

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

In the Matter of)	
)	
Promoting Interoperability in the 700 MHz Commercial Spectrum)	WT Docket No. 12-69
)	
Interoperability of Mobile User Equipment Across Paired Commercial Spectrum Blocks in the 700 MHz Band)	RM-11592 (terminated)
)	

To: The Commission

REPLY COMMENTS OF SOUTHERNLINC WIRELESS

Southern Communications Services, Inc. d/b/a SouthernLINC Wireless (“SouthernLINC Wireless”) hereby submits its reply comments in response to the Commission’s *Notice of Proposed Rulemaking (NPRM)* in the above-captioned proceeding regarding interoperability in the Lower 700 MHz band.¹

The opening sentence of the *NPRM* states, “The Communications Act directs the Commission to, among other things, promote the widest possible deployment of communications services, ensure the most efficient use of spectrum, and protect and promote vibrant competition in the marketplace.”² The comments filed in this proceeding by the competitive wireless industry demonstrate beyond question that interoperability across the Lower 700 MHz band is essential if these statutory directives are to be fulfilled. For the reasons set forth herein,

¹ / *Promoting Interoperability in the 700 MHz Commercial Spectrum*, WT Docket No. 12-69, Notice of Proposed Rulemaking, FCC 12-31 (rel. March 21, 2012) (“*NPRM*”).

² / *NPRM* at ¶ 1.

SouthernLINC Wireless agrees with commenters from the competitive wireless industry that the Commission must act promptly to require interoperability in the Lower 700 MHz band.

I. INTEROPERABILITY IS NECESSARY TO PROTECT AND PROMOTE COMPETITION IN THE WIRELESS MARKETPLACE

As numerous commenters have discussed throughout this proceeding, interoperability across the Lower 700 MHz band is necessary to promote competition in the wireless marketplace.³ In particular, interoperability will increase the availability and reduce the cost of commercial equipment, thus enabling wireless carriers to provide consumers with greater choice and affordability in advanced wireless service offerings and devices.⁴ The current lack of interoperability has effectively deprived competitive wireless carriers of access to handsets that operate in the Lower 700 MHz A block, thus severely – and unnecessarily – restricting the ability of these carriers to provide consumers with competitive alternatives to the nation’s two largest carriers.⁵

SouthernLINC Wireless agrees with T-Mobile that the lack of access to interoperable devices harms not only competitive carriers’ ability to acquire and maintain customers, but also

³ / Comments of RCA – The Competitive Carriers Association (“RCA”); Comments of T-Mobile USA; Comments of Cricket Communications; Comments of MetroPCS; Comments of United States Cellular Corp. (“US Cellular”); Comments of Cellular South; Comments of Vulcan Wireless; Comments of the Rural Telecommunications Group (“RTG”); Comments of Cavalier Wireless and Continuum 700; Comments of King Street Wireless; Comments of the National Telecommunications Cooperative Association (“NTCA”); Comments of the Blooston Rural Carriers; Comments of Horry Telephone Cooperative; Comments of NTCH.

⁴ / See Comments of RCA at 14; Comments of T-Mobile at 7; Comments of Cricket at 7; Comments of RTG at 8 – 9; Comments of Cavalier Wireless and Continuum 700 at 6; Comments of the Blooston Rural Carriers at 6.

⁵ / See Comments of RCA at 12 – 14; Comments of US Cellular at 4; Comments of Cricket at 7 – 9; Comments of MetroPCS at 7 – 9; Comments of Cellular South at 17; Comments of Vulcan Wireless at 19 – 22; Comments of King Street Wireless at 7 – 8; Comments of NTCA at 6; Comments of Horry Telephone Cooperative at 5.

their ability to invest in their networks.⁶ According to RCA, “Without the assurance of available devices, carriers cannot project sufficient revenues to offset deployment costs or attract capital on reasonable terms to finance the build out of [the 700 MHz A block] spectrum.”⁷ Moreover, the Commission noted in the *NPRM* that “a significant number of Lower A Block licenses are held by smaller, rural, and regional licensees” and correctly concluded that “unless mobile user equipment is capable of operating on all paired commercial Lower 700 MHz spectrum, the deployment of facilities-based mobile broadband networks could be hampered, particularly in rural and unserved areas.”⁸ Because the deployment of competitive networks and services is a fundamental element of competition, interoperability is essential to enable such deployment to occur.

