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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

George Dobbins

COMMISSIONER SUBJECT NEWS

This is a position paper of Southern Communications Systems, Inc. regarding minority participation, specifically George Dobbins, in Personal Communications Services (PCS).

The only feasible way for small businesses and minority firms to participate in Personal Communication Services (PCS) is for the Federal Communications Commission to create incentives for large corporations to enter into joint venture/partnering relationships with these firms. This mentor type of relationship would provide small businesses and minority firms with the necessary financing to pay for the awarding of the license, build out of the network, maintenance of the network and marketing of the product. Additionally, as stated in our previous position paper, consortiums that involve minority participants should have preferential access to the existing cellular infrastructure.

In order to make it viable for these firms to fully participate in PCS, the FCC must promulgate conditions for this joint venture form of relationship to become a win/win situation for all concerned. We believe that preferential treatment for minority consortiums accomplishes this objective.

Also, we believe that minority consortiums should be entitled to a 65% discount off the cost of the fee for the broad-band license. The 25% discount, as presently stipulated, for the narrow-band license for minority firms is simply not enough. A 10% down payment of the fee would be required 5 days after the auction with the remaining 10% being paid after the granting of the license, satisfying the 20% down payment requirement.

Furthermore, SCS believes that payments should not be made until a specified number of customers are on-line regardless of the time frame. This type of discount and payment structure would be a great incentive and permit small businesses and minority firms to be able to fully participate in PCS.

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SCS still believes that a set-aside spectrum for small businesses and minority firms is preferable. If this is not possible however, other incentives must be established and the 65% discount that we speak of would address this issue. These discounts would go a long way toward answering the questions concerning how the commission makes PCS available for these designated entities.

The Commission has already established the basis for granting preferential treatment by the awarding of the four "pioneering" licenses. The Commission facilitates a goal or objective to extend opportunities to minorities inasmuch as it relates to the goal of participation by small businesses and minorities. SCS believes that the discounts and preferential treatment for consortiums with minority participants is consistent with the Commissions already established precedence.

Finally, because so many unanswered questions still remain, we further recommend that the commission establish a special task force to address the designated entity issue.

Sincerely,

A handwritten signature in cursive script that reads "George Dobbins".

George Dobbins