

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

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| In the Matter of |) | |
| |) | |
| Service Rules for the 746-764 and 776-794 MHz |) | WT Docket No. 99-168 |
| Bands and Revision to Part 27 of the |) | |
| Commission's Rules |) | |
| |) | |
| Carriage of the Transmissions of Digital |) | CS Docket No. 98-120 |
| Television Broadcast Stations |) | |
| |) | |
| Review of the Commission's Rules and Policies |) | MM Docket No. 00-39 |
| Affecting the Conversion to Digital Television |) | |

REPLY COMMENTS OF ERICSSON

Ericsson Inc (“Ericsson”) hereby submits reply comments in response to and in support of the Spectrum Clearing Alliance Petition for Clarification and Reconsideration, filed on March 16, 2001, and the Spectrum Exchange Group, LLC Petition for Clarification and Reconsideration, also filed on March 16, 2001. These Petitions seek clarification and reconsideration of certain aspects of the Commission’s Third Report and Order relating to the 746-764 and 776-796 MHz spectrum bands.¹ As a supplier of Third Generation (“3G”) advanced wireless technologies, Ericsson encourages the timely clearing of spectrum bands, which can support such technologies and bring the significant attributes of such services to consumers.

¹ See Service Rules for the 746-764 and 776-794 MHz Bands, and Revisions to Part 27 of the Commission’s Rules, WT Docket No. 99-168, CS Docket No. 98-120, MM Docket No. 00-39, *Third Report and Order*, FCC 01-25 (rel. Jan. 23, 2001) (Third R&O).

I. BACKGROUND

The Spectrum Clearing Alliance (“SCA”) is creating a comprehensive, detailed plan to accelerate clearing the 700 MHz band of television allotments using an agreement linked to the 700 MHz auction.² Spectrum Exchange Group, LLC (“SEG”) is planning to act as an intermediary to administer a “linked auction” for clearing the 700 MHz band to provide a private mechanism in which participating bidders in the FCC auction agree to make payments, based upon their winning bids into a clearing fund.³ In connection with these roles, the SCA and SEG generally seek clarification and reconsideration of the Commission’s Third R&O to ensure that the Commission’s order adequately supports broadcasters’ efforts to clear the 700 MHz band and provides them sufficient incentive to do so.

II. ERICSSON SUPPORTS THE SPECTRUM CLEARING ALLIANCE

Ericsson welcomes the formation of the SCA and considers it a positive development in moving toward a successful 700 MHz auction. Ericsson generally supports SCA and SGE’s petitions for clarification as set forth in sections II and III of the SCA petition and encourages the Commission to avoid indefinite delay in proceeding with the 700 MHz auction. Ericsson believes that allowing single channel broadcasters flexibility in transitioning to DTV and applying a relaxed standard with regard to interference with Class A stations is particularly important to encouraging broadcasters to participate in the SCA clearing plan as well as to the overall success of the 700 MHz auction.

² See Spectrum Clearing Alliance Petition for Clarification and Reconsideration, filed March 16, 2001, page 2.

³ See Spectrum Exchange Group, LLC Petition for Clarification and Reconsideration, filed March 16, 2001, page 1.

First, allowing single channel broadcasters flexibility in scheduling their transition to DTV is key to the willingness of such broadcasters to clear spectrum. In the present design, broadcasters with a single channel would be treated differently than those stations that were allotted a paired channel. Such broadcasters may encounter more difficulty in transitioning to DTV in the near term as a result of their decision to participate in band clearing. As a result, they will likely be less interested in participating in SCA's plan and in clearing their channel. This will not only delay band clearing efforts, but also will affect the revenue received by the U.S. Treasury as part of the 700 MHz auction.

By allowing single channel broadcasters the maximum flexibility in transitioning to DTV, the Commission will allow single channel broadcasters to plan for transition to DTV and encourage such broadcasters to commit themselves to timely clear their band. Further, by permitting an incumbent broadcaster, that clears either its digital or analog allotment in the Channels 59-69 band, to convert to digital on its remaining in-band channel at any time until the end of the end of the DTV transition, the Commission will be treating an incumbent with a single channel like it treats incumbents with paired channels. Thus, the Commission will ensure that its rules are fairly and consistently applied to single allotment as well as paired channel allotment stations.

Second, implementation of a relaxed interference standard on a case-by-case basis and in certain circumstances will encourage the clearing of channels. Strict adherence to existing interference standards in congested markets may discourage and impede the clearing of the 700 MHz band. Alternatively, establishing a flexible interference policy that is able to address and waive interference requirements, in light of particular circumstances, *e.g.*, where a Class A station would otherwise receive impermissible

levels of interference, will ensure that the Commission maintains control over interference issues while also supporting efficient band clearing. In addition, an interference policy which considers and adapts to the needs of broadcasters may allow broadcasters to timely clear the 700 MHz band when they would be otherwise precluded from relocating. As a result, application of a flexible interference policy to particular situations will likely improve the amount of revenue raised by the 700 MHz auction.

III. CONCLUSION

Based on the foregoing, Ericsson supports SCA and SGE's request that the Commission modify and clarify its Third R&O to provide the maximum incentive to broadcasters to voluntarily clear the 700 MHz band. In this way, the Commission will accelerate the clearing of the 700 MHz band and will encourage the rapid deployment, by new wireless licensees, of advanced 3G services to the public. In addition, the Commission will maximize the revenue received by the U.S. Treasury as a result of the auction.

Respectfully submitted on this 20th day of April, 2001.

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