



5 Place Ville Marie, bureau 915  
Montreal, Quebec H3B 2G2  
Telephone: (514) 874-2600  
Fax: (514) 874-2625  
[telecom.regulatory@cogeco.com](mailto:telecom.regulatory@cogeco.com)

May 25, 2007

BY E-MAIL

Leonard St-Aubin  
Director General  
Telecommunications Policy Branch  
Industry Canada  
300 Slater Street  
Ottawa, Ontario  
K1A 0C8  
e-mail: [AWS@ic.gc.ca](mailto:AWS@ic.gc.ca)

**Re: Consultation on a Framework to Auction Spectrum in the 2 GHz  
Range including Advanced Wireless Services Canada Gazette Notice  
No. DGTP-002-07**

---

Dear Mr. St. Aubin:

Cogeco Cable Inc. ("Cogeco") is pleased to submit the attached comments in response to Canada Gazette Notices DGTP-002-07.

As an interested observer and active participant in the Canadian telecommunications industry, Cogeco has a very real interest in future developments in the mobile wireless industry in Canada.

We thank you for the opportunity to provide comments and remain available to answer any questions you may have regarding our submission.

Yours very truly,  
Cogeco Cable Inc.

A handwritten signature in blue ink, appearing to read "Allyson", is written over a horizontal line.

Vice-President, Corporate Affairs

YM/Ide  
encl.

Canada Gazette Notice No. DGTP-002-07

*Consultation on a Framework to Auction  
Spectrum in the 2 GHz Range including  
Advanced Wireless Services*

Published in the *Canada Gazette*, Part 1  
dated 24 February 2007

Comments  
of  
Cogeco Cable Inc.

25 May 2007

## Table of Contents

1	Introduction .....	1
2	Comments.....	1
2.1	Market Entry .....	1
2.2	Mandated Access to Support Structures and/or Tower Sites.....	4
2.3	Spectrum Set Aside .....	8
2.4	Spectrum Aggregation.....	10
2.5	Mandatory Roaming .....	14
3	Conclusion .....	17

# 1 Introduction

1. Cogeco Cable Inc. (“Cogeco”) is pleased to provide the following comments in response to Canada Gazette Notice DGTP-002-07 *Consultation on a Framework to Auction Spectrum in the 2 GHz Range including Advanced Wireless Services*.

## 2 Comments

2. Cogeco will provide specific comments on several of the questions posed by Industry Canada in the Gazette Notice. Cogeco has reproduced the exact wording of each question as it appears in the Gazette Notice in order to facilitate the analysis of its comments in relation to those filed by other parties.

### 2.1 Market Entry

*Gazette Notice Section 2.7 - In consideration of the present circumstances, the Department seeks comments on whether there is a need for measures intended to enable market entry in the AWS spectrum auction.*

3. Cogeco submits at the outset that the Canadian wireless telecommunication market can be characterized as being one of ‘mixed’ success. On the one hand, the industry has succeeded in constructing digital wireless networks that reach 98% of the population of Canada and have attracted over 18 million subscribers.<sup>1</sup>
4. On the other hand, the industry is bedevilled by criticism on a number of fronts, namely the pricing for services, the level of penetration and the introduction of advanced wireless services. For example, the TPRP Final

---

<sup>1</sup> Telecommunications Policy Review Panel, Final Report (TPRP Final Report) & Statistics from the Canadian Wireless Telecommunications Association (CWTA).

Report noted that 'our wireless penetration is second last in the OECD' and 'Canada has much lower usage of wireless services' than the United States, a country that the TPRP noted is similar to Canada in terms of geography, telecommunications markets and demographics. Further, the TPRP noted that 'Canada also lags in the rollout of many new mobile wireless features and services' and Canada's mobile service pricing is 'significantly higher than in the US and other countries.'<sup>2</sup>

5. For the reasons noted above, Cogeco therefore supports the introduction of specific measures to participation of new entrants in the mobile wireless industry in Canada. Industry Canada has the power to either intervene directly and reduce barriers to entry or, conversely, refrain from intervening and risk having incumbent carriers further concentrate scarce spectrum resources.<sup>3</sup> With respect to this auction, Cogeco recommends that Industry Canada intervene and reduce barriers to entry. Such an action by the Department would ensure the entry of new market participants in the Canadian mobile wireless market, the invigoration and renewal of competition and the stimulation of usage through lower prices thereby assisting Canada as a nation to catch up with other industrialized countries. Furthermore, such action on the part of the Department will halt the concentration of significant amounts of spectrum in very few hands as is currently the case.
6. As part of its tool kit for encouraging new participation in the mobile wireless industry, Cogeco would note that Industry Canada has the following measures available to it in order to ensure that economic benefits of a spectrum auction can be maximized:
  - a. Competition Principles. Industry Canada could either restrict participation in an auction to certain specified industry participants (Principle 1) or limit how much spectrum any one

---

<sup>2</sup> TPRP Final Report, pages 17-21.

