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November 10, 1999

The Honorable William Kennard
Chairman
Federal Communications Commission
Room 8-B201H
445 Twelfth Street, S.W.
Washington, DC 20554

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Re: PR Docket No. 92-235
Ex Parte Presentation

Dear Chairman Kennard:

The Alliance of Automobile Manufacturers ("Alliance") wishes to take this opportunity to register its serious concerns regarding the coordination rule adopted in the "Re-farming" proceeding for frequencies shared for decades by automobile manufacturers, pipelines and utilities.

The Alliance is a coalition of 11 car and light truck manufacturers representing more than 90% of U.S. vehicle sales. Alliance member companies have approximately 600,000 employees in the United States, with more than 250 facilities in 35 states.

The rule in question requires that any automobile manufacturer seeking access to the VHF or UHF frequencies available to them for over 40 years first secure the consent of the frequency coordinator for the pipeline or utility industries (United Telecom Council ("UTC"), for example, in the case of the utilities). In so doing, the rule restricts our members' access to frequencies they have shared historically on a co-equal basis with pipeline and utility companies.

Moreover, the rule limits our members' choice of frequency coordinator by channeling their business to UTC or API. The rule thus violates the most basic notions of fair competition, as well as one of the express goals of Re-farming, namely bringing the benefits of competition to the coordination marketplace.

Underscoring the unlawfulness of the rule is the fact that pro-competitive, equally effective alternatives are readily available to protect utility and pipeline communications, as well as that of automobile manufacturers. Specifically, the Alliance would urge the Commission to adopt protected service contours for the handful of industries which have shared the subject VHF and UHF channels including, of course, manufacturers.

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Member Companies

BMW DaimlerChrysler Fiat Ford General Motors Isuzu Mazda Nissan Toyota Volkswagen Volvo

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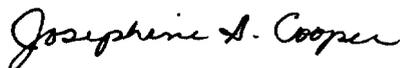
Such a rule would afford every bit of protection which utilities *et al* could reasonably expect against interference, while at the same time preserving co-equal manufacturer access to the frequencies they have heavily relied upon for decades.

In this regard, the Commission must appreciate that the subject channels are vital to our members. They are used for a wide variety of essential productivity and safety requirements: everything from just-in-time delivery to materials handling, from "man-down" systems to emergency medical response teams, from plant security to assembly line automation. With the cost of assembly line down time measured in the tens of thousands of dollars per minute, and our employees' safety dependent on the availability of these channels, it is utterly inappropriate to appoint coordinators that represent two out of the five industries which have shared these channels as gatekeepers over the other three industries' continued access to the channels

Accordingly, the Alliance urges the Commission to either adopt reciprocal protected contours for all incumbent users sharing the subject VHF and UHF channels with manufacturers, as has been urged by MRFAC, Inc., or rescind the rule altogether as an anti-competitive measure which undermines the safety of automobile and other manufacturers which share these channels.

An original and a copy of this letter are supplied for inclusion in the docket.

Sincerely,



Josephine S. Cooper
President

JSC/sf

cc: The Honorable Harold Furchtgott-Roth
The Honorable Susan Ness
The Honorable Michael Powell
The Honorable Gloria Tristani
Thomas Sugrue
Kathleen O'Brien Ham
D'wana Terry
David Furth
Ari Fitzgerald
Peter A. Tenhula
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