Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions	)	**GN Docket No. 12-268**
	)	
Channel Sharing by Full Power and Class A Stations Outside the Broadcast Television Spectrum Incentive Auction Context	)	**MB Docket No. 15-137**

To: The Commission
(Electronically filed through ECFS)

COMMENTS OF INTERNATIONAL COMMUNICATIONS NETWORK, INC.

1. International Communications Network, Inc. ("ICN") hereby submits these Comments in response to the Commission's *Notice of Proposed Rulemaking* in the above-captioned proceedings, 30 FCC Rcd 8668, 80 FR 40957 (2015). ICN is owned by an African American and Hispanics and is the licensee of digital low power television ("LPTV") station KSDY-LD in San Diego, California (Facility ID 56830), serving Spanish and English-speaking communities with multiple program streams. In the shadow of the coming Incentive Auction and repacking of the TV broadcast spectrum, KSDY-LD, is especially endangered, because it operates on Channel 50, which will be repurposed, and is located near an international border, where displacement channels are likely to be difficult to find.

2. ICN urges the Commission to do more than it has done so far to help preserve stations like KSDY-LD. While channel-sharing will not completely solve the problems of KSDY-LD or the low power TV industry generally, maximizing opportunities for channel-sharing by LPTV stations and allowing flexible sharing arrangements will at least help to some extent to advance the Commission's stated goals of mitigating for LPTV stations the negative impacts of the auction and repacking process.

3. There are several things the Commission can do to facilitate channel-sharing as a partial solution to LPTV displacement problems. The keystones are flexibility in timing, flexibility in legal and economic arrangements, and incentives for Class A stations to share with LPTV stations.

4. It should be readily apparent that channel-sharing and the operating efficiencies that sharing can bring should not be confined to arrangements entered into prior to the Incentive Auction or the spectrum repack. LPTV stations in particular will face a period of uncertainty as to whether or not they will be able to find a displacement channel that they can have to themselves and the capacity of which they can fully utilize on their own. They will not know until after the Commission has announced final full power and Class A channel assignments which channels will remain available and what signal coverage will be possible on those channels. Some LPTV licensees will want to wait in the hope that they can successfully find their own new channel home before they commit to sharing, particularly because many LPTV stations (including KSDY-LD) broadcast multiple streams of programming and will lose stream capacity and have to reduce the diversity of their services to the public if they have no alternative but to share a channel.[1] Limiting channel sharing to contracts made prior to the re-pack will force LPTV stations to try to predict their spectrum fate and to make what may be undesirable economic choices if they must make those choices before critical information becomes available.

4. Flexibility in legal and economic arrangements is also important to avoid scaring potential sharers away from the concept. Since ICN will almost surely lose access to Channel 50, it may end up in the position of looking for a host sharer. To find a host, ICN needs to be able to

[1] The loss of capacity for multiple streams both curtails a station's ability to offer specialized programming to minority audiences that are too small to sustain a station with only a single stream and reduces the revenues that LPTV stations need to recover operating expenses and to amortize their investment.

negotiate an arrangement that gives the host flexibility to ensure the future viability of the host's own business. One of the biggest obstacles to sharing so far has been concern by a potential host about whether it will ultimately be able to recoup all of its channel capacity and whether it can restrict the right of a sharing party to transfer the sharing interest to a stranger with which the host does not care to do business. It is also important that sharers have flexibility to reallocate bit capacity on a continuing dynamic basis, including reallocation hour by hour, and including allowing all capacity to be used by one party during some hours, as long as over a period of time (for example, a month or a calendar quarter), each party reaches a certain threshold of use. Financial arrangements should also be flexible; for example, neither revenue nor expense sharing should be restricted, although it may be necessary for the Commission to take steps to avoid price gouging by hosts.

4. The Commission should also do its best to incentivize Class A stations, and even full power stations, to share capacity with LPTV stations, and especially with displaced LPTV stations. If stations that are guaranteed post-repack survival are incentivized to share, the result will be improved prospects for survival of the diverse ownership and programming services that LPTV stations bring to the broadcasting industry. Incentives could include the ability to shift programming obligations (such as children's programming) back and forth between sharers and allowing one party to provide main studio presence in terms of facilities and staff for the other.

5. The post-spectrum repack world will be different from much of what broadcasters have learned to expect in the past. A major objective of the plan to repurpose spectrum is to allow market forces to determine where and how spectrum can best be deployed. Likewise, market forces, subject only to restrictions on abuse, should be left unfettered to maximize opportunities

for small broadcasters to remain in business and to allow those who remain to use their spectrum in the way they perceive to be most effective and efficient.

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