



The Voice of Rural & Regional Carriers

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December 7, 2010

**Via ECFS**

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

**Re: RM-11592**

Dear Ms. Dortch:

In response to Verizon's December 1, 2010 *ex parte* notice<sup>1</sup> in the above referenced docket, RCA<sup>2</sup> files this letter urging the Federal Communications Commission (FCC or Commission) to immediately act on the Good Faith Purchasers' Alliance Petition for Rulemaking (Petition).<sup>3</sup> Without interoperability throughout the 700 MHz spectrum, Lower A Block licensees ready to deploy 4G mobile broadband service throughout the United States will be unable to launch their LTE networks at a reasonable cost, within a reasonable timeframe. With carriers currently deploying LTE service, every day that passes exacerbates the problem. The record in this proceeding reflects broad support for the Petition. There is a window of opportunity to solve the interoperability issue. RCA respectfully requests that the FCC act now to mandate interoperability in the 700 MHz spectrum band.

In its *ex parte* notice, Verizon claims that Cellular South, through its partnership with Samsung, has solved the interoperability problem facing Lower A Block licensees. This is economically and technically incorrect. Without scope or scale, rural and regional carriers collectively holding Lower A Block licenses remain unable to attract equipment manufacturers making Band Class 17 or Band Class 13 equipment to produce Band Class 12 equipment at reasonable, economically competitive costs. This relegates small, rural and regional carriers to the back of the line, while the equipment manufacturers proceed with the development and production of mobile devices for use in the Lower B and C Blocks and in the Upper C Block.<sup>4</sup>

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<sup>1</sup> *Ex Parte* Letter from Tamara Preiss, Vice President, Federal Regulatory Affairs, Verizon, to Marlene H. Dortch, Secretary of the FCC, RM-11592 (filed December 1, 2010).

<sup>2</sup> RCA is an association representing the interests of nearly 100 regional and rural wireless licensees providing commercial services to subscribers throughout the Nation and licensed to serve more than 80 percent of the country. Most of RCA's members serve fewer than 500,000 customers.

<sup>3</sup> 700 MHz Block A Good Faith Purchasers Alliance Petition for Rulemaking, RM-11592 (filed Sept. 29, 2009) ("Petition"); see also Wireless Telecommunications Bureau Seeks Comment on Petition for Rulemaking Regarding 700 MHz Band Mobile Equipment Design and Procurement Practices, Public Notice, RM No. 11592, DA 10-278 (Feb. 18, 2010).

<sup>4</sup> RCA Comments at 19-20, RM-11592 (March 31, 2010).

As RCA has detailed many times,<sup>5</sup> even where Band 12 equipment can be made available, the costs are unnecessarily inflated by the limited scale resulting from the lack of interoperability across the 700 MHz spectrum. Cellular South stated that acquiring Band Class 12 equipment was “economically infeasible”.<sup>6</sup> That remains true today for all Lower A Block licensees, including Cellular South. Additionally, Cellular South and Samsung’s partnership does not solve the problems associated with lack of full interoperability in the band. Without interoperability, wireless users will be unable to roam on other 700 MHz LTE networks and will force 4G LTE users to revert to legacy 2G and 3G systems when outside their provider’s service territory or during an outage. In addition, wireless consumers will be unable to keep their 700 MHz LTE devices when changing service providers. Cellular South and Samsung’s partnership demonstrates that a Band Class 12 solution is technically possible, can be deployed now, and can be made interoperable if the FCC directed.

Verizon has deployed, and AT&T is on the cusp of deploying, LTE service. In order to survive against these wireless giants, Cellular South made the business decision to deliver an LTE solution without the assurance of interoperability.<sup>7</sup> Cellular South stated, “We had to act aggressively now to maintain our ability to compete with what would otherwise become a wireless telecom duopoly on LTE in the 700 MHz band.”<sup>8</sup> Cellular South was compelled to move forward with its LTE plans because the FCC has failed to mandate interoperability across the 700 MHz spectrum. This has allowed AT&T and Verizon to develop essentially proprietary bands and equipment. The FCC must not allow AT&T and Verizon to shut out competition in the 4G market.

