



August 14, 2014

VIA ELECTRONIC FILING

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

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

Dear Ms. Dortch:

On August 12, 2014, undersigned Executive Director of the Expanding Opportunities for Broadcasters Coalition (the "Coalition"), Ari Meltzer of Wiley Rein LLP, and six representatives of the licensees of auction-eligible television stations participated in a meeting with Chairman Gary Epstein, Vice Chairman Howard Symons, AJ Glusman, and Evan Kweral of the Incentive Auction Task Force; Craig Bomberger, Martha Stancill, and Margaret Wiener of the Wireless Telecommunications Bureau; and Rachel Kazan of the Wireline Competition Bureau to discuss the need for the FCC to provide maximum transparency in the Incentive Auction. The Coalition emphasized that providing broadcast station participants with complete visibility into actions in both the forward and reverse auctions will inform bidding decisions and strengthen broadcaster confidence in the integrity of the auctions. Attachment A includes is a list of specific information that the Coalition suggested should be provided before and during the Incentive Auction.

On August 13, 2014, the undersigned, Mr. Meltzer, and six representatives of the licensees of auction-eligible television stations¹

¹ . Four of the Coalition representatives participated by telephone. Pursuant to the Media Bureau's February 28, 2014 public notice (DA 14-268), broadcast participants may participate in



participated in a meeting with Chairman Gary Epstein, Vice Chairman Howard Symons, and Evan Kweral of the Incentive Auction Task Force; Bureau Chief Julius Knapp of the Office of Engineering and Technology; Sasha Javid, John Leibovitz, John McCormack, Martha Stancill, and Brett Tarnutzer of the Wireless Telecommunications Bureau; and Rachel Kazan of the Wireline Competition Bureau. Four of the Coalition representatives, AJ Glusman of the Incentive Auction Task Force, and Paul Milgrom of Auctionomics participated by telephone. The participants discussed the concept of “Dynamic Reserve Pricing” as a mechanism to allow the FCC to begin the reverse auction with very high prices despite the absence in some markets of sufficient broadcast participants to achieve a national clearing target.

The FCC staff was extraordinarily responsive and accommodating in scheduling these meetings. In each meeting, the FCC staff listened to our views and concerns and demonstrated a very sincere interest in finding ways to increase broadcaster confidence in the fairness and openness of the auction process.

Our Coalition members have been extremely impressed by the constructive nature of this dialog. These meetings have further increased the confidence of our approximately 80 auction-eligible stations that the Incentive Auction will, in fact, present a once-in-a-lifetime opportunity to monetize our spectrum and, if we wish, continue our television operations through channel sharing.

meetings with Commission staff to discuss incentive auction matters without disclosing their identities. Together, the broadcast participants own both full power and Class A television stations in a number of markets, including stations in several of the ten largest DMAs.

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Respectfully Submitted,

/s/ Preston Padden /s/

Preston Padden
Executive Director
Expanding Opportunities for
Broadcasters Coalition

Enclosure

cc: Gary Epstein, Howard Symons, Craig Bomberger, Melissa Dunford,
AJ Glusman, Sasha Javid, Rachel Kazan, Evan Kweral, John
Leibovitz, Jonathan McCormack, Paul Milgrom, Martha Stancill,
Brett Tarnutzer, Margaret Wiener



Attachment A:

Trust Through Transparency – A Proposal for Information Disclosure in the Television Broadcast Incentive Auction

Reverse Auction

- At the outset, the FCC should publicly release the opening offers and, to the extent they are different, reserve prices for each auction-eligible station. Because the FCC will make opening offers before any stations register for the auction, such disclosure would not compromise the identity of “a licensee participating in the reverse auction.”
- After each reverse auction round, the FCC should disclose:
 - 1) anonymized information about the offers made to each station for each bid-type (to the extent that different broadcasters receive different bids);
 - 2) anonymized information about whether each station accepted the bid and which stations were “frozen”;
 - 3) aggregate information about the number of stations that withdrew, were “frozen,” or remain active (by round and cumulative);
 - 4) to each participating station, aggregate information about stations that are mutually exclusive (not compatible on one or more channel) with that station (i.e., for that station, ten mutually exclusive stations remain active, two mutually exclusive stations were frozen in that round, and eight mutually exclusive stations withdrew in that round);
 - 5) if a dynamic reserve price is active, information about the progress toward lifting the dynamic reserve price;
 - 6) information about how much 600 MHz spectrum is conditionally available for forward auction in each partial economic area; and
 - 7) the total amount of payments to broadcasters for bids that the FCC has conditionally accepted.
- To preserve the anonymity of participating broadcasters, the Commission can release certain categorical information about each station, such as a combination of station type (full power or Class A; commercial or non-commercial), station affiliation (major network, minor network, independent), Designated Market Area, state of license, number of mutually exclusive stations, interference profile,

and any factor used to determine a station's "score," without identifying any individual stations.

Forward Auction

With no analogous confidentiality restrictions in the forward auction, the FCC should release detailed information about bids placed for each partial economic area both between rounds and after the completion of each stage. This information should include all bids placed, provisionally winning bids, and bidder eligibility status.