

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

In the Matter of)
)
Amendment of the Commission's) GEN Docket No. 90-314
Rules to Establish New Personal)
Communications Services)

UTAM REPORT TO THE FCC

July 1, 2001

Sandy Abramson
President
UTAM, Inc.
991 Route 22
P.O. Box 8126
Bridgewater, NJ 08807
(908) 526-3636

TABLE OF CONTENTS

	<u>Page</u>
I. EXECUTIVE SUMMARY.....	2
II. UPCS MARKET DEVELOPMENT	3
III. DEPLOYMENT ACTIVITIES.....	4
A. Deployment Procedures	4
B. Prior Coordination Notice ("PCN") Procedure	4
C. Product Deployment	6
IV. RELOCATION ACTIVITIES.....	6
V. OPERATIONAL, ORGANIZATIONAL AND FINANCIAL STATUS	7
A. Operational Status	7
B. Membership and Staffing	8
C. Funding.....	8
VI. OUTREACH ACTIVITIES	9
VII. CONCLUSION	9

I. EXECUTIVE SUMMARY

As noted in previous reports to the Commission, UTAM continues to meet the objectives established by the Commission in bringing UPCS systems to the public. Over the course of the reporting period, the processes and procedures put in place to allow the deployment of UPCS devices have continued to work well and continue to be adhered to by manufacturers of UPCS devices.² As in the past, UTAM will continue to monitor these processes and procedures and make any refinements deemed necessary.

Since UTAM filed its last report with the Commission in January, 2001, UTAM is pleased to report that the following tasks have been accomplished:

- ▶ UTAM has expanded the comprehensive cost sharing agreement reached with the PCIA Clearinghouse³ and its members to include Alpine PCS. In addition, negotiations are underway with a number of other carriers to participate in the agreement. The expanded agreement continues to accelerate the UPCS clearing process by opening up a number of counties and major metropolitan areas to unencumbered deployment of UPCS devices.
- ▶ Consistent with its regional clearing strategy, having completed the Northeast, UTAM has been focusing on clearing the Southeast region and, as of this report, approximately 99% of the region is clear. The next region to be addressed will be the Midwest.
- ▶ Nationally, in the 1920 – 1930 MHz Isochronous band, UTAM has increased the number of counties available for unencumbered deployment to 2,948, or 94% of the U.S. In the 1910 – 1920 MHz asynchronous band, 2,772 counties, or 88%, of the country is available for unencumbered deployment.

² Under FCC rules, parties must execute a signed Subscriber Agreement with UTAM, receive UTAM certification and obtain FCC authorization before marketing or installing a UPCS product of device. See 47 C.F.R § 15.307.

³ The PCIA Clearinghouse is one of two designated entities established by the FCC to track the relocation of microwave links that operate on the Licensed and Unlicensed PCS frequencies, to notify affected entities of such relocations, and to facilitate the sharing of microwave link relocation costs by such affected entities.

II. UPCS MARKET DEVELOPMENT

With the UPCS band now in its 6th full year of availability for deployment of unlicensed devices, the market for products that operate in this band continues to grow and illustrate all the signs of success. The use of enterprise based wireless systems has become an integral part of conducting business. From small businesses, to large businesses, from small elementary schools to college campuses the use of these unlicensed wireless devices has improved productivity and made communications more convenient. In many industries the use of these devices is almost a competitive must.

In addition, the sizes of the systems being deployed has grown from an average of 21 users per system to 40. Many of the larger system are supporting hundreds of users and the availability of spectrum is becoming an issue. As with all markets that are successful they tend to attract additional competitors and the market for unlicensed products is not any different as additional competitors continue to introduce new products with enhanced features and applications. As a result of the additional competition, end users are also witnessing downward pressure on pricing.

As the technology continues to become less expensive, it is expected to create wider demand for these systems both in volume and the size of systems deployed, as users will opt to provide coverage over greater areas of their business and expand the use of these devices to more employees.

III. DEPLOYMENT ACTIVITIES

A. Deployment Procedures

As stated in previous reports, UTAM is pleased that the procedures developed and refined to facilitate the deployment of UPCS devices continue to be effective and are being

readily adhered to by manufacturers. In an ongoing effort to effectively streamline its operations and to respond to suggestions made by participating manufacturers and others, UTAM will continue to evaluate and refine these procedures, as needed. To date, the lack of any interference incidents with microwave incumbents attests to the quality of the processes and the adherence to them by the manufacturers.

