

The Honorable Gordon H. Smith
President and CEO



May 8, 2012

The Honorable Brett Guthrie
United States House of Representatives
308 Cannon House Office Building
Washington, D.C. 20515

The Honorable Doris Matsui
United States House of Representatives
222 Cannon House Office Building
Washington, D.C. 20515

Dear Representatives Guthrie and Matsui:

Congratulations on your appointments as co-chairs of the Federal Spectrum Working Group. While I understand that the focus of your group is on finding ways to analyze and optimize use of the vast quantities of spectrum under federal government control, I believe it is also vitally important to have a clear understanding of how the private sector is using spectrum. It is our hope that your group will focus on this area of spectrum usage as well.

In recent weeks, Martin Cooper, the engineer credited with inventing the cellular phone, was quoted in *The New York Times* as saying the alleged "spectrum crisis" is an exaggeration. Mr. Cooper suggests that capacity constraints will be resolved by advancements in technology and a timely build-out of spectrum by wireless carriers. Mr. Cooper is not alone in his skepticism; Citigroup, the world's largest financial services network, proclaimed late last year that assertions of a spectrum crisis are overblown.

These developments starkly demonstrate a striking lack of objective information when it comes to U.S. spectrum policy. Press reports indicate significant warehousing and spectrum speculation by corporations that apparently have squatted on large swaths of spectrum rather than building out their networks. Moreover, requests for a comprehensive spectrum inventory from respected policymakers Sen. Olympia Snowe (ME) and Rep. John Dingell (MI-15) have gone unanswered.

Unfortunately, neither Congress nor the American people have a clear understanding of what spectrum is being used, by whom and for what purpose.

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Over the last few years, the wireless industry has pointed to considerable growth in the popularity and ubiquity of mobile broadband as evidence of a shortage of available spectrum for mobile broadband. Certainly, NAB agrees that there are increasing demands for wireless broadband.

Yet, without a fulsome inventory and complete accounting of how spectrum is being deployed, how can we be certain that claims of a spectrum "crisis" are valid? Are wireless companies simply hoarding spectrum to limit competition? Is there sufficient spectrum in the pipeline to meet future needs if that spectrum is properly deployed? What are the specific build-out requirements for companies that have acquired spectrum? Are the penalties tough enough to prevent delayed deployment?

Congress recently gave the Federal Communications Commission (FCC) authority to conduct voluntary incentive auctions of broadcast spectrum as long as it protects the ability of the millions of Americans who rely on our local service to continue to access our programming for free. The National Association of Broadcasters (NAB) fully supports that approach. Television broadcasters already returned 108 MHz of spectrum after the transition from analog to digital television. They will soon decide whether to return their licenses or continue to offer free local television, and deploy innovative new offerings that include live and local mobile television. This new service will allow viewers to access the most popular programming on television without incurring expensive data charges imposed by wireless carriers.

As government moves forward with broadcast incentive auctions, NAB respectfully requests that Congress be vigilant in safeguarding the rights of our local TV viewers during the process and further suggests that **all** spectrum license holders be held accountable for their use of valuable airwaves. If this country is truly facing what many are calling a spectrum "crisis," then Congress should require a comprehensive inventory that details who is **using** spectrum today. Reasoned policy decisions and thoughtful consideration of these matters simply cannot be honestly and earnestly debated without the facts.

Again, congratulations on your roles as co-chairs of the Federal Spectrum Working Group. The importance of your group's work cannot be overstated, and NAB stands ready to work with you as we strive for a communications ecosystem in America that is the envy of the world.

Sincerely,



Gordon H. Smith

cc: Members of the Federal Spectrum Working Group