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SPECIAL ISSUE

The land mobile radio communications field, under current scheduling, will be called on by the House Communications Subcommittee for appearances at hearings during the week of September 18 to spell out what it likes, and what it doesn't like, about the proposed "Communications Act of 1978".

The bill (HR 13015) was introduced in the House a month ago as a non-partisan measure by Communications Subcommittee Chairman Lionel Van Deerlin (D., Calif.) and Representative Louis Frey, Jr. (R., Fla.), who is the ranking minority member on the subcommittee (IC, June 9).

Invitations to appear at the hearings during the week of September 18 are expected to be sent to land mobile radio organizations by about the end of this month. At this point, the subcommittee reports that it has had relatively little reaction from the land mobile field since spokesmen offered their views a year ago (September 23, 1977), and that it would like some inputs before witnesses are invited for the upcoming sessions.

Other industries have not been so slow to express their reactions, either in public statements or to the subcommittee, with the broadcasting and cable fields generally opposing key features of the proposed legislation, and the telephone industry endorsing some of the major provisions and condemning others. Their appearances in the subcommittee's post-introduction hearings on the bill--and those of government agencies involved--will precede land mobile's, in sessions starting next week.

The National Association of Broadcasters, for one, has scheduled a series of meetings across the country to brief broadcasters on the Communications Act rewrite. The meetings were scheduled by the NAB Board of Directors while the board was meeting with Canadian broadcasters at a meeting in Toronto at which the 1979 World Administrative Radio Conference was discussed, among other things. They are designed, NAB said, "to encourage all broadcasters to participate in the on-going discussions of these initial proposals for legislation." The NAB meetings began July 10 and will continue through July 28. The broadcasters' turn in the House subcommittee hearings comes during the week of September 11.

As far as land mobile radio is concerned, the subcommittee staff appears at this point to be regarding questions of federal vs. state regulatory authority, and interconnection of land mobile radio systems to the switched telephone network, as two of the more controversial problems involved.

We have asked the member organizations of the Land Mobile Communi-

cations Council for their early reactions to the proposed legislation --not to "fix" their positions as far as what they may want to discuss with the subcommittee at the hearings in September, but to give the field as a whole some indication as to how the various industries involved in LMCC may be currently thinking as they prepare positions to be presented at the hearings.

The first such statements we have received make up the bulk of this issue of Industrial Communications. We will publish others as we receive them. Hopefully, this early dissemination of tentative thoughts will assist the land mobile radio field in arriving at consolidated positions, where possible, or in more clearly focusing differences, where they exist.

American Telephone & Telegraph Co.

We believe that the proposed Communications Act of 1978 is a constructive step toward addressing the issues that have beset the telecommunications industry and toward developing a telecommunications policy that will serve the nation well.

Congressmen Van Deerlin and Frey and the other members of the House Subcommittee are to be commended for undertaking this effort.

We agree with the intent of the bill in a number of areas and disagree in others.

We are pleased at the recognition of the need to foster universal service through affordable rates. And the recognition that revenues from other services are needed to hold down the price of basic telephone service.

We are also pleased at the intent of provisions which appear to lift the constraints upon the telephone companies that limit the kinds of technology the telephone companies may use in serving the public.

And we welcome the bill's intent to assure that where competition prevails, it be full and fair competition.

We also agree that regulatory process should be simplified and speeded up.

On the other hand, we disagree strongly with the provisions that could require the divestiture of Western Electric. We believe that such dismantling of the vertical integration of the Bell System would have a serious and adverse effect upon the price and quality of telecommunications and the pace of innovation.

We look forward to the forthcoming hearings as an opportunity to make our views known and hopefully to be of assistance to the Subcommittee in its important task of developing telecommunications policy that will best serve the nation.

Associated Public-Safety Communications Officers

The proposed Communications Act of 1978 developed by Representative Van Deerlin's sub-committee represents recognition by the legislative branch of the United States Government of the many problems that have

grown up over the past 44 years in the burgeoning field of electromagnetic communications. The concepts presented in this proposed Act, developed after two years of hearings, demonstrates the tremendous complexi of the many facets of regulatory policies and regulatory matters related to nationwide communications policy.

