



# NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.  
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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## **STATEMENT FROM FCC CHAIRMAN JULIUS GENACHOWSKI ON HOUSE PASSAGE OF VOLUNTARY INCENTIVE AUCTION LEGISLATION**

Washington, D.C. -- FCC Chairman Julius Genachowski has issued the following statement on the House passage of voluntary incentive auction legislation:

“House passage of incentive auction authority is a major achievement. The House legislation, like S. 911, which was approved by the Senate Commerce Committee, would authorize the Federal Communications Commission to conduct voluntary incentive auctions as recommended in the FCC’s National Broadband Plan. This would free up new spectrum for mobile broadband, driving investment, innovation, and job creation; generating many billions of dollars of revenue; and helping foster U.S. leadership in mobile broadband.

“Incentive auction authority, which has broad bipartisan support, needs to become law. Unless we free up new spectrum for mobile broadband, the looming spectrum crunch risks throttling our mobile economy and frustrating mobile consumers.

“The House bill also provides funding for a public safety broadband network for the nation’s first responders, which was another recommendation of the National Broadband Plan. I further applaud the House for adopting this important proposal.

“As the bill moves forward, I look forward to working with Congress to ensure that the FCC has the flexibility it needs on spectrum policy, a hallmark of our legal and regulatory structure that has been in place for decades. Communications technologies and markets change rapidly and unexpectedly. The FCC’s ability to adapt nimbly to these changes and to manage spectrum for the benefit of the American public and our economy will be even more critical in the years ahead.

“Over the last weeks and months, we have conveyed to Members of Congress and their staff concerns about provisions that would reduce FCC flexibility to maximize the overall value of freed-up spectrum, enhance spectrum efficiency, and promote robust innovation and investment. Several provisions of the House bill would tie the agency’s hands in ways that could be counterproductive, reducing economic value and hindering innovation and investment. One

important example is the legislation's seeming limitation on the Commission's ability to accommodate new technologies, including those that use unlicensed spectrum, like super WiFi or machine-to-machine Internet connected devices. I encourage Congress to leave no doubt that the FCC can continue its policies to promote unlicensed spectrum use alongside licensed uses.

“These policies to promote unlicensed spectrum contribute tens of billions of dollars to our economy each year. Wi-Fi hot spots across the United States increase the value of licensed broadband service by an estimated \$25 billion a year. Wireless providers rely on Wi-Fi to “off-load” nearly 40 percent of traffic from their networks, resulting in a reduction of the cost of wireless broadband service by at least another \$25 billion each year. Unlicensed spectrum stimulates innovation, investment, and job creation in many ways, including by providing start-ups with quick access to a testbed for spectrum that is used by millions, bringing new technologies to consumers in a rapid fashion. Wi-Fi, Bluetooth, cordless phones, garage door openers, wireless car keys, and baby monitors—industries generating billions of dollars of revenue—would not exist without unlicensed spectrum. As CTIA, The Wireless Association, recently explained in a letter to Congress, licensed and unlicensed should be accommodated in any spectrum legislation and should be viewed as “complementary rather than an either-or proposition.”

“Precluding the FCC from adopting innovation-enhancing policies around unlicensed spectrum could threaten U.S. global leadership in spectrum-related innovation. The same is true for the bill's restrictions on the Commission's ability to construct band plans and structure auctions in ways that maximize the value of licensed spectrum. Ensuring that the Commission retains the flexibility to determine the optimal band plan for new spectrum that becomes available, including the creation of guard bands and other interference safeguards, will enhance the value of the new commercial mobile licenses, as will ensuring that the Commission can conduct auctions in ways that will best further innovation, investment, and competition in the wireless space.

“Again, I commend the House of Representatives for its passage of historic incentive auction legislation. The Commission will continue to serve as resource to Congress as this measure moves forward so we can help seize the enormous mobile opportunity and meet the growing demand for mobile services.”