

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

January 4, 2010

Mike Stima
Managing Director
UTAM, Inc.
P.O. Box 8126
Bridgewater, NJ 08807
(908) 526-3636

TABLE OF CONTENTS

| | Page |
|------------------------------------------------------------|-------------|
| I. EXECUTIVE SUMMARY | 2 |
| II. UPCS MARKET DEVELOPMENT..... | 3 |
| III. DEPLOYMENT ACTIVITIES | 5 |
| A. Deployment Procedures | 5 |
| B. Product Deployment | 5 |
| IV. OPERATIONAL, ORGANIZATIONAL AND FINANCIAL STATUS | 6 |
| A. Operational Status | 6 |
| B. Membership and Staffing | 6 |
| C. Funding..... | 7 |
| VI. OUTREACH ACTIVITIES | 7 |
| VII. CONCLUSION..... | 8 |

**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

UTAM, Inc. ("UTAM"), the frequency coordinator for the unlicensed personal communications service ("UPCS") band, herewith submits its semi-annual report on implementation of the UTAM Plan for Financing and Managing 2 GHz Microwave Relocation.¹ As detailed below, UTAM continues to fulfill its obligations to facilitate the deployment of UPCS devices. The market for UPCS devices continues to expand as applications of wireless technology continue to penetrate all facets of business, the home, education and health care. The procedures that UTAM has put in place to ensure compliance with its charter continue to work well in managing the deployment of unlicensed devices.

¹ UTAM Plan for Financing and Managing 2 GHz Microwave Relocation, GEN Docket No. 90-314 (filed Aug. 1, 1994) [hereinafter "UTAM Plan"]. On April 19, 1995, the Commission formally approved UTAM as the UPCS frequency coordinator. As part of its responsibilities, UTAM was charged with submitting biannual progress reports to update: (a) the financial and band-clearing plans; (b) projections of future band clearing; (c) the extent of incumbent microwave relocations; (d) the extent of UPCS device deployment; and (e) any difficulties encountered in implementing the UTAM Plan. Amendment of the Commission's Rules to Establish New Personal Communications Services, 10 FCC Rcd 7955 (1995) (Fourth Memorandum Opinion and Order).

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, including those made to accommodate changes to the rules governing the UPCS band, continue 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 2009, UTAM is pleased to report that the following key activities:

- UTAM's membership has grown to 56.

II. UPCS MARKET DEVELOPMENT

As noted in UTAM's previous semi-annual reports, the UPCS band has undergone significant change both in the regulatory arena and in market development. Since the modification of the Part 15 rules in April 2005 to permit the deployment of systems based on the Digital Enhanced Cordless Telephone ("DECT") specification, manufacturers of DECT based products have deployed over 42M devices in the Unlicensed PCS band. The volume of devices is now heavily weighted toward the

² Under FCC rules, parties must execute a signed Subscriber Agreement with UTAM, which stipulates that they will pay their fair share of the costs for clearing the UPCS band. Upon receipt of the Subscriber Agreement, UTAM issues the party an affidavit, which is a required document to obtain FCC authorization before marketing or installing a UPCS product or device. See 47 C.F.R § 15.307.

consumer market, with the marketing of single base station, multiple handset pre-packaged offerings, whereas in past years, fixed, enterprise multiple base station systems, with many roaming handsets, such as in a hospital application, were the only systems operating in the band. Manufacturers now market products under the DECT 6.0 standard and play off the interference avoidance characteristics of the UPCS band to position the products as "interference free" which has been received well by the consumer market given past negative experiences with interference encountered by devices utilizing other unlicensed bands.

The interest in the UPCS band is not only reflected in the volume of devices deployed, but in the number of manufacturers that are deploying products in the band. UTAM's membership now numbers 56 manufacturers and more are expecting to join in the months ahead.

UTAM has continued its efforts to ensure that the UPCS frequencies are utilized efficiently and that UPCS devices are deployed rapidly and fully. Markets that are successful tend to attract additional competitors, and the market for UPCS based products is no different. As a result of the additional competition, end users are enjoying the benefits of downward pressure on pricing. Further, as the technology continues to become less expensive, it is expected to create wider demand for these systems both in volume, enhanced features and in the size of systems deployed, as users will opt to provide coverage over greater areas of their businesses and homes.

UTAM has also participated extensively in a number of proceedings relating to the reallocation of the 1910 -1920 MHz bands. Since the adoption of the UPCS rules, UTAM has funded the relocation of microwave users from the UPCS band segment,

including 1910-1920 MHz. In light of the relocation, UTAM has worked to ensure that the out-of-pocket costs of manufacturers in relocating microwave users from the 1910-1920 MHz band is fully repaid by the new users of those bands. In 2007, UTAM was reimbursed \$12.7M by Sprint-Nextel for its obligation to UTAM for the costs UTAM incurred in clearing the 1910 – 1915 MHz portion of the band that was reallocated to Sprint-Nextel. UTAM is also owed the same amount from the proceedings of the auctioning off of the 1915 – 1920 MHz band that has been allocated to Advanced Wireless Services (AWS). When that portion of the spectrum is auctioned off UTAM encourages the Commission to insure that UTAM is reimbursed in total for its costs in clearing that portion of the band in the simplest fashion possible.

