For Immediate Release

FCC REAFFIRMS THAT SNR WIRELESS AND NORTHSTAR WIRELESS ARE INELIGIBLE FOR $3.3 BILLION IN BIDDING CREDITS

Decision Finds Two Companies Are Still Controlled by DISH Network

WASHINGTON, November 23, 2020—The Federal Communications Commission today released an order on remand finding that SNR Wireless LicenseCo and Northstar Wireless remain ineligible for the bidding credits they sought during the AWS-3 Advanced Wireless Services auction (Auction 97). The two companies together won a plurality of licenses in the auction, with aggregate gross winning bids of approximately $13.3 billion. In 2015, the Commission denied their requests for approximately $3.3 billion in bidding credits, finding that they did not qualify for the 25% bidding credits available to very small businesses because they were controlled by DISH Network. The parties appealed, and in 2018 the U.S. Court of Appeals for the D.C. Circuit affirmed the Commission’s finding that they were controlled by DISH Network.

In its ruling, the Court also found that the Commission had not provided sufficient notice that SNR and Northstar would not be permitted to try to cure their control by DISH Network and therefore remanded the matter to the Commission, directing the agency to offer the companies an opportunity to renegotiate their agreements with DISH Network to eliminate DISH’s control. Pursuant to the remand procedures adopted by the Commission, the applicants subsequently submitted revised agreements.

The Memorandum Opinion and Order on Remand released today concludes, based on a review of the revised agreements and the record on remand, that DISH Network continues to possess de facto control over SNR and Northstar. As a result, the two companies continue to be ineligible for the approximately $3.3 billion in very small business designated entity bidding credits sought for the licenses they won in Auction 97. Because SNR and Northstar defaulted on 197 licenses—including licenses in New York, Boston, and Chicago—they paid the full price for the remaining spectrum they won in the 2015 AWS-3 auction. The applicants therefore do not owe the Commission the additional $3.3 billion that they bid in the auction. SNR and Northstar are subject to additional default payments that may become due when the defaulted licenses are auctioned in the future.

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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. Cir. 1974).