Members are complying with the requirements set forth in the Subscriber Agreement to update the Database Management System (DBMS) when products are sold and installed, which allows UTAM to monitor market development, aggregate power generation and to ensure compliance with pre-designated power limits set for Zone 1 counties.

Also, as specified in the Subscriber Agreement, UTAM, through an independent third party, continues to audit its subscriber member's deployment records to ensure that UTAM's records accurately track product deployments, thereby ensuring the integrity of the DBMS. This audit is intended to ensure that the data base monitoring mechanisms are operating as intended and that the proper clearing fees are paid. To date, no major discrepancies have been observed.

B. Prior Coordination Notice ("PCN") Procedure

As noted in earlier reports to the Commission, UTAM has classified each county in the United States based upon a two-zone classification system. Zone 1 counties are those counties distant from existing microwave operations that permit deployment of UPCS products up to a pre-determined and "pre-coordinated" power limit. In contrast, Zone 2 counties have existing microwave operations either nearby or in the county and, as

a result, UPCS product deployments cannot occur within such a county until a site-specific coordination has been successfully completed. There are also 1,099 Isochronous and 1,204 Asynchronous Zone 2 counties that UTAM has classified as “non-scheduled”. These counties qualify for a pre-coordinated Zone 1 status, however, their business population is typically less than 5,000 and therefore have not been scheduled for conversion at this time. These counties are automatically converted by UTAM, via the PCN process, when any subscriber files for a site specific coordination in that county.

Through the course of the first six months of 2001, UTAM, through its Prime Frequency Coordinator, Comsearch, has issued a total of 44 PCNs for Zone 1 candidate counties, bringing the total number of Zone 1 counties in the 1920 - 1930 MHz Isochronous band to 1,849, or 59% of the counties in the U.S. When the qualified Zone 2 “non-scheduled” counties are considered, 94% of the counties would qualify as Zone 1. In the 1910 - 1920 GHz Asynchronous band, the total number of Zone 1 counties has increased from 1,527 in UTAM’s last report to the Commission, to 1,568, or 50% of the counties in the U.S. When the qualified Zone 2 “non-scheduled” counties are considered, 88% of the counties are available for unencumbered deployment in this band. A Zone 1 PCN notifies affected microwave incumbents that UTAM has declared a county to be a Zone 1 candidate and that the county will be “pre-coordinated” for a particular power level as determined in accordance with current TIA Bulletin 10 guidelines.

C. Product Deployment

Also, as in past reporting periods, product deployment continues to grow at a reasonable pace. Quarter-over-quarter product deployments continue to demonstrate a

growth curve indicative of a maturing market. As chartered, UTAM will continue to coordinate the deployment of these unlicensed devices and to collect the associated clearing fees. As more fully detailed in the UTAM Plan filed with the Commission, UTAM will use these fees to finance the relocation of microwave incumbents from the spectrum allocated to UPCS.

IV. RELOCATION ACTIVITIES

The continued successful growth of the UPCS market ultimately depends on the full clearing of the UPCS band. If one looks at the growth of the market over time, there is a strong correlation with the availability of Zone 1 counties. While the complete clearing will still take a few more years, UTAM has taken steps that will both facilitate ease of deployment and accelerate the clearing process. As mentioned in earlier reports, UTAM has undertaken a regional clearing strategy to facilitate the conversion of the remaining Zone 2 counties. By taking this approach, UTAM will open up large contiguous areas of the country for unencumbered product deployment. UTAM's initial focus was in the Northeast region which, with the exception of a few small, sparsely populated counties, is now clear. UTAM's most recent focus has been on the Southeast region, which to date is now over 99% clear. After completing the Southeast region UTAM will begin to focus on the counties still to be converted in the Midwest region. In the course of this effort, UTAM has submitted Prior Coordination Notices to the Microwave Clearinghouses consistent with its obligation under the FCC Microwave Relocation Cost Sharing rules. In doing so, it has initiated obligations consistent with the rules.