II. INTEROPERABILITY IS NECESSARY TO ENABLE ROAMING BOTH WITHIN AND OUTSIDE THE 700 MHZ BAND

SouthernLINC Wireless also agrees with commenters from the competitive wireless industry that interoperability is necessary to enable roaming.⁹ The Commission has already determined that “the availability of roaming capabilities is and will continue to be a critical component to enable consumers to have a competitive choice of facilities-based providers offering nationwide access to commercial mobile data services.”¹⁰ The Commission has further determined that the availability of roaming arrangements “encourag[es] investment and network

⁶ / Comments of T-Mobile at 6.

⁷ / Comments of RCA at 14.

⁸ / *NPRM* at ¶ 22.

⁹ / Comments of T-Mobile at 7 – 10; Comments of RCA at 14; Comments of Cricket at 7; Comments of US Cellular at 15 – 17; Comments of Vulcan Wireless at 25 – 28; Comments of RTG at 9 – 10.

¹⁰ / *Reexamination of Roaming Obligations of Commercial Mobile Radio Service Providers and Other Providers of Mobile Data Services*, WT Docket No. 05-265, Second Report and Order, 26 FCC Rcd 5411, ¶ 15 (2011) (“*2011 Data Roaming Order*”).

deployments and ensur[es] that providers wanting to invest in their networks or to enter into a new market can offer subscribers a competitive level of mobile network service and coverage.”¹¹ However, the lack of interoperability in the Lower 700 MHz band effectively undercuts the very policy goals the Commission sought to advance through the data roaming rule by enabling Band Class 17 carriers such as AT&T to flatly deny any request for roaming from an A block licensee on the basis that it is not technologically compatible,¹² thus severely restricting the roaming options for A block licensees, most of whom – as the Commission noted – are regional and rural carriers. As Vulcan Wireless stated, “Without viable devices or equipment capable of functioning on other spectrum blocks within the Lower 700 MHz band, A Block licensees will continue to be unable to execute roaming agreements necessary to offer a nationwide mobile broadband service that meets consumer needs.”¹³

Interoperability would promote roaming not only within the Lower 700 MHz band, but also with systems operating outside the 700 MHz band. As T-Mobile explained in its comments, interoperability in the Lower 700 MHz band would enable a carrier that operates outside the band to offer its customers a device that includes a single 700 MHz band class capable of operating on a roaming basis on the networks of multiple Lower 700 MHz band carriers.¹⁴ Similarly, with a single interoperable band class, licensees in the Lower 700 MHz band would have the option of incorporating an additional band to enable roaming onto more non-700 MHz networks.¹⁵ Either way, carriers operating within the Lower 700 MHz band and those operating

¹¹ / *2011 Data Roaming Order* at ¶ 20.

¹² / *See* 47 C.F.R. § 20.12(e)

¹³ / Comments of Vulcan Wireless at 25.

¹⁴ / Comments of T-Mobile at 9.

¹⁵ / *Id.*

outside the band would have more potential roaming partners and a far greater ability to obtain reasonable roaming arrangements.¹⁶

III. INTEROPERABILITY IS NECESSARY TO ENSURE A VIABLE SECONDARY SPECTRUM MARKET

SouthernLINC Wireless submits that interoperability in the Lower 700 MHz band is also necessary to ensure a viable secondary market in spectrum. As the wireless marketplace has evolved in recent years, so too have the individual business and operational needs of market participants. With no new auctions on the immediate horizon, wireless carriers must look instead to the secondary market to meet their spectrum needs. Verizon's recent decision to divest its current spectrum holdings in the Lower 700 MHz A and B blocks represents a significant opportunity for regional and rural wireless carriers to obtain the additional spectrum they need to deploy new advanced wireless networks, thus increasing competition and expanding the availability of wireless broadband services. However, Verizon's planned "private auction" also illustrates the way in which the lack of interoperability in the Lower 700 MHz band could skew or undercut the potential of the secondary market as a path for competitive entry and deployment.

