

United States Senate
WASHINGTON, DC 20510

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Spectrum
Incentive
Auctions

June 24, 2015

The Honorable Tom Wheeler
Chairman
Federal Communications Commission
445 12th St. SW
Washington, DC 20554

Dear Chairman Wheeler:

As the Commission finalizes rules for the upcoming incentive auction, we write to express our continuing support for increasing competition in the wireless marketplace and ensuring companies of all sizes enjoy access to spectrum.

While raising revenue is an important goal for the upcoming auction, it is not the only goal. As you have stated: "Consumers are best served when numerous service providers compete. Competition lowers prices, improves equality, and increases innovation."

Today, approximately three quarters of the highly desirable spectrum below 1 GHz is held by AT&T and Verizon. Without low-band spectrum, wireless providers face network difficulties, including obstacles to penetrating walls and signals unable to travel greater distances.

Understanding the perils of spectrum concentration, we worked hard to ensure the Middle Class Tax Relief and Job Creation Act of 2012 allowed the Federal Communications Commission (FCC) to meet its statutory obligation to ensure competition in the wireless marketplace and avoid an excessive concentration of licenses through auction-specific rules. This auction represents an historic opportunity to decrease this concentration of low-band spectrum.

The Department of Justice (DOJ) agrees. In multiple filings and letters to the FCC, DOJ's Antitrust Division has stated its support for clear and meaningful rules that make more low-frequency spectrum available to nationwide carriers. DOJ wrote in 2014, "[it is] the Department's view that rules that ensure smaller nationwide wireless networks, which currently lack substantial low-frequency spectrum, have an opportunity to acquire such spectrum could improve the competitive dynamic in the wireless market and benefit consumers."

We commend you for acting consistently with DOJ's advice and this important Congressional intent by recognizing the need to include a "reserved" block of spectrum as part of the incentive auction. This reserve represents a crucial way to achieve greater competition in the wireless marketplace. As the Commission moves towards a final vote on the incentive auction order, the FCC should continue to evaluate its auction rules to ensure they prevent excessive concentration of spectrum among the nation's largest wireless providers.

More competition means greater consumer choice and expedited innovation. We encourage you to continue to make competition your priority moving forward with this historic auction.

Sincerely,



Edward J. Markey
United States Senator



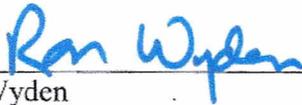
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