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May 3, 2016

VIA ELECTRONIC FILING

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions, GN Docket No. 12-268
Request to Update Catalog of Eligible Expenses

Dear Ms. Dortch:

On behalf of GatesAir, Inc. (“GatesAir”), the world’s leading supplier of broadcast transmission equipment, I write to encourage the FCC to update its Catalog of Eligible Expenses (“Catalog”) for the TV Broadcaster Relocation Fund (“Fund”) to account for changes in technology, the Commission’s policies, and equipment pricing since the agency last sought comment on this matter more than two-and-a-half years ago.

As the supplier of the majority of the digital television transmitters and transmission systems in the United States, GatesAir understands the challenges that broadcasters will face balancing the need to provide uninterrupted free, over-the-air television service to viewers while adhering to the FCC’s aggressive 39-month repacking timeline. We are encouraged by Chairman Wheeler’s recent observation that “getting the transition right is as important as getting the auction itself right.” GatesAir is committed to working with the Commission and its broadcast clients to “get the transition right” through a repacking process that maximizes the Commission’s resources while minimizing the disruption to broadcasters and the general public.

A key component of getting the transition right will be fulfilling Congress’s desire that broadcasters who either chose to continue serving the public through over-the-air broadcasting rather than participate in the auction or are ultimately unsuccessful in the auction are made whole for whatever costs and expenses they incur as part of the repacking.

In September 2013, the FCC sought comment regarding the types of costs that should be included in the Catalog and how to determine whether such costs are reasonable. At that time, the FCC expected to conduct the auction sometime within the ensuing 12-month period.¹ As we now know, that optimistic goal did not come to fruition, and the auction only just recently got underway, with the repack not likely to begin until sometime in 2017. Nevertheless, in October 2015, based on the record developed more than two years earlier, the FCC

¹ See *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, Notice of Proposed Rulemaking, 27 FCC Rcd. 12357 ¶ 10 (2012) (declaring that the FCC “will be able to conduct the auction in 2014”).



adopted the catalog of expenses to be incorporated into the final version of the form that broadcasters and MVPDs will use to seek reimbursement from the Fund.²

By the time the repacking process begins, the original proposed Catalog will be at least three, if not closer to four, years old. Advances in broadcast technology along with developments in how broadcasters and equipment manufacturers are approaching the repacking process have rendered portions of the catalog obsolete. For example, when the FCC sought comment on the proposed Catalog in late 2013, most high power UHF television stations utilized inductive output tube (IOT) transmitters. In August 2014, however, GatesAir began shipping high power digital TV solid-state transmitters, which offer numerous benefits over tube type transmitters, including greater efficiency and superior frequency agility. Today, solid state transmitters “meet current technical standards” for many installations, and the Catalog should reflect this development.³

Broadcasters have also accelerated their efforts to prepare for the repack in response to the Commission’s recent Declaratory Ruling clarifying that costs incurred prior to the close of the auction are eligible for reimbursement under the fund.⁴ As the FCC recognized, “allowing broadcasters to get a jump start on the relocation process . . . will promote a rapid, non-disruptive transition following the broadcast television spectrum incentive auction.” GatesAir has been working with clients to perform comprehensive site surveys, which will allow broadcasters—particularly those currently broadcasting on channel 30 and above (and therefore certain to be repacked at the initial clearing target)—to timely order equipment and begin the transition process as soon as the FCC issues the *Channel Reassignment PN*. Now that the Commission has acknowledged that these preparatory efforts are a valuable part of the repacking process and should be reimbursed, it should expressly incorporate them into the Catalog.

Beginning the repacking process with an updated Catalog will help streamline the reimbursement process for the FCC and broadcasters alike. Although the Commission has indicated that the Catalog “is not intended to be a definitive list of all reimbursable expenses,” an updated and accurate catalog will avoid the need for broadcasters to devote unnecessary resources to justifying their expenses and reduce the number of requests that the Media Bureau will need to review. Accordingly, the Commission should refresh its record in response to the preliminary Catalog and publish a final, updated Catalog as soon as possible.

Respectfully submitted,



Phil Argyris
Chief Executive Officer

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² See *Media Bureau Finalized Reimbursement Form for Submission to OMB and Adopts Catalog of Expenses*, Public Notice, DA 15-1238, GN Docket No. 12-268 (rel. Oct. 30, 2015).

³ *In the Matter of Expanding the Econ. & Innovation Opportunities of Spectrum Through Incentive Auctions*, Report and Order, 29 FCC Rcd. 6567 ¶ 624 (2014).

⁴ *In the Matter of Expanding the Econ. & Innovation Opportunities of Spectrum Through Incentive Auctions*, Declaratory Ruling, FCC16-47, GN Docket No. 12-268 (rel. Apr. 18, 2016).

