

The Honorable Gordon H. Smith
President and CEO



July 19, 2010

Lawrence H. Summers, Ph.D.
Director of the National Economic Council
and Assistant to the President for Economic Policy
The White House
1600 Pennsylvania Avenue NW
Washington DC 20500

Dear Dr. Summers:

On behalf of America's free and local television broadcasters, allow me to express my sincere appreciation for your repeated assurances last month that any reclamation of more broadcast spectrum will be administered on a truly voluntary basis. As our nation's original wireless communications service, we recognize and respect the Administration's goal of expanding available spectrum to enhance mobile wireless communications services, and we remain committed to working with you, the Administration, the Federal Communications Commission and Congress to achieve this objective. We are convinced that a holistic approach to spectrum policy by this Administration can identify and repurpose spectrum suitable to achieve this goal without compromising broadcasting's ability to deliver free and local high definition TV, additional niche programming on multicast channels and mobile TV to our viewers.

As we have discussed, we have no quarrel with incentive auctions that are truly voluntary. We are concerned, however, that an arbitrary goal of reallocating 120 MHz of the spectrum currently designated for broadcast television—more than forty percent of the current allotment—would create a number of serious engineering and practical difficulties. While the FCC's Omnibus Broadband Initiative (OBI) may have suggested that such a goal was feasible, as demonstrated in the recent Broadcast Engineering Forum at the FCC, there are flaws in the OBI analysis. Moreover, we note that any effort to reach such an arbitrary goal via involuntary mechanisms runs counter to your announcement.

1771 N Street NW
Washington DC 20036 2800
Phone 202 429 5449
Fax 202 429 5410
www.nab.org

Since the dawn of television more than 70 years ago, every Administration has recognized the enduring value of free and local broadcasting. And while new technologies have emerged, the local broadcasting model continues to serve as the backbone of our information and entertainment ecosystem. No other information platform can match the reach and reliability of free, over-the-air broadcasting. Broadcasting's uniqueness is especially apparent in times of heightened national security concerns, severe weather and other emergencies. Indeed, the importance of sustaining a vibrant broadcasting system was underscored by President Obama just last year when he made the decision to delay the nationwide digital TV transition for several months to ensure that Americans had continued and uninterrupted access to local broadcast TV stations.

Collectively, broadcasters spent more than \$10 billion making the historic transition from analog to digital television, with a promise to viewers that they would benefit from superior picture quality and additional niche programming. During the process, stations returned 108 MHz of spectrum to the government—spectrum that has already been auctioned to wireless service providers and allocated to public safety but which has yet to be deployed.

We are hopeful that the Administration will continue to recognize broadcasting's undisputed strengths, and that any legislative or regulatory action altering the current spectrum framework will provide Americans with both the finest broadband and broadcast system in the world.

Specifically, future spectrum policy must ensure that:

- 1) **Americans maintain access to digital offerings currently provided by television broadcasters.** The digital era of broadcasting is bringing viewers crystal-clear high-definition video and niche multicast programming that includes foreign-language offerings, 24-hour children's educational programming, and an emerging number of localized channels targeted specifically to the needs of individual communities. With an eye toward continued innovation, broadcasters are now rolling out mobile digital TV, which will deliver live and local video programming directly to mobile handheld devices, laptop computers and the back seats of cars. TV stations from coast-to-coast have spent millions developing a DTV future. Those stations choosing not to participate in a voluntary incentive auction should not be asked to deny their viewers the full fruits of broadcasting's digital future.

- 2) **Americans must not lose access to broadcast television based on signal strength degradations or limitations.** Stations that choose not to participate in a voluntary incentive auction—and the viewers who rely daily on these free and local program offerings—must not be subjected to signal strength limitations or new interfering signals that degrade their geographical reach.
- 3) **Free TV viewers must continue to be beneficiaries of video innovation.** Whether on a 60” or 4” display, broadcast technology provides the most spectrally efficient means to deliver high quality local programming to viewers. We can and will serve as an asset to wireless Internet providers looking to “off-load” high-demand content to users. Future innovations are on their way, including delivery of on demand programming and 3DTV. Stations that choose not to participate in a voluntary incentive auction must not lose the ability to innovate using their full current spectrum resource.
- 4) **Americans must not lose quality local TV because of new spectrum taxes.** Stations that choose not to participate in a voluntary incentive auction must not be subjected to onerous new spectrum taxes that would make it increasingly difficult for stations to finance local programming, operations and newsgathering efforts.

Broadcasters appreciate the Administration’s leadership on this issue. We stand ready to work constructively through a fact-based process that remains truly voluntary and founded upon the engineering realities of sound spectrum management. Our goal is simple: to work collaboratively on a two-track strategy that accomplishes the Administration’s goals without compromising the future of America’s robust and reliable digital television service that remains free, local and ubiquitous.

Regards,



Gordon H. Smith