking proceeding.

It cannot be gainsaid that one of the FCC's primary responsibilities is to "prevent interference between stations." See 47 U.S.C. § 303(f). It was settled in Journal Company v. Federal Radio Commission, 48 F.2d 461, 463 (D.C. Cir. 1931) that "where a broadcasting station has been constructed and maintained in good faith, it is in the interests of the public and the common justice to the owner of the station that its status should not be injuriously affected, except for compelling reasons."

The D.C. Circuit Court of Appeals thus laid the foundation for subsequent Commission licensing decisions in the public interest: "No station that has been operated in good faith should be subjected to a change of frequency or to a reduction of its normal and established service area, except for compelling reasons." Id. at ¶ 463. That Court succinctly stated that prevention of harmful interference runs to the very heart of the Communications Act: "The purpose of this regulation obviously is to prevent chaos and to insure satisfactory service" particularly

since the "installation and maintenance" of radio stations "involve a very considerable expense." Id.

Whatever actions are taken in this proceeding should be consistent with the primary duty of the FCC to ensure that licensees are not subjected to harmful interference. In that respect, there is one anomaly in the FCC's Rules that could be readily rectified in this rulemaking proceeding.

At present, the onus of preventing harmful radio interference to shared channel users, such as PCP licensees, rests in the first instance with the licensee. The Commission's applicable rule states as follows: "Licensees of stations suffering or causing harmful interference are expected to cooperate and resolve this problem by mutually satisfactory arrangements." 47 C.F.R. § 90.173(b). Only if those efforts fail, the Commission may "impose restrictions" or "deny ... the use of any frequency" to prevent harmful interference. Id.

Shared frequency services may thus be an anomaly under Title III of the Communications Act in this important respect: the incumbent licensee must first incur harmful interference from a subsequently licensed operator before the Commission will act to resolve the interference problem. This dilemma for incumbent shared frequency licensees is at odds with 60 years' worth of precedents under the Communications Act.

Though shared frequency licensees are not exclusive channel services like the broadcast services in the aforementioned case, that carrier is a licensee under Title III of the Communications

Act and, as such, most certainly has the same "private as well as public interests ... recognized by the Act ..." as its broadcast brethren. See L.B. Wilson v. FCC, 170 F.2d 793 (D.C.Cir. 1948). The Courts have held that the "private" right of a Title III licensee to operate for a definite term, requiring as it does a substantial financial investment, is "more than a mere privilege or gratuity." Id. That radio license is "a thing of value to the person to whom it is issued and a business conducted under it may be the subject of injury." Id.

Thus, when third parties or licensing decisions by the Commission cause "injury" to PCP and shared frequency licensees, PCP property rights are adversely affected, and PCP licensees should be entitled to relief under the Communications Act to the fullest possible extent. To date, the FCC has either ignored or lacked the resources to deal with many interference complaints; or, the agency has assumed that an operator could switch to a common carrier channel to avoid these problems.

The convergence of PCPs and RCCs has forced this interference issue to the fore: it would now be highly inequitable for the FCC to rule that PCPs are subject to the same common carrier burdens as RCCs, yet, that they are not entitled to agency protection from harmful interference. This issue will not go away, and it is fair to say that Congress has now given this agency a statutory mandate to resolve these shared frequency interference problems as soon as possible.

C. **Various Technical Rules.**

The Further Notice notes that certain technical rules vary across the disparate commercial mobile services; among these are emission masks, antenna height, power limits, modulation and emissions rules. Metrocall submits that to the fullest extent feasible, all of these technical rules should be uniform across the mobile services, whether commercial or non-commercial.

In so doing, the FCC should not penalize any operators by establishing uniform standards that will require the purchase of new equipment. Nevertheless, at least with regard to commercial services, the FCC should also attempt to foster efficient utilization of scarce spectrum. This may mean that in future rulemaking proceedings the FCC should consider whether, as suggested in its private radio "refarming" docket, it should require commercial licensees to migrate toward all digital equipment, or more efficient transmitting protocols, at a certain date in the future.

