

Canada needs a spectrum reserve for innovation in the 700 MHz band

Response to Industry Canada Paper Entitled:

*Consultation on a Policy and Technical Framework for the
700 MHz Band and Aspects Related to Commercial Mobile Spectrum*

as published in the

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on November 30, 2010.

Attention: Manager, Mobile Technology and Services, DGEPS,

Industry Canada
300 Slater Street
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February 28, 2011

Prepared by Steven James May

1. Thank you for the opportunity to provide my views on the specifications for auctioning the 700 MHz band of spectrum. This submission has been prepared by Steven James May. I am a 2nd year PhD student in Communication & Culture at Ryerson University in Toronto, Ontario.
2. Spectrum is a scarce public resource that should be used to best serve Canadian citizens. With that in mind, I make the following recommendations:
 - Reserve from auction a band of no less than 2 contiguous 5 MHz in the 700 MHz band for Canadian innovation, including for example future ATSC M/H beta testing planned at Ryerson University, and to ensure Canadian citizens are served.
 - Set aside one-quarter of the remaining spectrum in the band for auction to carriers with less than 5% of market share in order to enable the development of more carriers and more consumer choice.
 - Prevent new entrants/small carriers who acquire spectrum through the set-aside from transferring or leasing, dividing among, or exchanging that spectrum with an incumbent. Set a lease term of no more than 10 years on all spectrum to be auctioned, and require licensees to pay a portion of the lease fees yearly.
 - Establish usage-based criteria for the auction, requiring would-be spectrum users to make both a business case that clearly demonstrates the public value of the services that will be offered with the spectrum, as well as meet a minimum dollar bid for that spectrum.
 - Impose a use-it-or-lose-it clause that requires the successful bidder to launch the planned service within three years, or give up the spectrum.