<sup>3</sup> Industry Canada, "Consultation on a Framework to Auction Spectrum in the 2 GHz Range including Advanced Wireless Services", page 21 (hereafter referred to as "Industry Canada ASW Consultation Document" or "Consultation Document").

auction participant can acquire (Principle 2), or impose both principles.<sup>4</sup>

- b. Spectrum Set-Aside. Industry Canada could set aside a specific amount of spectrum in an auction which would be eligible for bidding by a specific class of participant, such as new entrants or incumbents.
  - c. Mandated Roaming and Resale. These measures can be applied as specific conditions of licence. Mandated roaming encourages incumbent licensees to provide non-discriminatory access to their existing mobile wireless network for the purpose of permitting customers of a competing network to roam, for a fee, on their network, thereby greatly extending the service coverage area of the competitor. Similarly, mandated resale encourages an incumbent mobile wireless licensee to resell capacity on its network to enable participants who would otherwise not participate in the wireless industry to establish 'private label' mobile wireless services using the facilities of another provider.
  - d. Mandated Tower and Support Structure Access. A significant cost to deploy a new wireless network rests with the establishment of support structures and/or towers which hold the antennas for serving individual customers. Industry Canada has long had a policy of encouraging incumbent mobile wireless companies to share their tower and support structures for a number of reasons, including cost reduction for the industry as a whole, aesthetic concerns and land use and planning concerns.
7. Cogeco will provide comments on the specific issues of Spectrum Set-Aside, Spectrum Aggregation and Mandatory Roaming below. But first, Cogeco will provide comments on the issue of mandated access to support structures and/or towers.

---

<sup>4</sup> Industry Canada, "Framework for Spectrum Auctions in Canada", Issue 2, October 2001.

## **2.2 Mandated Access to Support Structures and/or Tower Sites**

8. With regard to mandated access to support structures and/or tower sites, Cogeco submits that the current policies employed by Industry Canada - namely moral suasion and statements designed to encourage tower sharing - have not been sufficient in motivating existing mobile wireless carriers to implement tower or support structure sharing policies that are simple, effective and non-discriminatory in nature.
9. The Department has been trying for many years to encourage wireless services providers - fixed or mobile - to share towers and other support structures. For example, in 1995 the Department stated: "(...) Industry Canada expects applicants and antenna structure owners, along with industry associations, to work cooperatively in reaching agreements which allow for and encourage the sharing of antenna structures so as to minimize their number."<sup>5</sup>
10. Further, in the same year when Industry Canada was establishing the conditions by which it would licence spectrum for digital Personal Communications Services (PCS), the Department stated that: "[A]pplicants are expected to respect Industry Canada's policy of encouraging shared use of advantageous antenna sites among telecommunications service providers, where it is practical and where appropriate commercial agreements can be reached."<sup>6</sup>
11. Yet a year later, in a letter sent to the newly licensed PCS service providers, the Department expressed its disappointment with the progress made by analog cellular providers in this regard by stating: "We note with some disappointment a lack of significant tangible progress by the cellular and PCS players in adopting measures that will result in greater sharing of antenna sites as a means to minimize any undesirable

---

<sup>5</sup>Client Procedures Circular, *Environmental Process, Radiofrequency Fields and Land-use Consultation* CPC-2-0-03, Issue 3, 24 June 1995.

<sup>6</sup> Policy and Call for Applications: Wireless Personal Communications Services in the 2 GHz Range, Implementing PCS in Canada", Industry Canada, 15 June 1995 at p.13.

