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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY



Building The
Wireless Future™

CTIA

Cellular
Telecommunications
Industry Association
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Washington, D.C. 20036
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October 25, 1994

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W. - Room 222
Washington, D.C. 20554

RE: Ex Parte Letter - GEN Docket No. 90-314
Personal Communications Services

Dear Mr. Caton:

On Tuesday, October 25, 1994, Mr. Randall S. Coleman, Vice President for Regulatory Law and Policy, Cellular Telecommunications Industry Association (CTIA), sent the attached letter to the Commissioners, Commission staff, and parties indicated on the attachment.

Pursuant to Section 1.1206 of the Commission's Rules, an original and one copy of this letter and the attachment are being filed with your office.

If there are any questions in this regard, please contact the undersigned.

Sincerely,


Robert F. Roche

Attachment

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Randall S. Coleman
Vice President for
Regulatory Policy and Law

October 25, 1994

The Hon. Reed E. Hundt, Chairman
The Honorable James H. Quello
The Honorable Andrew C. Barrett
The Honorable Susan Ness
The Honorable Rachelle B. Chong
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

RE: GEN Docket No. 90-314
Personal Communication Services (PCS)

Dear Mr. Chairman and Commissioners:

On October 13, 1994, American Personal Communications (APC), Cox Enterprises, and Time Warner Telecommunications sent you a letter regarding the Cellular Telecommunications Industry Association's (CTIA) position on PCS eligibility. That letter, unfortunately, misread and mis-stated both CTIA's position, and CTIA's intentions in its recent filings.

Contrary to the misleading assertions contained in this October 13th letter, CTIA's recent filings were in response to inquiries from Commission staff for further information and evidence regarding CTIA's previously-stated position, to wit, that raising the overlap limit on a targeted basis would create a small number of new bidding opportunities for small and medium-sized cellular companies.

Thus, on October 6th, Mr. Robert F. Roche, Director for Research of CTIA, responded to a request from Mr. Gregory Rosston, Telecommunications Specialist, Office of Plans & Policy, FCC, for further information on and analysis of four MTAs and their component BTAs. Mr. Rosston selected these areas in order to augment the record, CTIA having previously analyzed the impact of the Commission's overlap rules in some 80 BTAs, in nine MTAs.

Earlier, on September 22, Messrs. Randall S. Coleman, Vice President of Regulatory Policy and Law, and Michael F. Altschul, Vice President and General Counsel, CTIA, and Mr. Roche met with Messrs. Michael Wack and Stanley P. Wiggins of the FCC, in response to *their* request for a clarification of CTIA's position and the methodology applied in CTIA's analysis of the Commission's overlap rules.¹ Each of these submissions was in response to Commission inquiries.

As is clear from review of the letters and their attachments, CTIA's analysis was focused upon BTAs and the opportunities which would be afforded to small and medium-sized cellular companies by rules specifying a differential overlap threshold for such companies.

Unfortunately, APC, Cox and Time Warner appear to have mis-read and misunderstood CTIA's filings. This regrettable circumstance is, perhaps, best explained by their own focus on and interest in wide-area (MTA and nationwide) markets. While they may consider such markets to be "local telecommunications markets," CTIA's filings were on behalf of the 100 members of its Small Operators Caucus (and the approximately 200 other small operators which comprise the rest of the cellular industry) who provide wireless service today in hundreds of smaller, local markets -- cellular MSAs and RSAs.

These small and competitive companies are equally focused and committed to delivering on the promise of PCS to small and rural communities. They see in PCS opportunities to reach new customers, and opportunities to offer new services and expanded coverage to their existing customers.

It is true that these small cellular companies are interested in leveraging their current assets -- their knowledge of the marketplace, their experience in offering mobile services, and their infrastructure. But this interest, and CTIA's proposals, are not intended to stop a competitive PCS industry. Indeed, the Commission itself has recognized that these assets can provide real benefits to the public. Cox Enterprises and many other firms with both telecommunications experience and infrastructure also propose to use these assets to speed PCS to the marketplace.

¹ See Letter from Robert F. Roche to William F. Caton, Acting Secretary, FCC, GEN Docket No. 90-314, filed September 22, 1994, transmitting Ex Parte Letter from Robert F. Roche, to Byron F. Marchant, Legal Assistant to Commissioner Andrew Barrett, GEN Docket No. 90-314, filed June 6, 1994, and Letters from Randall S. Coleman to Messrs. Donald Gips, Deputy Chief, OPP, and Byron F. Marchant, GEN Docket No. 90-314, filed August 2, 1994, responding to Commission staff requests for information "outlining the nature and extent of the impact of the overlap rules on cellular service providers."

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Make no mistake, CTIA's position is: "Let the auctions begin -- but also, let all interested players bid." As CTIA has said many times in its filings throughout the PCS proceeding, it is that unfettered contest, in the auctions and in the marketplace, which will provide the best test and foundation for a robust and competitive telecommunications marketplace. We regret that this position remains misunderstood by APC, Cox and Time Warner, but we welcome them to the auctions and the marketplace.

If you have any questions, please contact the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Coleman", with a long horizontal flourish extending to the right.

Randall S. Coleman

cc: Wayne N. Schelle
Alexander Netchvolodoff
Dennis Patrick
Recipients of Oct. 13 Letter