

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Expanding the Economic and Innovation)	GN Docket No. 12-268
Opportunities of Spectrum Through Incentive)	
Auctions)	

REPLY COMMENTS OF SHURE INCORPORATED

Shure Incorporated (“Shure”), by its undersigned counsel, hereby submits these Reply Comments in response to the Public Notice released September 23, 2013, in the above-captioned proceeding.¹ Shure, a leading manufacturer of high-quality audio equipment for over 85 years, strongly supports Commission policies that reduce the financial hardship and dislocation of wireless microphone users, including proposals by Sennheiser Electronic Corporation and the National Association of Broadcasters that the Commission make clear that wireless microphone users displaced as a result of the incentive auction and TV band repacking in the 600 MHz band be eligible for equipment reimbursement out of the TV Broadcaster Relocation Fund.

With more than 35 years of successful deployment, wireless audio has become integral to the country’s content creation engine, so much so that use of the technology is a given.² Today, wireless microphones are critical production tools essential to activities in many sectors—broadcast, entertainment, religious, commercial, educational, and civic—and wireless microphone use continues to expand rapidly to meet increasing demand for more sophisticated

¹ Media Bureau Seeks Comment on Catalog of Eligible Expenses and Other Issues Related to the Reimbursement of Broadcaster Channel Reassignment Costs, *Public Notice*, GN Docket No. 12-268, DA 13-1954 (Sept. 23, 2013).

² The Commission “continue[s] to recognize that wireless microphones are currently used in many different venues where people gather for events large and small and many consumers and businesses have come to rely on these devices.” Unlicensed Operation in the TV Broadcast Bands, ET Docket No. 04-186, Additional Spectrum for Unlicensed Devices Below 900 MHz and in the 3 GHz Band, ET Docket No. 02-380, *Second Memorandum Opinion and Order*, 25 FCC Rcd 18661, ¶ 29 (2010).

productions and advanced audio services.³ Shure is deeply concerned that elements of the Commission’s incentive auction proposal will further reduce the amount of UHF spectrum available for wireless microphone operations and cause significant harm to the wireless microphone user community. This comes at a time when the wireless microphone operators are still struggling to absorb the significant costs and disruption of the Commission’s other recent dramatic changes to the UHF TV Band. Shure urges the Commission to take the steps necessary to minimize further financial harm and disruption to the wireless microphone community, including clarifying that wireless microphone equipment is included in the list of equipment eligible for reimbursement and adopting an appropriate mechanism to implement efficiently such reimbursement.

I. Commission Policies Should Reduce Financial Hardship on Wireless Microphone Users

Over the past several years, wireless microphone users have been subject to an extreme spectrum “squeeze.” The 2010 700 MHz “relocation” eliminated within a mere six months access to the 698-806 MHz band—over one-third of the operating bandwidth that had been available for use by wireless microphone users for decades.⁴ Further, the Commission’s white spaces rules created new spectrum limitations on wireless microphone users in order to allow for sharing with new devices.

³ Wireless microphone equipment in use by professional audio users, and which should be subject to reimbursement, includes wireless microphone equipment with operating powers ranging from 10 mW to 250 mW as well as in-ear monitors, wireless intercoms, wireless assist video devices (“WAVDs”) and wireless cueing (“IFB”) systems.

⁴ Revisions to Rules Authorizing the Operation of Low Power Auxiliary Stations in the 698-806 MHz Band, WT Docket No. 08-166, Public Interest Spectrum Coalition, Petition for Rulemaking Regarding Low Power Auxiliary Stations, Including Wireless Microphones, and the Digital Television Transition, WT Docket No. 08-167, Amendment of Parts 15, 74 and 90 of the Commission’s Rules Regarding Low Power Auxiliary Stations, Including Wireless Microphones, ET Docket No. 10-24, *Report and Order and Further Notice of Proposed Rulemaking*, 25 FCC Rcd 643, ¶ 87 (2010) (“*Wireless Microphone Order*”).

The wireless microphone community has gone to great lengths to help the Commission create appropriate protections for wireless microphones and, where necessary, transition equipment and operations as smoothly as possible. When the Commission announced a decision to ban wireless microphone operations in the 700 MHz band after a short transition period, for example, Shure was instrumental in assisting users to transition away from that band in compliance with the Commission's decision.⁵ Further, Shure and others in the wireless microphone community have continued to push technology development towards greater spectrum utilization.⁶ At the same time, demand for wireless audio has soared as content generators and consumers benefit equally from the deployment of wireless microphones, in-ear monitor systems, and intercoms in the staging of increasingly complex productions.

With the incentive auction and rebanding promising to devote even more spectrum to wireless broadband on a nationwide basis, wireless microphone users are now facing yet another significant spectrum reduction. Even though it will be imperative for the Commission to preserve access to UHF spectrum for wireless microphones, it is foreseeable that some users will be compelled to abandon equipment and acquire new equipment to accommodate the auction and rebanding process. Given the severe financial hardship this will place on wireless microphone users, the Commission should (1) identify wireless microphone equipment as equipment subject to reimbursement from the TV Broadcaster Relocation Fund and (2) permit wireless microphones to operate on auctioned 600 MHz frequencies as long as possible until the new licensee provides notice to the Commission of service commencement.

⁵ See also Comments of Lectrosonics, Inc., GN Docket No. 12-268 (Nov. 12, 2013) (noting that Lectrosonics, Inc. offered discounted repair service following the 700 MHz ban).