Notwithstanding the repayment of expenditures for 1910-1915 MHz, UTAM still has significant obligations relating to microwave relocation. Specifically, UTAM negotiated an agreement with the PCS carriers in the band that permits UTAM to pay cost-sharing obligations over time. In addition, UTAM must pay back those funds put up by manufacturers to get UTAM started. As of December 31, 2009 UTAM's remaining financial obligations totaled \$10M. With the reimbursement of \$12.7M expected from the AWS auction, UTAM's net obligation is negative in the amount of \$2.7M. As a result, and as mentioned in our previous reports to the commission, effective January 1, 2008, UTAM lowered its clearing fee from \$0.50 per radiating unit to \$0.05 per unit. This change was intended to permit UTAM to continue to operate in a "maintenance mode" until receipts from auction winners were collected, however, when UTAM's net obligations became negative, these fees were suspended altogether effective August 1, 2008.

While the FCC was reported to be finalizing the AWS band plan in late 2008, given the changes that have taken place since then and the Commission's current development of a broadband strategy, it is not clear when the 1915 – 1920 MHz band will be auctioned off. Accordingly, UTAM's Board of Trustees will continue to monitor the situation and take the necessary actions to maintain UTAM's charter. At its last meeting the Board of Trustees determined that given UTAM's current financial position, no fees would be reinstated in 2010 as UTAM awaits the time frame for the AWS auction. UTAM will continue to require a \$50,000 up front membership fee as a means to recover a small portion of the costs expended for clearing the band.

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.

B. Product Deployment

Over the current reporting period, product deployment continues to increase at an ever-increasing rate as new manufacturers begin deploying products and existing members expand their product offerings. Since UTAM's inception over 42M products

have been deployed in the UPCS band, the majority of which are based on the DECT standard. Given the success that DECT appears to be having in the marketplace, UTAM anticipates that the volume of deployments will continue to increase at a substantial rate over the next few years as new manufacturers enter the market and existing manufacturers enhance their product offerings. This increase is a direct result of the sunset of the 2 GHz microwave relocation rules, and the changes made in Part 15 rules. As chartered, UTAM will continue to collect the associated clearing fees for these products and as more fully detailed in the UTAM Plan filed with the Commission, UTAM will use these fees to pay off its obligations incurred in the course of the relocation of microwave incumbents from the spectrum allocated to UPCS.

IV. 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. Changes to the UPCS band and the modification of UTAM procedures to accommodate these changes appear to be working as intended, however they will continue to be monitored to insure that they are accomplishing what was intended.

B. Membership and Staffing

The voting membership currently consists of those companies listed in Appendix A. Given the recent increase in membership, and the continued high level of interest being expressed by additional manufacturers, UTAM is anticipating a continued increase in its membership in 2010.

C. Funding

UTAM has discontinued the collection of fees pending the expected reimbursement from the AWS auction. UTAM's current financial position should prove sufficient enough to maintain UTAM's operations until such time as UTAM can collect the obligations owed it from the 1915 – 1920 AWS auctions and distribute those funds to eliminate all of its obligations. If the funds should prove insufficient, or should the auction fail to materialize, UTAM would contemplate reinstating a small fee in accordance with its requirements to maintain a sound financial position. However, given UTAM's current financial position, UTAM will not reinstate any clearing fees in 2010. The \$50,000 up front membership fee will remain as a means to recover a small portion of the costs expended for clearing the band.

V. 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 has worked together with a number of organizations in coordinating activities in support of the recent rule changes implemented by the Commission. At the same time, UTAM has been receptive to, and worked in conjunction with, other classes of device manufacturers to promote the broadest availability of unlicensed products for the American public.

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

VI. CONCLUSION

UTAM is once again pleased to report that the framework that has been established and maintained for the deployment of unlicensed devices continues to work successfully. UTAM is confident that the ongoing success of the UPCS industry shall continue along its current trajectory. The continued growth of UPCS sales and the continued adherence by manufacturers to UTAM's operational processes 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: /s/ Mike Stima
Managing Director
822 Dow Rd.
P.O. Box 6126
Bridgewater, NJ 08807
(908) 526-3636

January 4, 2010

UTAM VOTING MEMBERS

**** Indicates Board Membership**

Aastra DeTeWe
Alcatel-Lucent
American Telecom Services, Inc.
Ascom Wireless Solutions.**
Askey Computer Corp.
Avaya, Inc.
Bang & Olufsen a/s
Binatone Electronics Int'l. Inc.
CCT Marketing
CeoTronics
Cisco Systems, Inc.
Cybiotronics Ltd.
DeTeWe GmbH
DRS Ltd.
Ericsson, Inc.
Giant Telecom
Gigaset Communications USA, LLC **
Global China Technology
GN Netcom
Grace Digital Inc.
Iwatsu America, Inc. **
Kingtel
Kirk Telecom
Lake Communications, Ltd.
Market Direct
Mitel
Motorola, Inc. **
NEC Philips Unified Solutions
Nitsuko America, Inc.
Nortel Networks Inc.
Ooma, Inc.
Open Peak, Inc. **
Panasonic **
Philips Consumer Electronics
Plantronics
Polycom
Quail Ltd.
Revolabs, Inc.
RTX A/S **
Samsung Electronics
Shandong Bittel Electronics Co., Ltd.
Sharp Corporation
Siemens Enterprises, GMBH & Co.
SMC Networks

Sonetics Corp.
Sound Merchandising, Inc.
SunCorp
Teledex LLC
Telefield, Ltd.
Telematrix, Inc.
Thomson, Inc.
Toshiba
Unical Enterprises, Inc.
Uniden **
Vitec Communications
Vtech **