- impact. Should the industry not show a greater willingness to voluntarily address the growing concerns of land-use authorities and the public we anticipate that further intervention may be required.”<sup>7</sup>
12. Finally, Cogeco would note that Industry Canada amended the spectrum licences for cellular providers and PCS providers by making them the same type of licence with relatively common conditions of licence. However, there was no reference in the licensing policy document to an obligation to work cooperatively to increase antenna sharing.
  13. In a lengthy study prepared for Industry Canada in 2004, David Townsend<sup>8</sup> noted some of the practices employed by the mobile wireless carriers in their policies of granting access to competitors to tower sites and others support structures.
  14. First, Townsend noted that, out of a total 6,783 cellular and PCS cell sites across Canada at the time of his study,<sup>9</sup> only 22% of this number were shared.
  15. Second, Townsend wrote at great length about current support structure sharing arrangements. All four (at that time) of the incumbent mobile wireless carriers had in place agreements to govern co-siting and/sharing. However, each of those agreements had in place provisions regarding ‘one-to-one accommodations’ and ‘banking’ protocols. The one to one accommodation assumes that antenna site access will be traded on a one-for-one basis. Therefore, if you are a new competitor, you are effectively shut out of such arrangements, as you have very few or no sites that you can exchange with an incumbent mobile wireless carrier.
  16. In addition, mobile wireless carriers are engaged in the practice of ‘banking’ access credits. If they grant a competitor access to a support

---

<sup>7</sup> Quoted from letter sent by Industry Canada to all PCS licensees, dated 15 April 1996.

<sup>8</sup> Report On: the National Antenna Tower Policy Review, December 6, 2004 (referenced herein as the NATPR Report)

<sup>9</sup> Of the this number, 60% of the cell sites were located on dedicated towers, 33% were on rooftops or buildings and the rest were located on other structures, such as water towers.

- structure or tower, they bank a credit. If the total number of credits exceeds a certain threshold (which is determined between the carriers) the incumbent mobile wireless carrier will begin to refuse access by the competitor to further sites until such time as the competitor provides access to their own tower sites in a similar number that is in the incumbent carrier's credit 'bank'.
17. In addition, incumbent wireless carriers readily admitted they actively secure exclusive access to certain tower sites, such as in agreements with owners of rooftops or certain buildings, for the sole purpose of acquiring credits. Again, a new competitor just starting out is effectively shut out of such arrangements as it has few or no tower sites to bring to such schemes and further, will not be able to access certain sites due to exclusivity provisions in the existing agreements between the incumbent wireless carrier and the rooftop or building owner.
  18. Townsend concluded that: "(...) site banking and site leasing arrangements being used in the cellular and PCS radiocommunication sector are inhibiting the sharing of existing tower, rooftop and other sites in Canada. These arrangements are inhibiting the sharing of sites between wireless competitors and the exclusivity clauses are also inhibiting the sharing of certain sites by wireless carriers with other categories of commercial radio service."<sup>10</sup>
  19. Cogeco submits that such schemes characterized by 'one-to-one accommodation' and 'banking' of access rights are discriminatory in nature as they are designed to limit access to the greatest extent possible to a particular wireless network and only function between well established carriers who possess a significant number of towers or support structures. Further, Cogeco submits that such arrangements actually discourage new entrants from approaching incumbent wireless carriers for tower or support structure access, effectively creating a significant barrier to entry for any new entrant.

---

<sup>10</sup> NATPR Report, page 128.

20. Industry Canada noted in its Consultation Document that “incumbents typically control many of the existing facilities, including access rights, tower sites, rights of way, customer premises, spectrum and interconnection arrangements.”<sup>11</sup>
21. Accordingly, Cogeco recommends that Industry Canada require all established fixed and mobile wireless service providers to provide access, where technically feasible, to their support structures and tower sites at non-discriminatory terms and conditions. Specifically, Cogeco would point Industry Canada to the tariffs of Telus Communications Company Inc.<sup>12</sup> as a possible model for the industry to adopt on a going forward basis.

---

<sup>11</sup> Industry Canada AWS Consultation Document, page 19.

<sup>12</sup> Telus Communications Company, Carrier Access Tariff, CRTC 21462, Item 215.

## 2.3 Spectrum Set Aside

*Gazette Notice Section 2.7.1 - The Department seeks comments as to whether a certain amount of spectrum should be set aside for new entrants. Comments should include a precise description of those who should or should not be entitled to bid.*

*Comments are sought on the amount of spectrum that could potentially be set aside. Comments should include whether a single block should be set aside or if the set-aside could be broken up into 2 or more blocks.*

*Comments should stipulate how such provisions would be in the public interest, and provide supporting evidence or rationale.*

*Comments are sought on the implementation of the set-aside post auction and the duration of any conditions of licence specific to the set-aside that may affect the licence such as divisibility and transferability.*

22. Industry Canada has characterized the spectrum set aside question as a specific restriction on incumbent spectrum holders to participate in acquiring a specified frequency block thereby facilitating the emergence of new entrants and market participants in the Canadian wireless industry.<sup>13</sup>
23. Cogeco submits that Industry Canada should set aside a portion of the available spectrum for new entrants contemplated in the AWS auction. Retail prices for mobile wireless services are high, penetration is low and, according to the CRTC, the mobile wireless wholesale market is 'relatively small' and underdeveloped.<sup>14</sup> In order to address these market deficiencies, and with a view of increasing incentives for investment in and construction of competing telecommunications wireless network facilities, Cogeco submits that Industry Canada should reduced market entry barriers and, accordingly, must provide for spectrum to be set aside which can be accessed exclusively by new entrants.

