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May 9, 2014

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

Via Electronic Filing

**Re: GN Docket No. 12-268, *Incentive Auctions*
WT Docket No. 12-269, *Mobile Spectrum Holdings***

Dear Ms. Dortch,

On Thursday, May 8, 2014, I met with Louis Peraertz, Commissioner Clyburn's Legal Advisor for Wireless, International and Public Safety, regarding the above-captioned dockets.

During the meeting, I very briefly reiterated Free Press's positions with regard to the preservation of spectrum for unlicensed use in the 600 MHz band. I also discussed actions that the Commission should take in both of these dockets to promote mobile broadband competition through the auction and beyond.

I noted that creation of a duplex gap of at least 11 to 12 megahertz is eminently "technically reasonable" within the meaning of the incentive auction statute, and that a duplex gap of this size would permit broadband use of a 6 megahertz channel by unlicensed devices. I also explained that wireless microphones should be prohibited from making reservations in this 6 megahertz portion of the duplex gap so that it would in fact be available for such unlicensed use.

With respect to proposed band plans for the incentive auction, and specifically the reservation of blocks for carriers that do not already control significant low-band spectrum in a particular market, I noted that the Commission should (if anything) *increase* the proportion of spectrum to be reserved under different clearing scenarios – not decrease it. The Commission should foster situations in which the two largest national carriers must bid against each other for licenses – rather than allowing both AT&T and Verizon to walk away with 20 megahertz yet never concern themselves with bidding against one another. Increasing and adjusting the reserved and unreserved spectrum amounts could generate increased revenue from this type of competitive bidding. It also would fulfill the stated goal of promoting mobile broadband competition by creating opportunities for competitive carriers to obtain low-band spectrum – benefiting consumers with increased coverage, better service, and lower-priced plans.

To promote that kind of competition, the Commission needs sound policies not only during the incentive auction but beyond. To that end, I expressed concern regarding several of the reported conclusions in the Mobile Spectrum Holdings order.

The Commission cannot, consistent with its duty to promote competition and prevent excessive concentration licenses, actually increase the ability of the largest and most dominant national carriers to expand their already outsized spectrum lead. Yet the item reportedly suffers from many flaws that could allow just such a result. These include a reported refusal to adopt a firm spectrum cap rather than a soft screen; a failure to account sufficiently for low-band holdings in such a screen; the addition of massive amounts of spectrum (even that of diminished availability and usability) to the denominator for calculations using the screen; and the adoption of surmountable anti-trafficking provisions that the wireless duopolists can afford to outwait.

Free Press files this *ex parte* notice pursuant to Section 1.1206(b) of the Commission's rules. If you have any questions regarding this submission, please do not hesitate to contact me.

Respectfully submitted,

/s/ Matthew F. Wood

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cc: Louis Peraertz