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

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FEDERAL COMMUNICATIONS COMMISSION
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In the Matter of:

Amendment of Part 90 of the
Commission's Rules To Provide
for the Use of the 220-222 MHz Band
by the Private Land Mobile
Radio Service

)
)
) PR Docket No. 89-552
) RM-8506
)
)

Implementation of Sections 3(n) and 332
of the Communications Act

)
) GN Docket No. 93-252
)

Regulatory Treatment of Mobile Services

)
)
) Implementation of Section 309(j) of the
Communications Act -- Competitive
Bidding, 220-222 MHz

)
) PP Docket No. 93-253
)

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To: The Commission

REPLY COMMENTS OF PRONET INC.

ProNet Inc. ("ProNet"), through its attorneys and pursuant to Section 1.415 of the Commission's Rules, 47 C.F.R. § 1.415, hereby submits its reply comments with respect to the Third Notice of Proposed Rulemaking in the above-captioned proceeding.¹ The Commission's proposal to permit incumbent licensees to provide paging on a primary basis unjustifiably reverses the existing ban on 220 MHz paging.² Lifting this ban, as proposed, will bestow an immense competitive advantage on incumbent 220 MHz licensees at the expense of traditional paging operators like ProNet who, relying on the original ban, declined

¹ Third Notice of Proposed Rulemaking, PR Docket 89-552, released August 28, 1995 (the "Third NPRM").

² Report and Order, PR Docket No. 89-552, 6 FCC Rcd 2356 (1991).

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to participate in Phase I licensing. Moreover, the Third NPRM's proposal to allow one-way paging on paired 220 MHz channels will undermine spectral efficiency, a paramount Commission objective. For these reasons, the proposal to repeal the ban on primary paging should be rejected.

I. **THE COMMISSION SHOULD REFRAIN FROM CONFERRING AN UNFAIR ADVANTAGE ON INCUMBENT 220 MHz LICENSEES**

Allowing both incumbent and prospective 220 MHz licensees to provide unlimited paging service will adversely affect two distinct classes of entrepreneurs: those paging carriers, like ProNet, who were deterred by the existing ban on primary paging from participating in the Phase I lotteries; and existing providers of various two-way services in the 220 MHz band who will suddenly have to contend with the frequency degradation resulting from an influx of new paging service providers that this proposal will engender.³

Rather than promote development of new technologies and improved services through competition (Third NPRM at 44), the instant proposal simply confers an enormous unfair advantage on Phase I licensees who can offer unlimited paging service using frequencies the Commission literally gave away. To compete with these new entrants, longstanding paging carriers like ProNet either will have to acquire their own 220 MHz spectrum by expending substantial sums to win auctions, or somehow attempt to compensate for the superior propagation characteristics enjoyed by their rivals in the 220 MHz band. Either way,

³ See Comments of Securicor Radiocom, Ltd. at 11-14; Comments of the American Mobile Telecommunications Association, Inc. ("AMTA") at 18 ("AMTA recognizes that these changes . . . may deprive narrowband technology of a genuine opportunity to prove itself in a discrete marketplace").

incumbent Phase I licensees will reap a substantial competitive benefit even though these licensees have already received valuable spectrum for essentially no cost because of the Phase I lottery.

The Third NPRM provides no convincing justification for abruptly upsetting the ban on primary paging in the 220 MHz band.⁴ Accordingly, any rule permitting unrestricted paging in the 220 MHz bands should be limited to Phase II licensees only.⁵

II. ALLOWING UNLIMITED PAGING ON PAIRED 220 MHz CHANNELS IS AN INEFFICIENT USE OF SCARCE SPECTRUM

Allowing unlimited paging in the 220 MHz band is likely to result in severe spectral inefficiency because one-way paging will be provided on paired channels. ProNet thus concurs with the Comments of SEA, Inc. (at 18) which also contend that the Commission's proposal will encourage spectral inefficiency.⁶ By contrast, AMTA's claim that the Commission is merely allowing 220 MHz licensees to choose from amongst several spectrally efficient technologies blithely ignores the inherent inefficiency that results when a one-way service is authorized on paired spectrum.⁷

⁴ See Comments of ProNet Inc., filed September 27, 1995 at 5-6.

⁵ Of course, incumbent 220 MHz licensees would be free to apply for a Phase II license. Comments of ProNet at 6, n.8.

⁶ SEA Inc. also notes that, absent significant limitations on operating parameters, use of 220 MHz mobile channels to transmit paging signals could result in harmful interference to existing 220 MHz licensees providing two-way service. Id.

⁷ The great demand for one-way paging capacity thus could create a perverse situation in the 220 MHz band, where increased demand actually decreases spectral efficiency.

Absent a mechanism for retrieving these channels, one-half of all 220 MHz spectrum utilized for one-way paging will lie dormant. The Commission should therefore revisit its tentative decision to allow one-way paging on a primary basis on paired two-way channels in the 220 MHz band. The Commission must specifically address the potential for dormant spectrum and provide a means for retrieving such capacity for other uses.

III. CONCLUSION

ACCORDINGLY, the Commission should either modify its proposal regarding 220 MHz paging by prohibiting Phase I licensees from offering one-way paging on a primary basis or the proposal should be deleted in its entirety.

Respectfully submitted,

PRONET INC.

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October 12, 1995

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