

*Summary: Demand for wireless data and usage continues to grow. With the growth in demand for wireless data, there is a growing need for the government to make available additional commercial spectrum. This model resolution urges Congress, the Federal Communications Commission, and the National Telecommunications and Information Administration to use market-based mechanisms to free up spectrum.*

## **A RESOLUTION SUPPORTING ADDITIONAL COMMERCIAL SPECTRUM**

1 For the purpose of urging Congress to continue to deploy commercial spectrum on a predictable,  
2 expedient basis through auctions, with no government intervention in the form of excessive regulation,  
3 fees or taxes and allowing free market principles of consumer demand to dictate the efficient use of all  
4 commercial spectrum.

5 **WHEREAS** for the first time in United States history, at the end of 2011, the number of total wireless  
6 subscriber connections (316 million) has surpassed the population (315.3 million) of the United States  
7 and its territories (Puerto Rico, Guam and the U.S. Virgin Islands);<sup>i</sup>

8 **WHEREAS** since 2001, wireless providers have invested more than \$258 billion in capital expenditures to  
9 accommodate U.S. wireless demand;<sup>ii</sup>

10 **WHEREAS** 2011 was the largest annual increase of operational cell sites with 283,385 at year-end,  
11 which was 30,299 more than 2010;<sup>iii</sup>

12  
13 **WHEREAS** the wireless industry is responsible for indirectly and directly supporting 3.8 million jobs, or  
14 2.6% of all U.S. employment;<sup>iv</sup>

15  
16 **WHEREAS** the burgeoning app economy, beginning in 2007, has created 519,000 jobs in the United  
17 States, nearly \$19 billion in revenue, and is expected to generate \$46 billion by 2016;<sup>v</sup>

18  
19 **WHEREAS** the wireless industry contributes \$195.5 billion annually to U.S. GDP;<sup>vi</sup>

20 **WHEREAS** the demand for wireless data and usage is exploding, doubling in each of the last three years,  
21 amounting to more than 1.1 trillion megabytes in the last 12 months;<sup>vii</sup>

22 **WHEREAS** by mid-year 2012, voice and text traffic showed year-over-year increases, to total more than  
23 2.3 trillion minutes of use (MOU) and 2.3 trillion SMS messages for the last 12 months;<sup>viii</sup>

24 **WHEREAS** by mid-year 2012, wireless carriers reported 300.4 million wireless data-capable devices,  
25 where more than 130.8 million of these devices are smartphones and more than 21.6 million are  
26 wireless-enabled laptops, tablets, or wireless broadband modems;<sup>ix</sup>

27 **WHEREAS** in the past 10 years, the FCC's commercial spectrum auctions have raised more than \$34  
28 billion from the wireless industry;<sup>x</sup>

29 **WHEREAS** across 26 member countries of the Organisation for Economic Co-operation and  
30 Development (“OECD”), as of year-end 2011, wireless customers in the U.S. used the most voice  
31 minutes, and paid the lowest average revenue per minute among these countries;<sup>xi</sup>

32 **WHEREAS** the United States is one of only three OECD countries with five or more mobile wireless  
33 carriers competing in its wireless market;<sup>xii</sup>

34 **WHEREAS** the United States is an efficient user of commercial spectrum with only 504 MHz of spectrum  
35 available or in the pipeline for mobile broadband use, when compared with other OECD countries, such  
36 as: Japan with 755 MHz, Germany with 615 MHz, the United Kingdom with 603 MHz, and Spain with 600  
37 MHz of spectrum allocated or in the pipeline for mobile broadband use;<sup>xiii</sup>

38 **WHEREAS** the explosion of wireless usage highlights why the search for more spectrum is imperative  
39 and important to all types of consumers, individual and businesses alike;

40 **WHEREAS** the FCC’s National Broadband Plan provides that an additional 500 MHz of spectrum should  
41 be made available for commercial use by 2020, and calls for at least 300 MHz of that spectrum to be  
42 made available by 2015;

43 **WHEREAS** this additional spectrum has the potential to create an additional 350,000 new U.S. jobs,  
44 increase of \$166 billion in U.S. GDP, boost of \$23.4 billion in government revenues, and increase of  
45 \$13.1 billion in wireless applications and content sales;<sup>xiv</sup>