As mentioned in previous reports to the Commission, UTAM, in an effort to accelerate the clearing process, has entered into a comprehensive cost sharing agreement with the PCIA Clearinghouse and its members. Under the agreement, UTAM will share the costs of relocated microwave links with the PCS carriers responsible for their relocation. The result of this agreement has been to convert a significant number of counties to Zone 1 status, many of which contain major metropolitan areas. Recently, UTAM and the PCIA Clearinghouse have extended that agreement to include Alpine PCS. In addition, negotiations are underway with other carriers to participate in the agreement. It is anticipated that this accelerated clearing effort will contribute to the continued growth of the UPCS market, and in turn, generate accelerated clearing fees that will be applied, in part, to the costs incurred under the cost sharing agreement and increase the potential for opening up the UPCS band to nomadic devices.

V. OPERATIONAL, ORGANIZATIONAL AND FINANCIAL STATUS

A. Operational Status

UTAM continues to successfully use the operational procedures that it put in place to oversee the deployment of UPCS devices and coordinate deployment with incumbent microwave systems. UTAM will continue to evaluate these processes and refine them as necessary.

As a result of its ongoing evaluation of these procedures, plus feedback from its members, UTAM has recently instituted an internet interface for its database and has implemented a home page for easy access to UTAM information.

B. Membership and Staffing

The voting membership currently consists of Alcatel USA, ASCOM Wireless Solutions, Cortelco, IWATSU America, Avaya, Motorola, Inc., NEC America, Inc., Nitsuko America, Nortel Networks Inc., SpectraLink Corporation, ECI Telecom, Inc., Comdial, and Toshiba. In addition, UTAM also has numerous associate members.⁴ Given the ongoing number of inquiries for requirements to operate in the UPCS band, combined with the continued clearing of the UPCS band, UTAM is confident that additional manufacturers and distributors will become voting members in 2001.

UTAM's subcommittee structure continues to provide the Board of Trustees with additional operational support. Subcommittee membership is open to any interested party, and several member and non-member companies continue to participate actively in this regard.

C. Funding

UTAM has continued to collect clearing fees from the deployment of UPCS products. The actual and forecasted growth in clearing fees resulting from increased deployments indicates that these fees, combined with UTAM's current assets, will keep UTAM in a sound financial position into the foreseeable future.

VI. OUTREACH ACTIVITIES

UTAM has continued its efforts to maintain contacts with other PCS-related industry groups in order to remain current on industry developments. UTAM continues to discuss UTAM's participation in the FCC's cost sharing process with representatives of the PCIA and ITA clearinghouses.

⁴ A complete list of UTAM Board of Trustees and Associate Members is attached.

Through its members, UTAM also participates in other industry-wide seminars and trade shows to increase the awareness of the market for UPCS devices. In addition, UTAM continues to answer inquiries regarding its objectives and processes and provides information to interested parties as necessary.

VII. CONCLUSION

UTAM is once again pleased to report that the framework that has been established for the deployment of unlicensed devices continues to work successfully. The continued growth of UPCS sales, the continued adherence by manufacturers to UTAM's operational processes and UTAM's continued efforts to prevent harmful interference to microwave incumbents indicate that UTAM is maintaining a proper course for fulfilling its overall charter. UTAM will continue to monitor and refine its operations to meet the dynamics of the UPCS market and looks forward to the challenges that lie ahead.

Respectfully Submitted,

UTAM, INC.

By: _____

Sandy Abramson
President
991 Route 22 - Ste. 104
Bridgewater, NJ 08807
(908) 526-3636

July 1, 2001

APPENDIX A

UTAM BOARD OF TRUSTEES AND ASSOCIATE MEMBERS

VOTING MEMBERS

Alcatel USA – Mr. Jose Paulett
ASCOM Wireless Solutions. – Mr. Chad West **
Avaya, Inc. – Ms. Sandy Abramson (*President*) **
Cortelco – Mr. John Harbor
ECI Telecom, Inc. – Mr. Rob Roberts **
Motorola, Inc. – Mr. Craig Chenicek (*Treasurer*) **
NEC America Inc.– Mr. Paul Weismantel (*Vice-President*) **
Nitsuko America – Mr. Paul Schaeffer
Nortel Networks Inc. – Mr. Gord Webster **
SpectraLink Corporation – Mr. Ben Guderian (*Secretary*) **
Toshiba – Mr. Paul Keith

** Member of the Board of Trustees

UTAM ASSOCIATE MEMBERS

Bell South Wireless, Inc.
Communications Certification Laboratory
Comsearch
Freemove Telecom
Harris Corporation
Industrial Telecommunications Association

JRC Canada, Inc.
Matsushita
NTT America
P-Com Network Services
Phillips Business Communications
Redcom Laboratories