<sup>13</sup> Industry Canada consultation document, page 22

<sup>14</sup> CRTC, 'Status of Competition in Canadian Telecommunications Markets', July 2006, page 82

24. Specifically, Cogeco submits that this set-aside should be reserved for new entrants in the mobile wireless market. Cogeco would agree with the Industry Canada definition of which entities would be eligible for the spectrum to be set aside, i.e., those companies that currently do not own and operate a mobile wireless network, control an affiliate who operates a mobile wireless network or are part of a group that controls a mobile wireless network, and that demonstrates that they do not have any contractual arrangement with an incumbent mobile wireless network operator for the ownership or control of the new mobile wireless network post auction.
25. With respect to the specific spectrum that should be set aside from the available blocks contemplated in the upcoming auction, Cogeco submits that Industry Canada set aside a total of 30 MHz of spectrum. Specifically, using the band plan proposed by Industry Canada, Cogeco submits that Block E, consisting of two 15 MHz paired bands at 1740-1755 MHz and 2140-2155 MHz, be set aside specifically for new entrants. Cogeco submits that 30 MHz is the minimum amount of spectrum that should be set aside in order for a new entrant to effectively offer services in the market. Cogeco would note that the PCS licensees were able to build pan-Canadian networks and attract significant numbers of subscribers with 40 MHz of spectrum before the cap on spectrum was lifted in 1999. Cogeco would submit that 30 MHz, in conjunction with mandatory roaming and improved access to support structures and towers, should be sufficient for a new entrant to viably enter the mobile wireless market in Canada.

## **2.4 Spectrum Aggregation**

*The Department seeks comments as to whether an auction spectrum aggregation limit should be placed on the amount of spectrum that can be acquired by a single wireless service provider and its affiliates. Comments should include the amount of spectrum for the auction spectrum aggregation limit, to which bands it should apply and the duration.*

26. As noted above, Industry Canada's available measures to promote competition post-auction include the imposition of a limit on the amount of spectrum a single bidder is permitted to acquire during the auction. The rationale for such a limitation is to ensure that no single bidder acquires spectrum beyond a certain level such that there would not be effective competition either because insufficient spectrum remained for other bidders or that insufficient bidders remained to acquire the spectrum at auction.
27. Cogeco submits that for this auction, Industry Canada impose a spectrum aggregation limit on incumbent mobile wireless carriers. While such carriers are, admittedly, the most apt of potential bidders - having significant experience in spectrum auctions, expertise in constructing and commercializing wireless networks and the financial capacity to successfully acquire spectrum through an auction - Cogeco submits it is these very qualities which argue in favour of limits on how much spectrum they should be permitted to acquire.
28. For example, Cogeco would note that Rogers Communications Inc. (Rogers) currently has a license for 25 MHz of contiguous spectrum across Canada in the 850 MHz frequency range and 60 MHz of spectrum in the 1900 MHz frequency range in most areas of Canada except Southwestern Ontario, Northern Quebec and North of the 60<sup>th</sup> parallel. In those latter areas, Rogers has 50 MHz of spectrum. In addition, Rogers holds significant spectrum holdings in the 2300, 2500 and 3500 MHz frequency ranges as well as, in a joint venture with Bell Canada, 98 MHz