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<sup>5</sup> See *Ex Parte* Letter from Todd B. Lantor, Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary of the FCC, RM-11592 (filed March 12, 2010); see also *Ex Parte* Letter from Todd B. Lantor, Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary of the FCC, RM-11592 (filed in April 9, 2010); see also *Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary of the FCC, WC Docket No. 05-337; CC Docket No. 96-45; WT Docket No. 05-265; WT Docket No. 09-66; and RM-11592 (filed June 17, 2010); see Comments of Rural Cellular Association, *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993; Annual Report and Analysis of Competitive Market Conditions with Respect to Mobile Wireless including Commercial Mobile Services*, WT Docket No. 10-133 (July 30, 2010); see also *Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary of the FCC, RM-11592 (filed Aug. 10, 2010); see also letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary of the FCC, RM-11592; WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51; PS Docket No. 07-114 (filed Aug. 11, 2010); see also *Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary of the FCC, RM-11592; RM-11487; WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51 (filed Aug. 23, 2010); see also Doug Hyslop & Chris Helzer, *Wireless Strategy 700 MHz Upper Band Analysis* (May 10, 2010), available in Coalition for 4G in America, Written Ex Parte Presentation, WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51 (filed May 10, 2010); see also Doug Hyslop & Chris Helzer, *Wireless Strategy 700 MHz Upper Band Analysis* (July 19, 2010), available in Coalition for 4G in America, Written Ex Parte Presentation, WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51 (filed July 19, 2010); see also Doug Hyslop & Chris Helzer, *Wireless Strategy Lower 700 MHz Interference Management* (filed July 19, 2010), available in Coalition for 4G in America, Written Ex Parte Presentation, WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51 (filed Sept. 20, 2010); see also Comments of the Coalition for 4G in America, *Public Safety and Homeland Security Bureau Seeks Comment on Increasing Public Safety Interoperability By Promoting Competition for Promoting Public Safety Communications Technologies*, PS Docket No. 10-168 (Sept. 20, 2010); see also *Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary of the FCC, GN Docket No. 10-188; RM-11592 (filed October 27, 2010); see also *Ex Parte* Letter from Charles W. Logan, Counsel to Access Spectrum, LLC, to Marlene H. Dortch, Secretary of the FCC, WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51; RM-11592 (filed December 2, 2010).

<sup>6</sup> *Ex Parte* Letter from David L. Nace, Attorney for 700 MHz Block A Good Faith Purchasers Alliance, to Marlene H. Dortch, Secretary, FCC, RM-11592 (filed June 8, 2010).

<sup>7</sup> Cellular South Press Release, November 17, 2010, available at <http://www.cellularsouth.com/news/2010/20101117.html> (last visited December 6, 2010).

<sup>8</sup> *Ex Parte* Letter from Eric Graham, Vice President, Strategic and Government Relations, Cellular South, to Marlene H. Dortch, Secretary of the FCC, RM-11592 (filed December 6, 2010).

As others have noted, including the Office of Advocacy, U.S. Small Business Administration, the Commission's current lack of rules regarding device interoperability across the 700 MHz spectrum band may make it increasingly difficult for small carriers to compete in the wireless market.<sup>9</sup> Public Knowledge, Media Access Project, and New America Foundation also agree that interoperability of devices in the 700 MHz band is essential to promote affordability of devices and competition among service providers.<sup>10</sup> Like any competitive carrier whose economic future is at stake, Cellular South and other RCA members have not sat idly while the FCC has contemplated the Petition for over 15 months. In that time, the Good Faith Purchasers Alliance has added technological and economic data to the record which should prove helpful for the FCC to act, requiring interoperability in the 700 MHz spectrum.

Contrary to Verizon's claims, the record supports the Petitioners' request for rulemaking. Other than the two largest carriers with essentially proprietary 700 MHz bands,<sup>11</sup> the wireless industry supports interoperability throughout the 700 MHz spectrum band. Based on the record in this proceeding, the FCC must mandate interoperability across the entire 700 MHz band to ensure the development of a multi-band, commercial and public safety ecosystem. As the Commission has done in the past with the cellular analog compatibility standard, RCA urges the FCC to mandate interoperability throughout the 700 MHz spectrum band. Without it, the FCC will cement AT&T's and Verizon's dominant positions in the 4G market. Further concentration will undermine competition and innovation, slow the deployment of services to consumers and public safety users, and increase the cost of devices.

Current 700 MHz spectrum policy continues to unnecessarily limit the ability of rural and regional carriers to create jobs by not putting to use available capital. If the FCC required interoperability throughout the 700 MHz spectrum, Lower A Block licensees could already have deployed LTE networks. Instead, smaller Lower A Block licensees must watch their substantial spectrum investment linger until Band Class 12 equipment is available and affordable. The Commission must change this unacceptable status quo.

Sincerely,



Rebecca Murphy Thompson  
General Counsel

cc: Ruth Milkman  
Tom Peters  
David Goldman  
Eric Graham  
Ben Moncrief  
Tamara Preiss

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<sup>9</sup> Comments of the Office of Advocacy, U.S. Small Business Administration, *Wireline Competition Bureau Seeks Comment on Business Roundtable Marketplace*, GN Docket No. 10-188 (Oct. 15, 2010).

<sup>10</sup> *Ex Parte* Letter from Rashmi Rangnath, Staff Attorney, Public Knowledge, to Marlene H. Dortch, Secretary of the Federal Communications Commission, RM-11592 (filed December 1, 2010).

<sup>11</sup> See Verizon Wireless Comments; AT&T Comments, RM-11592 (March 31, 2010).