⁶ See, e.g., The Wireless Telecommunications Bureau and The Office of Engineering and Technology Seek to Update and Refresh Record in the Wireless Microphones Proceeding, *Public Notice*, WT Docket Nos. 08-166, 08-167, ET Docket No. 10-24 (rel. Oct. 5, 2012) (noting that developments in wireless microphone technology have enabled an increasing number of microphones to operate on a single TV channel).

II. Wireless Microphone Users Should Be Eligible for Reimbursement from the Relocation Fund

Shure strongly agrees with Sennheiser⁷ and the NAB⁸ that wireless microphone users displaced by the 600 MHz auction and rebanding process should be reimbursed for expenses from the \$1.75 billion TV Broadcaster Relocation Fund. The Catalog of Eligible Expenses is incomplete in this regard.

Shure proposed reimbursement in connection with the FCC's Order just a few years ago mandating that wireless microphone users operating equipment in the 700 MHz band abandon that equipment in short order.⁹ However, the Commission's rules did not provide for reimbursement. Many wireless microphone users will now be compelled—again—to abandon perfectly good, expensive equipment—some well before the end of its useful product life. Many of these wireless microphone users purchased equipment in the 600 MHz band following the Commission's guidance to consumers instructing users to stop using wireless microphones in the 700 MHz band. The FCC advised users that they “may continue to use wireless microphones (and similar devices) that operate on other broadcast frequencies,” including, in particular, “spectrum from the core TV bands that are available for low power auxiliary station operations under Section 74.802 of the rules.”¹⁰ The Commission has long recognized the need to reimburse relocated users and has exercised its authority to do so in similar circumstances, including the relocation of fixed microwave service operators and the relocation of television

⁷ Comments of Sennheiser Electronic Corporation, GN Docket No. 12-268 (Nov. 4, 2013) (“Sennheiser Comments”).

⁸ Comments of the National Association of Broadcasters, GN Docket No. 12-268 (Nov. 4, 2013) (“NAB Comments”).

⁹ See Comments of Shure Incorporated, GN Docket Nos. 09-47, 09-51, 09-137 (Oct. 29, 2009), at 14-15 (arguing that wireless microphone equipment costs associated with the 700 MHz reallocation and migration should be borne by new entrant).

¹⁰ FCC Consumer Advisory, *Operation of Wireless Microphones (and Similar Devices) in 700 MHz Band were Prohibited after June 12, 2010*. See also *Wireless Microphone Order* at ¶ 70 (“Those licensees, however, whose current authorization limits them in whole or in significant part to operations in the 700 MHz Band can be accommodated with the use of spectrum from the core TV bands that are available for low power auxiliary station operations under Section 74.802 of the rules. Such licensees may wish to consult with a local Society of Broadcast Engineers (SBE) coordinator to identify suitable spectrum from other spectrum bands that are available for low power auxiliary station operations under Section 74.802 of the rules.”).

broadcasters during the DTV transition.¹¹ Reimbursement of relocated wireless microphone users has international precedent as well. Regulations developed in the United Kingdom DTV transition provided for reimbursement of Programme Making and Special Events (“PMSE”) licensees,¹² and relocated wireless microphone users in Japan’s recent spectrum reallocations will be reimbursed by telecommunications carriers.

III. Shure Supports Development of a Reimbursement Mechanism for Wireless Microphone Equipment

Shure supports the development of a reimbursement mechanism and will weigh in on the details of the structuring of such a mechanism in any additional proceedings that the Commission commences through public notice or a further notice of proposed rulemaking. As proposed by Sennheiser, one promising option is to establish a consortium of wireless microphone manufacturers.¹³ The consortium would publish a list of wireless microphones showing the compensation amount for each microphone, and users would send the consortium proof of purchase and the wireless microphone being replaced. The consortium would send the user a check for the rebate amount, and the winning auction bidders would reimburse the consortium for the rebates.

Another option is to permit manufacturers to provide rebates when wireless microphone users trade in their equipment for a new model and allow manufacturers to receive compensation through a clearinghouse. This would require only one administrator instead of two (one for the manufacturers and one for the licensees). Any clearinghouse established should have an

¹¹ See, e.g., Amendment of Part 2 of the Commission’s Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Introduction of New Advanced Wireless Services, including Third Generation Wireless Systems, ET Docket No. 00-258, Service Rules for Advanced Wireless Services in the 1.7 and 2.1 GHz Bands, WT Docket No. 02-353, *Ninth Report and Order and Order*, 21 FCC Rcd 4473, at ¶ 1; see also Redevelopment of Spectrum to Encourage Innovation in the Use of New Telecommunications Technologies, *Third Report and Order and Memorandum Opinion and Order*, ET Docket No. 92-9, 8 FCC Rcd 6495, at ¶ 5.

¹² See Office of Communications, Funding for programme-making and special events statement, http://stakeholders.ofcom.org.uk/consultations/pmse_funding/statement/ (announcing funding for eligible PMSE users prohibited from using channel 69 through an appointed PMSE funding scheme administrator in an amount based on the estimated cost to users of having to invest in new equipment earlier than they might have reasonably expected based on the regulatory authority’s previous statements on the availability of channel 69 to PMSE users).

¹³ See Sennheiser Comments at 8-10.

independent administrator whose reasonable operating expenses are reimbursed by the auction winner licensees.

Alternatively, as NAB has proposed,¹⁴ the Commission could hire an independent, third-party administrator to manage the reimbursement program. The Commission would develop a set of principles guiding the determination of “reasonableness” of cost in evaluating claims for reimbursement; the independent, third-party administrator would conduct spot audits of claimed expenses; and the Commission’s policy would help to control costs by maximizing the amount of time that parties seeking reimbursement have to prepare for TV band repacking.

Respectfully submitted,

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¹⁴ See NAB Comments at 39-42.

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