- of spectrum in the 2600 MHz frequency range, which it is using to roll out fixed wireless services based on the World Interoperability for Microwave Access, or WiMAX standard.<sup>15</sup>
29. Telus Communications Company Inc. (Telus) currently has between 40 and 45 MHz of spectrum in the 1900 MHz frequency range throughout all major population centres of Canada. Further, Telus also has at least 10 MHz of spectrum in the 800 MHz frequency range which it uses to provide Canada's only enhanced specialized mobile radio (ESMR) network in Canada.<sup>16</sup>
30. Finally, Bell Canada currently has, as noted above through its joint venture with Rogers, 98 MHz of spectrum in the 2600 MHz frequency range. In addition, Bell has 10 MHz of spectrum in the 800 MHz range, 60 MHz of spectrum in the 1900 MHz frequency range for the provision of its digital PCS and holds licenses in some 234 areas across Canada in the 2300, 2500 and 3500 MHz frequency ranges, the vast majority of which are 50 MHz in size.<sup>17</sup> Cogeco would note that, during the 2300 and 2500 MHz spectrum auction, Bell Canada actually exceeded its aggregation limit and was forced to withdraw from bidding on certain license areas and paid a fine to Industry Canada.<sup>18</sup>
31. With their existing spectrum resources, the incumbent mobile wireless carriers are in the process of rolling out '3<sup>rd</sup> Generation' mobile technologies and services. For example, Rogers initiated testing of its UMTS/HSDPA wireless technology in December of 2005, is currently in the process of deploying the technology to its major markets and has even launched the service in parts of Ontario.<sup>19</sup> Bell Canada has stated that "In 2005, we launched Canada's first Evolution, Data Optimized

---

<sup>15</sup> Rogers Communications Inc. 2006 Management Discussion and Analysis, page 14.

<sup>16</sup> Telus Communications Company Inc., Annual Information Form, December 31, 2006, pages 8 and 9.

<sup>17</sup> Industry Canada, Combined Results of February 2004 and January 2005 2300 MHz and 3500 MHz Spectrum Auctions.

<sup>18</sup> Ibid.

<sup>19</sup> Ibid, page 14.

(EVDO) wireless data network in Toronto and Montréal. EVDO technology is the third generation (3G) of wireless networks delivering average data download speeds of 400-700 kilobits per second (Kbps) with peaks of up to 2.4 megabits per second (Mbps). We expect to continue our deployment of EVDO in other major Canadian urban centres and other areas in 2007.”<sup>20</sup>

32. Cogeco would submit that there is clear evidence that the three incumbent mobile wireless service providers already have significant spectrum resources in which they will be able to continue to deploy advanced wireless services - mobile and fixed - for years to come. Further, Cogeco submits that, even with existing spectrum resources, the incumbents are in the process of testing, deploying and commercializing advanced wireless services. As such, Cogeco recommends that Industry Canada place a spectrum aggregation limit on incumbent licensees of mobile wireless spectrum. Indeed, as has been shown above, the incumbents not only have the financial muscle to acquire vast amounts of spectrum, but have actually exceeded their own aggregation limits in the past. Had these limits not been imposed, Cogeco submits that incumbents such as Bell Canada would have attained and controlled far more spectrum than they did, thereby provided far fewer avenues for new entrants to enter the market.
33. To this end, Cogeco recommends that each incumbent mobile wireless service provider be restricted to acquiring no more than 20 MHz of spectrum in any one market within the core spectrum band. Cogeco submits that such a limit would effectively balance the interests of the incumbent mobile wireless service carriers in acquiring additional spectrum to continue the deployment of advanced mobile wireless services, particularly as they would be able to bid in this auction for additional spectrum in the PCS band, and ensuring that sufficient

---

<sup>20</sup> Bell Canada, 2006 Annual Report.

spectrum is available for other providers, notably new entrants or potential regional players.

## **2.5 Mandatory Roaming**

*The Department invites comments on mandating incumbent mobile wireless operators to offer roaming services – to both competing and non-competing Canadian carriers – to foster the development of competitive wireless communication services.*

*Comments are invited on the extent to which the lack of mandated roaming could be a barrier to entry into the wireless market.*

*Comments are sought on what services should be included in any mandated roaming and to what specific frequency band(s) roaming should apply. Comments are sought on the mechanisms that would best implement the policy objectives regarding roaming.*

34. Cogeco would note that Industry Canada has had a long standing tradition of encouraging mobile wireless service providers to offer roaming services to either their competitors or non competitors.
35. In the consultation document, Industry Canada notes that it issued a statement that existing mobile wireless service providers are encouraged to offer roaming to non-competitors, as it was recognized that new entrants are at a competitive disadvantage with incumbent wireless carriers if their customers have no ability to roam onto other networks.
36. Further, Industry Canada also noted that it was a common expectation that digital roaming would be available to Canadian customers travelling overseas and vice versa. Finally, Industry Canada noted that, as mobile services have become an important service to many Canadians, it is important that all networks be fully integrated into the national telecommunications networks.<sup>21</sup>
37. As such, Cogeco recommends that Industry Canada require incumbent mobile wireless carriers to enter into roaming arrangements with any new entrant that is successful in the contemplated auction. Further, such a requirement should be made a condition of licence of the incumbent mobile wireless carriers.

