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June 12, 2007

Via Electronic Filing

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

**Re: Ex Parte Notice
WT Docket No. 06-150; CC Docket No. 94-102; WT Docket No. 01-309;
WT Docket No. 03-264; WT Docket No. 06-169; PS Docket No. 06-229;
WT Docket No. 96-86**

Dear Ms. Dortch:

On June 11, 2007, Mr. Charles Townsend and the undersigned, all representing Aloha Partners, L.P. ("Aloha"), met with Commissioner McDowell, Ms. Angela Giancarlo of Commissioner McDowell's office and discussed matters in the enclosed handout.

Pursuant to 47 C.F.R. § 1.1206(b)(2), this notice is being submitted electronically in the above-referenced docket. In addition, one copy of this notice is being transmitted via e-mail to Ms. Giancarlo.

Very truly yours,

/s/ Thomas Gutierrez
Counsel for Aloha Partners, L.P.

Enclosure

cc: Angela Giancarlo, Esq.



Aloha Partners

Federal Communications Commission Presentation June, 2007

Summary Points:

- 1) Regions in Lower "E" Block = Gift to Qualcomm
- 2) One EA or CMA = Key to Upper Band Plan
- 3) Combinatorial bidding = reduced competition
- 4) Blind bidding = Fewer small bidders



“E” Block Regions = “give away” to Qualcomm

- Channel 56 is the only chance for rural telcos to get a high powered Mobile TV license.
- Aloha needs to fill in some specific markets- Channel 56 is the only option
- Major Wireless carriers are not interested in Channel 56
- Only Qualcomm can afford to bid on regions for Channel 56!!



1 EA or CMA = Key to Upper Band

- “Less interference in Upper Band”
- Interoperability is easier with adjacent blocks
- Equipment makers will focus on Upper Band
- Only 3 companies oppose Upper Band EA or CMA
- Why are these companies opposing this so aggressively??



Big Companies don't built out rural areas

- 10 years after original PCS licenses were granted, national carriers had only covered 80% of MTA pops. **Rural states were left behind!!!**
 - New Mexico 68%
 - Alaska 69%
 - Kansas 69%
 - Arkansas 69%
 - Mississippi 69%
 - West Virginia 71%



Regional Blocks = Reduced Competition

- Big companies bid aggressively for what they want regardless of size
- Big companies build out urban areas quickly, but not rural markets
- Big companies are good at M&A
- -----
- So why are they pushing regions so hard??
- **Because it reduces the number of bidders**



Combinatorial bidding = Less Auction revenues

Verizon would have saved \$400 million on “F” Block

AWS Auction "F" Block High Bid Analysis

Region	<u>Verizon</u> Winning Bids	<u>T-Mobile</u> High Bids	<u>Verizon</u> High Bids
	<u>Round 16</u>	<u>Round 15</u>	<u>Round 14</u>
	(000)	(000)	(000)
Northeast	\$1,335	\$1,113	\$927
Southwest	572	477	572
Great Lakes	616	513	616
Mississippi Valley	<u>275</u>	<u>235</u>	<u>275</u>
Total	\$2,798	\$2,338	\$2,390



Combinatorial Bidding = not needed

- **New entrants did not need combinatorial bidding in the past!!!**
 - **Sprint** in 1996 PCS auction purchased over 65% of US pops
 - **Nextel** in 2001 Guardband auction purchased over 90% of US pops
 - **Cable Cos** in 2006 AWS auction purchased over 90% of US pops
- **Combinatorial bidding is a clever way around EAs and CMAs!!!**
- Allows re-aggregation of EAs and CMAs
- Small companies are at a big disadvantage
- -----
- **Google, Intel & AT&T need special treatment ???**



Blind Bidding Hurts small companies

- “Equality of information is critical!!”
- Favors big companies with access to special software and consultants
- Small companies need information about their neighbors
- Blind Bidding + Combinatorial Bidding = Big Problem For Small Businesses