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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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December 8, 1994

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20006
STOP CODE: 1170

Re: Ex Parte Communication in PR Docket No. 93-61
on behalf of Amtech Corporation

DOCKET FILE COPY ORIGINAL

Dear Mr. Caton:

Pursuant to Section 1.1206(a)(2) of the Commission's Rules, notice is hereby given of an *ex parte* communication regarding the above-referenced proceeding. An original and one copy of this letter are being filed with the Secretary's Office.

Today, Robert L. Pettit of this firm and I met with Ms. Jill Luckett, Special Advisor to Commissioner Chong, to discuss Amtech's views in this proceeding. A copy of the materials supplied during the meeting is enclosed.

Should any question arise concerning this matter, please contact me.

Respectfully submitted,

David E. Hilliard

David E. Hilliard
Attorney for Amtech Corporation

cc: Ms. Jill Luckett (w/o encl.)

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Amtech Corporation

PR Dkt 93-61 - Automatic Vehicle Monitoring
December 8, 1994

• Amtech is a publicly traded American Corporation capitalized value in excess of $100M - founded 1983 when five former Los Alamos National Laboratory scientists paid the government for the right to transfer the products of basic research to the private sector.

• Amtech headquarters are in Dallas; manufacturing and research facilities are in Albuquerque; we employ a total of 355 employees.

• Amtech has sales offices and agents around the world; it is an exporter of American technology, even to Japan.

• Amtech develops and manufactures automatic vehicle monitoring technologies designed to identify a vehicle moving through a defined space such as a toll lane. Amtech "local-area" systems include readers and vehicle-mounted tags.

•Amtech technology has been chosen as the base technology for many standards by rail, trucking and container organizations who have already made heavy financial investments in our nation's infrastructure.

• Major markets include electronic toll and traffic management; intermodal shipping and rail - all key aspects of the *Intelligent Transportation System.*

•More than 700,000 Amtech tags now in use on road vehicles and in intermodal shipping, the vast majority of which are on cars and trucks in use daily. Industry analysts predict over 7 million tags will be in use for toll applications by 2005.

•More than 2 million tags are mounted on 1 million North American rail cars; by early 1995, virtually all 1.4 million rail cars in interexchange service in North America will be tagged with Amtech tags.

•Total domestic investment in Amtech tags and systems exceeds $100 million.

• For Amtech, the most important issues in this proceeding are obtaining a band plan that provides for access to 14 MHz of spectrum including at least two 6 MHz channels and reasonable grandfathering provisions that will protect the investments of our customers, many of whom are public agencies.

- Applications supported by Amtech require instantaneous, on demand, near perfect (100%) operation.

- Currently Amtech tags in toll applications use up to 16 MHz over several channels to cover multiple toll lanes (e.g. 16 lanes at a toll plaza) with read-only tags.

- While read-only tags will continue to be an important segment of the industry, the next generation of read-write technology is already here. Read-write tags that will offer the capability to store information transmitted to the vehicle such as location, amount deducted from a debit account, and traffic advisories.

- Amtech and Motorola are operating a joint venture to manufacture and market read-write tags and systems. These tags are built to an open specification first adopted by the State of California and now being utilized by other jurisdictions. Authorities in Virginia, Florida, and Maine are in the process of specifying or acquiring read-write systems. Other companies are also competing with Amtech in the production of tags and readers for this market.

- Tags built to the California standard require 6 MHz of bandwidth. Local-area AVM systems using other protocols and emerging ISO standards require similar bandwidths.

- At least two 6 MHz channels are needed to serve toll applications.

- If system designers are to have flexibility to resolve interference problems at a particular site and to bring additional functionality, a total of at least 14 MHz should be made available for reliable operation.

- Amtech has proven that it can share spectrum with the Pinpoint wide-area system on a co-primary basis.

- Amtech favors a shared rather than exclusive licensing plan.

- Grandfathering:

  Local area systems should be grandfathered indefinitely if

  currently installed or

  currently in the design and application stage and deployed within three years

  Interference situations should be resolved through mutual cooperation of wide-area AVM and grandfathered local-area systems pursuant to Section 90.173(b) of FCC Rules

  Where actual harmful interference cannot otherwise be resolved, the cost to move the grandfathered local-area system to other frequencies should be borne by the benefitting wide-area system.

- Amtech has thus far not received interference from Part 15 devices and generally does not expect to experience compatibility problems with Part 15 systems. Public agencies that depend on electronic technology to record revenue transactions would, however, be concerned if there were no obligation on the Part of unlicensed device users to remedy interference, just as they expect such devices not to interfere with other important radio systems operated by state and local governments.

- Amtech does not favor auctions in the 902 - 928 MHz band:

  - Would not foster entrepreneurial development of technology;

  - Would discriminate in favor of big players with deeper pockets;

  - Would waste taxpayer dollars invested in existing systems forced to vacate auctioned spectrum and move to what shared spectrum is left; and

  - Would create an implicit economic incentive to decrease the amount of spectrum available for local-area systems.