---

<sup>21</sup> Industry Canada AWS Consultation Document, page 24.

38. Cogeco submits that by mandating domestic digital roaming, it will provide for the emergence of smaller, regional players that will, in effect, be able to offer national, or even international, service coverage to their subscribers. This element is critical to ensure that new entrants enhance competition in the mobile wireless market in Canada, which will stimulate pricing, innovation and ultimately, total penetration of mobile services in Canada.
39. As noted by the Australian Competition and Consumer Commission (ACCC), "The Commission is of the view that national geographic coverage is an important competitive dimension and the inability of a mobile carrier to offer national coverage to its customers would have a significant adverse impact on its ability to compete."<sup>22</sup> The ACCC continued by stating, "In the Commission's view, given the nationwide geographic coverage of the incumbents, the inability of a new entrant to provide equivalent coverage is likely to be a significant impediment to its ability to attract customers."<sup>23</sup>
40. This conclusion echoes a similar one reached by the OECD when it stated, "Consumers seem to care strongly about the geographic extent of the mobile network they have chosen. Mobile networks need to establish significant coverage of the population of a country if they are to provide a competitive service."<sup>24</sup>
41. Similarly, Cogeco would note that several European countries have mandated 3G to 2G roaming arrangements. In this case, the obligation of roaming is imposed on the 2G network operator for those new 3G entrants that do not already have a 2G network on which their customers can roam. This obligation is imposed for a specified period of

---

<sup>22</sup> Australian Competition and Consumer Commission, *Mobile Services Review: Mobile Domestic Inter-Carrier Roaming Service*, Final Report, page 34

<sup>23</sup> *Ibid*, page 35

<sup>24</sup> OECD, Directorate for Financial, Fiscal and Enterprise Affairs Competition Committee, *Competition and Regulation Issues in Telecommunications*, 1 February 2002, DAF/COMP(2002)6, p. 10.

- time, in order for the 3G stand-alone entrant to achieve a certain critical mass. Examples of such countries which have adopted this approach are France, Greece, Belgium, Ireland, Italy and Spain, to name but a few.<sup>25</sup>
42. For those incumbent mobile wireless carriers who would make the argument that, by allowing mandated roaming, the incumbent would be left with 'stranded capital' after the competitor migrates its traffic to its own network, Cogeco would respond by stating that the incumbent would likely use the spare capacity which is created to improve the performance of its existing network to its existing subscriber base. Such capital is therefore not stranded, but redeployed and it is likely that the incumbent would have had to make that investment in any case as its own subscriber base grows
43. Accordingly, Cogeco submits that it is critical that new entrants achieve national coverage quickly in order to become a viable alternative for consumers. This can be achieved with mandatory digital domestic roaming arrangements for a temporary period of time. Cogeco would recommend a five year period as the minimum for such roaming arrangements. When a new entrant becomes successful at marketing their services and attracting subscribers, and in generating significant amounts of traffic, they should be then free to take a commercial decision and move such traffic off the roaming partner's network onto their own facilities.

---

<sup>25</sup> Directorate-General Information Society, European Commission, *Comparative Assessment of the Licensing Regimes for 3G Mobile Communications in the European Union and their Impact on the Mobile Communications Sector*, 25 June 2002, p. 17.

### **3 Conclusion**

44. The availability of spectrum for the provision of advanced wireless services provides a unique opportunity to rectify many market distorting actions on the part of the incumbent mobile wireless carriers in Canada. The mobile wireless market is underperforming in relation to the United States and with most member countries of the OECD in terms of price, penetration and adoption rates of advanced services. Cogeco submits that opening up the market further will provide a real stimulus to facilities competition in the mobile wireless market in Canada.
45. Cogeco encourages Industry Canada to do the right thing, to intervene in setting the rules for this auction by making it explicit on incumbent mobile wireless carriers that they must share towers and support structures, that they must provide mandatory roaming for new competitors and, further, that spectrum be set aside specifically for new entrants, that incumbent mobile wireless carriers - while not being restricted from bidding - be capped at the amount of spectrum they can acquire and that conditions on the sharing of towers and support structures and mandatory roaming be attached to their new license. Such actions will ensure that the Canadian telecommunications industry has more choice in the services they supply and that Canadian consumers reap the benefits of a more dynamically competitive market.