D. **Construction Period & Coverage Requirements.**

There should be little debate over the construction period rules: similar Part 90 and Part 22 services should have similar construction periods. Thus, PCPs should have the 12 months that Part 22 allows, not the eight months that Part 90 allows.

company with the FCC on this definition.

For agency rules to command respect they must be logical, practical, and enforceable. This proposed rule fails to measure up to these standards. Logically, there is no correlation between the number of active subscribers, and the fact that a station has been timely constructed: if a licensee can provide service to the public, the station is obviously "constructed and in operation."

The "two person" rule really addresses an entirely different issue. If the FCC wants to guard against frequency "warehousing," which is what the "two person" requirement suggests, it need only make it economically pointless for anyone to build a station and then neglect to use it. Indeed, with the new annual user fees, spectrum auction and licensing fees, and the possibility of finder's preference filings for CMRS licenses (which Metrocall encourages), the costs of building and then not using a frequency would already appear to be prohibitively high.

There is no practical reason to require this "two person" rule. In most cases, stations are built in anticipation of new customers, or to be able to accommodate excess growth on other congested frequencies. Thus, on the date a station is built, and often for weeks afterward, there may legitimately be <u>no</u> customers in service.

Finally, the FCC's proposed rule is virtually unenforceable. Anyone who has suffered an interference problem knows that the FCC's Field Operations Bureau is woefully understaffed. It is

inconceivable that the FCC will be able to find the resources to investigate whether a constructed station had one, two, or any customers in service by the construction deadline, or to determine whether these were truly "unaffiliated" customers.

The rules should simply say that a station must be fully operational prior to the expiration of the construction period. If someone has a legitimate reason to bid for a CMRS license, pay monthly site leases and telephone costs, install expensive transmitters, antennas, and terminals, and then wait a few months before loading customers onto a frequency, that should not be of concern to the FCC. Tune a television or AM/FM radio to any channel in any market, and you will find many examples of "inefficient" or wasteful uses of scarce radio spectrum; the FCC pays scant attention to that frequency "warehousing" issue. Commercial mobile services should not be singled out for special attention to ensure that they are fully utilizing licensed channels.

There is a simple, cost-effective way to enforce the construction period requirements: emulate Part 90's "finder's preference." This mechanism gives private "attorneys general" some incentive to search for unused spectrum, notify the FCC, and then have a preferential right to be licensed on that channel.

The FCC has also asked for comments on whether to adopt extended construction periods, across the board, for "wide-area" one-way and two-way services. Metrocall agrees with the concept of extended construction periods, and submits that the Rules at

present are arbitrary and discriminatory between the services. For instance, the FCC notes that certain enhanced SMRS licensees have been granted extended implementation periods, so long as they conform to construction timetables. The penalty for failure to meet these deadlines is potential loss of channels. PCPs, on the other hand, are required to post expensive bonds in order to qualify for extended construction periods. That is inequitable and arbitrary.

The Commission should appreciate the high costs involved in constructing wide-area communications services. The penalties for failure to construct these systems in a relatively short time period are ruthlessly market driven: someone else gets your customers, you lose your investment, and you're out of business. License forfeiture should be penalty enough for a licensee that fails to meet a construction benchmark.

The FCC could easily adopt a standard set of "benchmarks" that must be met to qualify for extended construction periods. They could be driven by market size (i.e., a system covering at least five states could qualify for 24 months, a 10 state system could qualify for 36 months, etc.), or sheer number of transmitters. A brief, specific rulemaking proposal could elicit an industry consensus for reasonable extended period standards.

E. Loading Standards.

No one likes them, and they are difficult to enforce; they should be eliminated across the board.

F. User Eligibility.

These quaint vestiges of the "old" private radio rules should be eliminated for all commercial services.

G. Permissible Uses.

In a shared frequency environment, the Part 90 restrictions on "permissible use" remain important, if not critical. Excessive testing, and failure to keep transmissions to the minimum necessary, can cause serious delays and problems for commercial operators on shared frequencies.

Other "permissible use" rules simply need to receive a fresh look and agency clarification. For instance, it is by no means apparent what the Part 90 prohibition against "broadcasting" means for paging operators that disseminate news and financial data to their subscribers via alphanumeric pagers.

