

**OPENING REMARKS OF FCC COMMISSIONER AJIT PAI  
AT THE NAB SHOW'S PANEL ON  
"MAKING IT BACK DOWN THE MOUNTAIN: REPACKING BROADCASTERS  
FOLLOWING A SUCCESSFUL INCENTIVE AUCTION"**

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The 1972 film *The Candidate* ends with Robert Redford's character Bill McKay winning election to the United States Senate. Amidst his supporters' jubilation, McKay has a dazed look on his face. And he asks his political consultant a question that quickly became one of the most famous final lines in American cinema: "Marvin, what do we do now?"

Later this year, we hope that the FCC will be able to celebrate the conclusion of a successful incentive auction. But once the auction closes, the FCC's work will be far from over. Most importantly, the repack of television broadcast stations will remain ahead of us, and we will need to have a concrete plan in place to get that done. At that point, we can't be like Robert Redford, asking: What do we do now?

This panel therefore comes at an opportune time. To date, most of the public discussion of the repack has centered on two critical topics: time and money. Will it be possible to complete the repack in the 39-month period allotted by the FCC? And will the repack cost more than the \$1.75 billion provided by Congress? These are important questions, and I'm sure that we'll touch on them this morning.

But I hope that we will be able to get beyond those questions as well and focus on how the FCC can formulate a successful repacking plan. And to do that, of course, we first need to define what success means in this context. Broadcasters, for example, have stressed the importance of designing a repacking process that minimizing disruptions to their operations and to viewers' ability to receive over-the-air signals. Wireless carriers, on the other hand, have emphasized their need to be able to use the spectrum they have purchased in the auction in a timely manner. Are these goals complementary or are they in conflict? And if they are in conflict, how should the FCC balance them?

The poet John Donne once wrote, "No man is an island." And when it comes to repacking, we must understand that no broadcaster is an island, either. For example, one station may not be able to relocate until a second station has moved. That second station may not be able to relocate until a third station has moved. That third station could be on the same tower with two other stations. And that daisy-chain effect could stretch on to impact many more stations throughout a region. That's why we can't embrace an "every broadcaster for itself" approach to repacking. The result won't be an efficient or rapid repack, but rather chaos and delay. In this task, we want to apply game theory, not *Game of Thrones*.

That's why stakeholders have suggested that the FCC adopt a regional approach to repacking. But there are critical differences in those proposals—differences that merit close examination. Under one approach, for example, we would prioritize repacking certain geographic regions of the country while leaving others for later. Under another approach, we would divide the country into geographic regions and then start clearing tranches within each region simultaneously.

During today's panel, we'll explore the advantages and disadvantages of each approach. We'll also look at the best way to implement these ideas. Such as: If we decide to prioritize repacking in selected regions, which regions should go first? Or if we decide to proceed in all regions simultaneously, where should we get started within each region?

Whatever the approach, it seems to me that the basic decision we must confront is the same. Do we get our feet wet in places where repacking will be the easiest, in smaller markets with fewer television

stations and a less congested UHF band, and then work our way up to the hardest areas? Or do we pull the Band-Aid off quickly and tackle the toughest markets right away?

As with so many issues we have confronted during the incentive auction proceeding, there are no easy answers to these questions. So we are fortunate to have a distinguished group of experts with us this morning to help navigate these treacherous waters. Our panelists have different perspectives, so I'm confident there will be some lively disagreement on certain topics. But I also hope that we'll be find areas of common ground during the next hour. Because a smooth repack is in the interest of broadcasters, wireless carriers, and the American people.