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VIA ECFS

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

Re: *Expanding the Economic and Innovation Opportunities of Spectrum through Incentive Auctions*, GN Docket No. 12-268

***Amendment of the Commission's Rules with Regard to Commercial Operations in the 1695-1710 MHz, 1755-1780 MHz, and 2155-2180 MHz Bands*, GN Docket No. 13-185**

Dear Ms. Dortch:

Atlantic Seawinds Communications, LLC (“Atlantic”) by its attorneys, and pursuant to Section 1.1206 of the rules, 47 C.F.R. §1.1206, urges the Commission to award spectrum in upcoming auctions on the basis of Cellular Market Areas (“CMAs”). Auctioning spectrum on the basis of CMAs will allow for broad participation in the auctions. This will foster innovation and competition, maximize auction revenues, and promote the deployment of services – particularly the deployment of wireless broadband services in rural areas. In the case of the incentive auction, auctioning the 600 MHz band on the basis of smaller geographic areas also affords the greatest flexibility in the reclamation and repurposing of the spectrum, thus maximizing the amount of spectrum auctioned and raising overall auction revenues.¹ Achieving these objectives will serve the public interest and help reach Congress’s and the Commission’s goals, including providing adequate funding for FirstNet.

¹ See *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, Notice of Proposed Rulemaking, 27 FCC Rcd 12357 at ¶ 146 (2012) (expressing concern that licensing the spectrum on the basis of large geographic areas would constrain the amount of spectrum offered and prevent spectrum from being put to its highest valued use). The costs of overcoming any potential implementation challenges in running an auction for a large number of licenses are far outweighed by the benefits of reclaiming as much broadcast spectrum as possible for repurposing and sale in the forward auction and of fostering the broadest possible participation.

The upcoming auctions, particularly the auction of the 600 MHz band, present an excellent opportunity for the Commission to further promote wireless broadband deployment, particularly in rural areas where next generation wireless services are often lacking. For the goal of increased rural broadband deployment to be realized, however, the Commission must license the spectrum on the basis of CMAs. CMAs represent the most manageable geographic area for small carriers, which are the entities most committed to serving rural America.

Atlantic desires to innovate and deploy mobile broadband services in rural North Carolina, and will need the necessary spectrum resources to do so. If the Commission auctions spectrum only on the basis of Economic Areas (“EAs”) or other large geographic areas, however, this will significantly deter participation by Atlantic, and will effectively prevent most small and rural entities from participating in future auctions.

Were the Commission to auction the 600 MHz band on the basis of EAs, Atlantic would have to attempt to bid on spectrum in two states order to acquire 600 MHz band spectrum in the regional area in North Carolina that Atlantic serves or desires to serve. Licensing spectrum on the basis of EAs or larger areas would make it very difficult for Atlantic to acquire spectrum and would block most similarly sized entities from participating at all. Such a result would confer a windfall on the few large wireless carriers able to participate, delay the deployment of services to rural areas, and likely reduce the amount of spectrum repurposed and revenue generated in the incentive auction.

In order for the upcoming auctions to succeed, particularly the incentive auction, the Commission must ensure that small entities such as Atlantic have an opportunity to participate. Atlantic therefore joins the chorus of parties calling for the Commission to auction the spectrum on the basis of CMAs.

Respectfully submitted,
Herman & Whiteaker, LLC

A handwritten signature in black ink, appearing to read 'G. Whiteaker', with a long horizontal flourish extending to the right.

Gregory W. Whiteaker
Counsel for Atlantic Seawinds Communications, LLC

cc (via email): Mr. Gary Epstein
Ms. Ruth Milkman
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