This "quirk" in the Rules again highlights the need to review, revise, and revamp certain rules that apply only to shared frequency licensees.

H. Station Identification.

The FCC proposes to eliminate some of the station identification rule burdens by allowing multiple station systems to ID with just one call sign. Further Notice at ¶ 82. Presumably, this would be every 30 minutes (the Part 22 rule), rather than 15 minutes (the Part 90 rule). It's a very good idea that should brook no industry opposition. Metrocall also agrees that licensees should be able to ID with a digital format.

I. **Equal Employment Opportunities**.

The FCC intends to apply its EEO rules, which currently govern all common carrier operations, to all CMRS operations, including Part 90 operations. It seeks comment on whether it should continue, or modify, its exemption from filing EEO forms and reports for businesses with fewer than 16 employees. Further Notice at ¶ 84-85.

The vast majority of mobile service operators would strive to afford equal employment opportunities in their businesses, with or without an agency requirement. There should be no objection to all CMRS operators abiding by the same EEO rules. The 16 employee cut-off seems to have worked to date, so there should be little reason to modify it.

J. **Amnesty Proposal.**

The EEO matter does raises a concern that cuts across all of the proposed CMRS and PMRS rules. The FCC will soon be imposing new rules and regulations on many different licensees. It is fair to assume that there will be much confusion among licensees for months, if not years to come. Failure to file an EEO report is just one of many rules that could subject an FCC licensee to forfeitures, even if the oversight is unintentional.

Because of the dramatic rule changes that licensees will be expected to know and honor, the agency ought to adopt a fairly generous "amnesty" period following adoption of the CMRS rules, to enable licensees to become familiar with the new world order of CMRS. (The agency adopted a similar program during the

pendency of its Part 22 rewrite to encourage the return of unused Part 22 licenses.)

VII. CMRS Spectrum Aggregation Limits

On its own motion, the Commission has floated a proposal to impose a "cap" on the amount of CMRS spectrum that any one licensee, with the ability to acquire large amounts of spectrum, could acquire in a market. While there may be some merit to the FCC's concerns, most mobile services operators would probably tell the Commission that it's too late, or simply inappropriate, to address these concerns here and now.

For anyone who missed the story, the mobile radio industry has undergone some rather dramatic consolidations and changes in the past few years. It is somewhat pointless for the FCC to now attempt to regulate against the tide of market realities, particularly since these trends have accomplished precisely what this agency has for so long sought to achieve. There are now more and better mobile service offerings available to customers nationwide, at far lower rates than was the case when the FCC used to regulate RCC rates and services.

On the other hand, for "little guys", smaller service providers, who are expected by this agency to have $350,000 available for the mere right to bid on just one narrowband PCS license, the Commission's belated concern over excessive market power in the hands of a wealthy few, must surely seem ironic. It is difficult to reconcile the Commissioners' belated concern

about marketplace dominance, with its fondness for auctions, as expressed by its pronouncement that spectrum auctions "should place licenses in the hands of the parties able to use them most efficiently." Competitive Bidding Order, quoted in Further Notice at ¶ 121.

Rather than looking for ways to punish successful "big guys", who presumably have legitimate reasons to spend large sums of money to acquire radio spectrum, this agency ought to spend more time ensuring that smaller players also have a fair opportunity to obtain some useable portion of the radio spectrum. A more deliberate and restrained use of the FCC's auctioning power would certainly be one way to level the playing field between large and small communications businesses. Spectrum caps, on the other hand, do nothing to promote small businesses.

VIII. Licensing Rules & Procedures.

The Further Notice requests comments on how CMRS operators will be licensed in the near future. The Commission points out that many Part 90 licensees will soon be subject to statutory protest periods, petitions to deny, and mutually exclusive filings. For "grandfathered" Part 90 licensees (those licensed prior to August 10, 1993), and private carriers, these requirements will not be effective for three years, until August 10, 1996. (It remains to be seen how the FCC will define certain "grandfathered licensees." Since private radio systems may consist of multiple station licenses and call signs, it would be