

February 18, 2020

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

Re: Expanding Flexible Use of the 3.7 to 4.2 GHz Band, GN Docket No. 18-122

Dear Ms. Dortch,

The undersigned associations commend the Commission on its plans to reallocate the C-band for terrestrial wireless services and assign it through a public auction. The Commission is well aware of the C-band's importance and the role it will play in the deployment of 5G and future innovative terrestrial wireless services. Mid-band spectrum is vital for the deployment of 5G services, and the C-band represents a significant opportunity for communications providers to acquire mid-band spectrum.

Such a critical limited resource should be assigned in a manner most likely to maximize competition and participation. While there are many tools that the FCC could use to promote an inclusive and competitive auction, a spectrum aggregation limit is a modest step that would provide a significant benefit for competition and for rural America. An auction in which one or two of the largest incumbent mobile carriers walk away with all 280 megahertz of C-band spectrum will not promote a competitive marketplace or benefit consumers. A requirement that no single entity can acquire more than one-third of the spectrum in a geographic area would give bidders of all sizes, including smaller providers, a reasonable opportunity to acquire scarce mid-band spectrum, thereby encouraging greater participation in the auction by bidders of all sizes and promoting a more competitive wireless landscape.

An aggregation limit also would fulfill the objectives set forth by Congress for conducting auctions. Section 309(j) of the Communications Act provides that the FCC should "avoid[] excessive concentration of licenses" and "disseminat[e] licenses among a wide variety of applicants, including small businesses, rural telephone companies, and businesses owned by members of minority groups and women."¹ Applying an aggregation limit would result in a more robust auction by enabling a diverse group of applicants to participate. The FCC has imposed aggregation limits in past auctions and considering the importance of the C-band to the long-term prospects for 5G deployment outside of dense urban areas, the Commission should again adopt them here.²

¹ 47 U.S.C. § 309(j)(3)(B).

² See *Promoting Investment in the 3550-3700 MHz Band*, GN Docket No. 17-258, *Report and Order*, 33 FCC Rcd 10958 (2018).

The Commission’s draft Order asserts that an aggregation limit would “unnecessarily restrict providers’ ability to participate in the auction and acquire spectrum in this band.”³ But *the lack of* an aggregation limit is far more likely to restrict participation in the auction. If operators do not believe that they have a genuine possibility of acquiring the spectrum that they need, they will be discouraged from participating at all. And it is difficult to see how the competitive benefits of allowing a single operator to acquire more than 100 megahertz of scarce C-band spectrum outweigh the competitive benefits of allowing multiple operators to acquire the spectrum resources that they need to serve consumers, including consumers in some of the most rural and high cost areas of the country. Recent spectrum auctions in other countries that included aggregation limits established that such limits can promote participation and bidding, and belie the Commission’s concern that an aggregation limit would restrict participation.⁴

Spectrum limits have historically promoted a more competitive wireless ecosystem and will do so for 5G. We therefore urge the FCC to adopt an aggregation limit in this proceeding consistent with the proposal set forth herein.

Sincerely,

/s/

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³ *Expanding Flexible Use of the 3.7 GHz to 4.2 GHz Band*, GN Docket No. 18-122, *Draft Report and Order and Proposed Order of Modification*, ¶ 86, FCC-CIRC2002-01 (2020).

⁴ See Letter from Steve B. Sharkey, T-Mobile USA, Inc., to Marlene H. Dortch, FCC, GN Docket No. 18-122, at 2 (Feb. 5, 2020).