



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

July 8, 2014

The Honorable G.K. Butterfield
First Vice Chair
Congressional Black Caucus
U.S. House of Representatives
2305 Rayburn House Office Building
Washington, D.C. 20515

Dear Vice Chairman Butterfield:

Thank you for sharing your views on the Commission's upcoming spectrum auctions. I share your belief in the importance of avoiding excessive concentration of licenses and providing opportunities for small businesses, and businesses owned by minorities and women to meaningfully participate in those auctions.

A priority of the Incentive Auction will be to ensure against excessive concentration in holdings of low-band spectrum, including the 600 MHz Band licenses that will be available in the forward auction. To this end, the Commission recently adopted rules in the Mobile Spectrum Holdings proceeding to promote competition and facilitate the deployment of advanced services by making spectrum available for flexible use. In addition, in the Incentive Auction proceeding the Commission adopted small business bidding credits and chose Partial Economic Areas (PEAs) as the service area for the 600 MHz Band, which should provide smaller entities and minority and women-owned business enterprises (MWBES) with the opportunity to bid on spectrum licenses.

In the near future I will also present a Notice of Proposed Rulemaking (NPRM) regarding our designated entity (DE) rules for my fellow Commissioners' consideration. That NPRM will propose changes to the Commission's DE rules designed to enhance those entities' ability to participate in spectrum auctions. Once the proceeding commences, the Commission will examine the associated record thoroughly, yet expeditiously. The DE proceeding will be concluded – and any new rules will be in place – enough in advance of the Incentive Auction to allow interested parties sufficient time to plan appropriate business decisions.

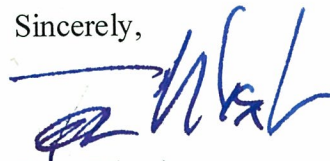
I also recognize your concerns about the upcoming AWS-3 auction. At the time the Commission adopted the AWS-3 rules, the record was not sufficient to make any changes to the DE rules. However, the rules the Commission adopted included small business bidding credits, and other aspects of the rules will encourage a variety of entities to participate in the auction. In particular, the AWS-3 band plan includes a mix of spectrum block sizes, both paired and unpaired, and different geographic license areas, including Economic Areas (EAs) and Cellular Market Areas (CMAs). Together, the small business bidding credits and the mix of different

sized spectrum blocks and license areas will provide bidding opportunities for a wide range of entities, including MWBEs.

In addition, Grain Management, LLC, has filed a request for clarification or waiver of the “attributable material relationship” rule, a regulation that specifies that certain revenues are attributable to applicants seeking small business bidding credits. The Wireless Telecommunications Bureau sought comment on the request and will consider it expeditiously. The Commission will also review the “attributable material relationship” rule, among others, in the designated entity proceeding described above.

Thank you again for sharing your concerns pertaining to the Commission’s efforts to promote minority and women-owned businesses’ participation in spectrum auctions. I look forward to working with you toward our mutual goal of successful future auctions for the benefit of all Americans.

Sincerely,



Tom Wheeler



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

July 8, 2014

The Honorable Marcia Fudge
Chair
Congressional Black Caucus
U.S. House of Representatives
2344 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairwoman Fudge:

Thank you for sharing your views on the Commission's upcoming spectrum auctions. I share your belief in the importance of avoiding excessive concentration of licenses and providing opportunities for small businesses, and businesses owned by minorities and women to meaningfully participate in those auctions.

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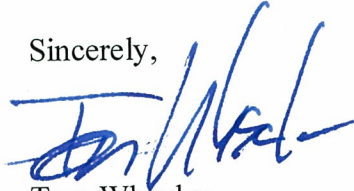
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Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Wheeler", with a stylized flourish extending to the right.

Tom Wheeler



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

July 8, 2014

The Honorable Bobby Rush
U.S. House of Representatives
2268 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Rush:

Thank you for sharing your views on the Commission's upcoming spectrum auctions. I share your belief in the importance of avoiding excessive concentration of licenses and providing opportunities for small businesses, and businesses owned by minorities and women to meaningfully participate in those auctions.

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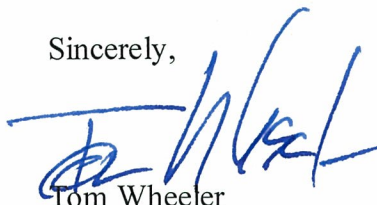
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Tom Wheeler