46 **WHEREAS** the Administration, Congress on a bi-partisan basis, and the Federal Communications  
47 Commission support the fact the United States faces a spectrum shortage in the immediate future;<sup>xv</sup>

48 **WHEREAS** it has historically taken between six to thirteen years to identify, clear, auction and deploy  
49 commercial spectrum;

50 **NOW THEREFORE BE IT RESOLVED** that all state delegations to the United States Congress,  
51 Commissioners of the Federal Communications Commission and the National Telecommunications and  
52 Information Administration are urged to vigorously support all appropriate legislative and regulatory  
53 actions that would further the availability and deployment of spectrum for commercial wireless use;

54 **BE IT FURTHER RESOLVED** that any such federal legislative or regulatory action should focus upon, or  
55 contain, the intent of the following guidelines:

56           Implement market-based mechanisms, such as competitive bidding and auctions for commercial  
57 spectrum assignments, which would greatly reduce or eliminate speculation;

58           Implement a process that expedites and streamlines the process of bringing spectrum to the  
59 commercial market;

60           Reduce regulation and rules to encourage flexible use of all assigned frequencies, while  
61 maintaining broad requirements, thereby encouraging development of new innovations in services and  
62 ensuring more efficient use of all assigned commercial spectrum.

<sup>i</sup> CTIA-The Wireless Association ®: “Semi-Annual Mid-Year 2012 Survey,” October 11, 2012.

<sup>ii</sup> *Ibid.*

<sup>iii</sup> CTIA-The Wireless Association ®: “Year-End Data Survey Results,” April 13, 2012.

<sup>iv</sup> Roger Entner, Recon Analytics: “Wireless Industry: The Essential Engine of US Economic Growth,” April 30, 2012, <http://reconanalytics.com/2012/04/essential-engine-of-us-economic-growth>.

<sup>v</sup> Dr. Michael Mandel and Judith Scherer, MCP, MA: “The Geography of the App Economy,” September 20, 2012, [http://files.ctia.org/pdf/The\\_Geography\\_of\\_the\\_App\\_Economy.pdf](http://files.ctia.org/pdf/The_Geography_of_the_App_Economy.pdf).

<sup>vi</sup> Recon Analytics Report: “Wireless Industry: The Essential Engine of US Economic Growth,” *op cit.*

<sup>vii</sup> CTIA-The Wireless Association ®: “Semi-Annual Mid-Year 2012 Survey,” October 11, 2012.

<sup>viii</sup> *Ibid.*

<sup>ix</sup> *Ibid.*

<sup>x</sup> FCC Auctions: [http://wireless.fcc.gov/auctions/default.htm?job=auctions\\_home](http://wireless.fcc.gov/auctions/default.htm?job=auctions_home), last accessed October 18, 2012.

<sup>xi</sup> FCC Reply Comments of CTIA-The Wireless Association ®: “In The Matter of Wireless Telecommunications Bureau Seeks Comment on the State of Mobile Wireless Competition,” WT Docket No. 11-186, April 30, 2012.

<sup>xii</sup> Glen Campbell, Bank of America Merrill Lynch, Global Wireless Matrix 1Q 2012: What Happened to Revenue Growth?, April 19, 2012.

<sup>xiii</sup> FCC Press Release: “FCC Removes Regulatory Barriers to Free Up 30 MHz of Broadband Spectrum,” October 17, 2012, <http://www.fcc.gov/document/fcc-removes-barriers-free-spectrum>.

<sup>xiv</sup> Recon Analytics Report: “Wireless Industry: The Essential Engine of US Economic Growth,” *op cit.*

<sup>xv</sup> FCC Staff Technical Paper: “Mobile Broadband: The Benefits of Additional Spectrum,” October 2010, p. 19,

<http://download.broadband.gov/plan/fcc-staff-technical-paper-mobile-broadband-benefits-of-additional-spectrum.pdf> (“Even with the conservative set of assumptions used in this model, it is apparent that the nation faces the prospect of a spectrum shortage within the next five years.”).

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