

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

In the Matter of)
)
Commercial Mobile Radio Service) **WT Docket No. 06-17**
Market Competition)
)
To: Wireless Telecommunications Bureau

COMMENTS

Cellular South, Inc. (“Filer”) submits these Comments in response to a Public Notice released by the Wireless Telecommunications Bureau (“Bureau”) to solicit data and information to evaluate the state of competition among Commercial Mobile Radio Service (“CMRS”) providers.¹ The Bureau invited comments to allow it to update the indicators of competition for the Commission’s next report to Congress and to determine whether or not there is effective competition in the CMRS market.

Filer is a CMRS provider that serves the following rural market area(s): the entire state of Mississippi, the Memphis Metropolitan area, Coastal Alabama and the Florida Panhandle through Destin/Seaside currently serving over 500,000 wireless customers. The vast majority of the geographic service area is rural and sparsely populated.

Filer is a member of the Rural Cellular Association (“RCA”) and was encouraged by RCA to submit comments in this matter. RCA is a frequent commenter in various Commission proceedings and recommended that its members provide information that could be helpful to the Bureau in understanding the state of mobile voice and data competition, and trends, in rural areas.

Cellular South has been serving Mississippi wireless consumers since 1988. Since

1999, Cellular South has invested over \$400 million in its network to bring customers the coverage they deserve especially in rural areas that are often ignored by national carriers. In 2005, Cellular South added 154 new cell sites to its network at an investment of \$56 million. Cellular South customers will also benefit from 225 new cell sites planned in 2006 totaling a \$93 million investment. Cellular South is focused on delivering its services in both the urban and rural areas that it serves and markets its services throughout its coverage area.

Cellular South offers mobile data services throughout its entire wireless network utilizing CDMA 1X technology. Services offered on this network include text messaging, wireless email, internet access through handheld devices and picture messaging. In addition, Cellular South has launched a CDMA 1X EVDO trial in part of the rural areas that it serves in Mississippi. This EVDO technology will provide higher speed access to the internet through computer cards and handheld devices. Cellular South plans to increase the availability of EVDO technology in the rural areas over the next couple of years. One of the issues that has challenged smaller rural carriers in delivering mobile data services to rural areas is the access to data devices. The delays that we experienced in getting these devices from various manufacturers delayed our launch of mobile data services throughout the rural areas of Mississippi. In addition, the delays associated with negotiating access to national networks through roaming agreements has hindered our ability to timely launch a competitive mobile data product to serve the rural areas of Mississippi. The national carriers have offered mobile data services in the urban areas within our footprint while we made these services available in both the urban and rural areas.

Another critical factor in our ability to deliver wireless broadband services to rural America will be the access to spectrum in or near the 700 MHz band in an adequate amount

¹ Public Notice, *WTB Seeks Comment on CMRS Market Competition*, DA 06-62, released January 18, 2006.

to insure that the rural areas will be served with advanced wireless services. The auction of 700 MHz spectrum should be designed to insure that rural areas have equal priority with urban areas to utilize this spectrum with advanced wireless services. One way that should be considered is structuring the build out requirements for this spectrum so that they are geography based rather than population based.

While a national carrier might not be as concerned with covering every street corner in the small towns and all the back roads that rural Americans drive every day, at Cellular South it's our highest priority. Competition in our rural areas is strong. In much of our service area we compete with ten or more competitors. In fact, most of the national carriers cover parts of the areas that we serve and compete with us daily for customers. In addition, we compete with all of the MVNOs and other resellers that are in the marketplace that are utilizing various networks to offer service. Competition in the marketplace has benefited the consumer by encouraging competitive offerings from each carrier.

Respectfully submitted,

Cellular South, Inc.

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