



The Voice of Rural & Regional Carriers

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August 23, 2010

Via ECFS

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

**Re: RM-11592; RM-11497
WT Docket No. 06-150; WT Docket No. 05-265
PS Docket No. 06-229
GN Docket No. 09-51**

Dear Ms. Dortch:

On August 20, 2010, Steven K. Berry, President and CEO of the Rural Cellular Association (RCA) met with Rick Kaplan via teleconference to discuss the lack of interoperability in the 700 MHz spectrum band and the economic impacts that will result. In addition, Mr. Berry and Mr. Kaplan discussed other competitive challenges that RCA members face including the anticompetitive effects of handset exclusivity and lack of an automatic data roaming mandate.

As explained in the attached economic paper prepared by Peter Cramton, interoperability throughout the 700 MHz band is crucial for both public safety and consumers to reap the economic benefits of roaming and access to the latest handsets. Device flexibility and interoperability in the 700 MHz band will allow all operators and consumers to enjoy economies of scale, will increase handset competition while decreasing costs, and will improve service, especially in rural areas, with greater coverage and seamless roaming. Lack of interoperability in the 700 MHz band will impose significant costs and burdens upon A Block licensees which will competitively disadvantage smaller and regional carriers, public safety and consumers. RCA requests that the FCC act quickly on the 700 MHz Block A Good Faith Purchasers Alliance Petition to prevent balkanization of the 700 MHz spectrum.

Mr. Berry requested a status update on the FCC's progress on data roaming. Mr. Berry explained how data roaming is the fundamental building block to bringing ubiquitous broadband to rural America. RCA members have limited options to obtain nationwide mobile devices, but their customers still expect nationwide coverage and comparable services to their national counterparts. Larger carriers have the ability to block rural and regional carriers from obtaining data roaming with reasonable terms and conditions because there is no regulatory mandate and consolidation in the wireless market has eliminated many roaming partners. Voluntary data roaming is not enough. Mr. Berry encouraged the FCC to immediately mandate automatic data roaming.

In addition to a data roaming mandate, Mr. Berry described RCA's slow moving progress toward eliminating the competitive hurdles created by handset exclusivity. Over a year ago, Chairman Genachowski stated in his Senate confirmation hearing that the FCC would investigate the competitive effects of handset exclusivity. Mr. Berry described RCA's continued effort to reach an industry consensus on exclusivity arrangements and asked the FCC to continue to support this effort.

This *ex parte* notification is being filed electronically with your office pursuant to Section 1.1206 of the Commission's Rules.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R. M. Thompson', with a stylized flourish at the end.

Rebecca Murphy Thompson
General Counsel

cc: Mr. Rick Kaplan