As discussed above and throughout the record of this proceeding, the lack of interoperability has resulted in a dearth of handset and equipment options and severely limited roaming opportunities in the 700 MHz A block, which significantly inhibits the amount that a competitive regional or rural carrier may be willing (or able) to bid for this spectrum. Moreover, the lack of interoperability provides a significant disincentive for a competitive carrier to attempt to outbid AT&T, which – due to its established position as the primary holder of B block

¹⁶ / See *NPRM* at ¶ 29 (requesting comment on "whether interoperability would promote reasonable roaming arrangements among 700 MHz providers and would increase the number of providers that are technologically compatible for roaming partnership.").

spectrum and its dominant influence with device manufacturers – would not face the constraints that a lack of interoperability poses for other potential bidders. Even if AT&T were to limit its bidding only to Verizon’s B block licenses, the lack of interoperability may nevertheless depress or deter any truly competitive bidding for the A block spectrum. An interoperability requirement is therefore necessary to ensure that the secondary market can continue to serve as an effective means to ensure the most efficient use of spectrum and to promote vibrant competition in the wireless marketplace.

IV. THE COMMISSION MUST ACT PROMPTLY TO REQUIRE INTEROPERABILITY IN THE LOWER 700 MHZ BAND

SouthernLINC Wireless agrees with RCA and other commenters that the Commission must act promptly to require interoperability in the Lower 700 MHz band.¹⁷ While SouthernLINC Wireless agrees that an industry solution would be preferable, it is clear from the record that industry efforts alone have been insufficient and Commission intervention is necessary and in the public interest.¹⁸

RCA has urged the Commission to “impose an interoperability mandate and set a firm date for compliance.”¹⁹ Cricket believes that the two-year transition period for full compliance proposed in the *NPRM* is reasonable, but emphasizes that this transition period should begin no

¹⁷ / Comments of RCA; Comments of T-Mobile; Comments of Cricket; Comments of MetroPCS; Comments of US Cellular; Comments of Cellular South; Comments of Vulcan Wireless; Comments of RTG; Comments of Cavalier Wireless and Continuum 700; Comments of King Street Wireless; Comments of NTCA; Comments of the Blooston Rural Carriers; Comments of Horry Telephone Cooperative; Comments of NTCH.

¹⁸ / See Comments of RCA at 14 – 15; Comments of T-Mobile at 6; Comments of Cricket at 2 – 3; Comments of US Cellular at 10 – 11; Comments of MetroPCS at 4 – 7; Comments of Cellular South at 5 – 6; Comments of Vulcan Wireless at 33 – 36; Comments of Cavalier Wireless and Continuum 700 at 12 – 13; Comments of Horry Telephone Cooperative at 5.

¹⁹ / Comments of RCA at 15.

later than the end of this year.²⁰ Other commenters state that full compliance with an interoperability mandate should be required within 12 months or even by the end of 2012.²¹

As the Commission is well aware, Verizon has announced its intention to divest itself of its current spectrum holdings in the Lower 700 MHz band through a “private auction” if it receives Commission approval of its pending transaction with SpectrumCo and other cable operators for AWS spectrum. However, as discussed above in these reply comments, SouthernLINC Wireless is concerned with the potential impact that the lack of interoperability in the Lower 700 MHz band will have on Verizon’s planned “private auction” should the Commission approve the pending Verizon/SpectrumCo transaction without the interoperability conditions that certain parties have called for.²²

Accordingly, SouthernLINC Wireless strongly urges that an Order adopting interoperability rules be issued prior to or simultaneously with the adoption of a Commission decision on the pending Verizon/SpectrumCo transaction. SouthernLINC Wireless emphasizes, however, that the Commission must provide the industry with clear direction as soon as possible and thus these interoperability rules must take effect before the end of this year, regardless of the status of the Verizon/SpectrumCo transaction. SouthernLINC Wireless also submits that, while a transition period for full compliance with such rules may be necessary and reasonable, this transition period should be no longer than twelve months following the adoption of a Commission Order, and the Commission must ensure that continuous progress towards full compliance is being made throughout this transition period.

²⁰ / Comments of Cricket at 9 – 10.

²¹ / Comments of US Cellular at 18 (calling for a compliance deadline no later than 12 months from the date of an order or the end of 2013, whichever is earlier); Comments of MetroPCS at 13 (calling for a deadline of December 31, 2012, for full compliance).

²² / *See, e.g., Ex Parte Notice of RCA* in WT Docket No. 12-4 (filed July 11, 2012).

WHEREFORE, THE PREMISES CONSIDERED, SouthernLINC Wireless respectfully requests the Commission to take action in this docket consistent with the views expressed herein.

Respectfully submitted,

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