

**STATEMENT OF  
COMMISSIONER MICHAEL J. COPPS, CONCURRING**

*RE: Auction of Advanced Wireless Services Licenses Scheduled for June 29, 2006; Notice and Filing Requirements, Minimum Opening Bids, Upfront Payments and Other Procedures for Auction No. 66 (Public Notice, AU Docket No. 06-30).*

Today we announce the rules of the road for this summer's AWS auction. In doing so, we lay the groundwork for finally realizing the full potential of this 90 megahertz of spectrum. Innovative wireless companies can use this valuable resource to bring an exciting range of new services to the nation's consumers. Of particular importance, by offering both geographically large and small auction areas, the auction will provide opportunities for small as well as large wireless companies. And let's not forget this: taxpayers are expected to receive, according to analysts, anywhere from \$8 to \$15 billion in auction revenue.

With so much at stake, the proposal to replace our transparent bidding procedures at this late date with an anonymous bidding approach gives me some pause. I commend the staff for considering ways to ensure the integrity of the auction by trying to protect against possible collusive and retaliatory behavior. That is essential. I also appreciate the efforts of the Chairman to develop an approach – based on the record – that strikes a balance on information disclosure. I nevertheless remain concerned that our decision could lead to unintended consequences – as is often the case with significant changes arrived at quickly. A worst case scenario, of course, would involve fewer bidders participating in the auction and less revenue raised in the process.

The schedule for the AWS auction needs to stay on track, and I concur today to ensure that it does. I did not participate in the formulation of the original staff proposal on anonymous bidding, and have not, frankly, had enough time to determine with confidence that we can successfully change so many long-standing auction procedures. I am hopeful, however, that the approach we adopt today will protect the integrity of the auction, preserve the ability of companies of all sizes to participate, and promote competitive and consumer-friendly utilization of this spectrum.

On a separate but related note, when we revised the AWS band plan and service rules last August, I expressed concern about misuse of our Designated Entity program – calling for action to fix it in advance of the AWS auction. As I explained then, I believe the DE program plays a critical role in ensuring that smaller carriers have a fighting chance to obtain spectrum resources. But at the same time, we have a solemn obligation to take a strong stand against abuses of the program. We must not allow deep-pocketed companies or individuals to erode the integrity of our auctions by masquerading as small carriers. It is critically important that we act to ensure reforms that protect against fraud in time for the upcoming AWS auction.