



TIA Spectrum Management Policy

As manufacturers of wireless products and systems, TIA members have a direct interest in the spectrum management polices being examined by this Congress, the FCC, and the Administration. Responsible spectrum management contributes to high volume manufacturing that increases opportunities for competition both in the equipment and service markets and ensures that consumers and users can purchase equipment using the best technology at the lowest price. Geographically unified national allocations, for example, reduce equipment cost through economies of scale. Harmonized domestic and international spectrum allocations increase exports and jobs generated by this industry. Many polices, spectrum allocations and licensing approaches adopted in the U.S. are also adopted by other nations.

Elements of a Sound Spectrum Management Policy

- Budget-driven mandates for spectrum use should never be used. Policy that is driven by the goal of short- term gain for the Treasury will not meet the long term goal of serving the public's telecommunications needs.
- While spectrum auctions are one method of licensing the use of spectrum when selecting between competing applicants, they should not be used for spectrum allocations. Auctions should only be used for licensing decisions among competitors and are best used where the spectrum being licensed is intended for mutually exclusive commercial applications. Before auctions can work effectively, consensus should be reached on the types of services to be offered in a particular frequency band and on service rules.

- There must be some balance between the public's right to realize revenue from spectrum with the ability of users to pay for the use of that resource. The FCC should allocate spectrum without auctions or fees in the case of public safety and essential services. Also, for example, in the case of global satellite service, auctions could seriously inhibit market and technology developments, and the U.S. Government has appropriately decided not to auction such spectrum. In contrast to auctions that help to provide an effective and relatively fast transition of spectrum to new services allocated pursuant to demonstrable market demand, auctions driven solely by the budget process simply impose an enormous burden on new business, many of which face large, well-entrenched incumbents. When this burden affects the ability of potential competitors to launch new services, it also has the effect of a tax, stifling new technology.
- It is important to note the frequency spectrum is finite in nature yet must accommodate future radio and telecommunications needs. Clearly spectrum management is international in character and cannot be dealt with solely on a domestic basis. Spectrum allocation decisions in the U.S. must reflect a consensus by the private sector and the government on what services are technically possible, economically sound, spectrally efficient and likely to benefit the public. Decisions on spectrum flexibility leads to fractured markets, increased equipment costs, delayed research, product development, and time to market, and increased potential for interference among users.
- In order to optimize spectrum usage given the myriad of different spectrum users, the FCC should retain authority to allocate and assign licenses using the methods that best accommodate the relevant public interest considerations including economic, technical, and market factors. For example, consideration should be given to providing adequate time for technology investment decisions, the amount of spectrum needed for an intended use and the need to avoid harmful interference between systems and operations. Specifically, the FCC should be encouraged to optimize spectrum usage by exploring flexible spectrum sharing between and among licensed

and unlicensed services. For instance, the FCC has authorized unlicensed use of spectrum in a manner that has led to the development of entirely new applications of wireless technology. Further, many specialized uses of spectrum, including radar, aviation and maritime navigational aids, space sciences, heart monitoring and other hospital equipment may require the use of unique methodologies for spectrum assignment. Finally, the FCC may require in the future the use of compensation-based assignment mechanisms, other than auctions to ensure spectrum efficiency in new private radio services.

Conclusion

Spectrum management is an increasingly important function of government. If spectrum management is overtaken by the budget process, the United States will not realize the maximum benefits and opportunities of its spectrum resources in radio telecommunications technologies and services.

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