While many of the policies presented in the proposed Act merit considerable discussion by all interested citizens, we in APCO must focus our initial attention on those subjects having major effect on public safety communications. Almost all elements of the new Communications Act affect the public safety communications systems either directly or indirectly. The analyses of all the elements of such a complex body of legislation will be tortuous. Some of its most controversial aspects will be exhaustively discussed by others, hopefully more qualified than APCO to dissect their pros and cons.

But these aspects of this Act affecting public safety contain, in many cases, problems of omissions rather than commission. One of the long standing problems confronting public safety communications and most other users of the radio spectrum has been the inability of the Commission, and any other regulatory agency, to enforce the rules now extant. This inability springs directly from the Congress' failure to provide the Commission with adequate resources. The Communications Act of 1934 gave the Commission considerable authority--adequate funds have not been appropriated to permit the Commission to obtain necessary personnel and equipment to fulfill these responsibilities. It is not inconceivable that from 1 to 2 orders of magnitude of increased funding is necessary. Certainly in this age of multi-billion dollar federal agencies, the Federal Communications Commission, with its current budget "bloated" to $68 million, seems but a piker. The deficiency of the proposed Act is that it proposes an almost trivial solution to this problem, i.e., funding the Commission from license fees. Obviously, under no reasonable fee structure could sufficient funds be made available, on a permanent basis, to provide the Commission (or some successor) with the resources required to fulfill its responsibilities. Such a policy would only provide an excuse for the Congress to continue its failure to fulfill its responsibilities for the supervision and control of the electromagnetic spectrum.

A second major deficiency of the proposed Act is its perpetuation of an oversight existing in policies that have grown up under the present Communications Act. The present Act, which established the justification for use of the spectrum in terms of the "public interest, convenience or necessity", has permitted the growth of a policy, within the non-federal portion of the spectrum, that equates the interim value of an entertainment program with the saving of human life. Under the Communications Act of 1934 the priority rights of all Federal agencies (regardless of urgency of need) were recognized. No such policy developed to recognize the needs of state and local government agencies that must provide services necessary for the preservation of the life and property of the citizens of the community. The public safety agencies throughout this country will press strenuously for the correction of this omission in this or any other communications act.

There are many new and controversial policies, both stated and implied, in this new Act. Many affect, directly and indirectly, public safety communications. We view with muted pleasure the Act's recognition of public safety to the extent that it permits state and local govern-

mental agencies to be exempted from license fees for the use of the spectrum. Whether this is from a sense of munificence or of a sensitivity for the requirements of the Constitution is not clear.

Certainly the removal of common carriers not using the RF spectrum from the jurisdiction of the Commission, or any other federal agency, will affect public safety agencies as much as all the citizens. This suggestion that intrastate telephone circuits become an unsupervised monopoly can have long-term effects of startling dimensions on the costs of telephone services to all, including the public safety agencies.

The profound questions relating to license terms, sales of licenses, license fees that relate to spectrum "worth", will undoubtedly be topics of furious discussion for some time to come. There is little that can be gained by public safety adding to the cacophony at this time. Issues like the elimination of the FCC and NTIA and their replacement by a single body, changing license periods, the establishment of a "Telecommunications Fund", regulation of receiver design, random selection of licensees, changing administrative procedures, and the host of other new concepts presented in this proposed Act will require extensive analysis far beyond that possible in this presentation. APCO will be prepared to address these many issues when the appropriate forum becomes available.

In the aggregate, we in public safety feel disappointed in the proposed Bill. It fails to address the problems and deficiencies that have inhibited our abilities to provide better services to the taxpayers. Rather than striking to the heart of the issues that have long since beset us, the Bill seems but to only reshuffle them. It likely trades one set of problems only for another.

Perhaps the best approach would be to review the present Act to see if present problems are not more deficiencies of implementation than deficiencies in the basic legislative mandate. The many social and political problems addressed in the proposed Act might best be addressed in legislation directed toward their social and economic solutions, not shoehorned into a piece of fundamentally technological legislation dealing with an irreplaceable national resource.

Electronic Industries Association
Land Mobile Communications Section

I am confident that my initial observations will be echoed in some form by everyone who was asked to comment on the proposed Communications Act of 1978. It is such a comprehensive, far-reaching Bill that it will require more indepth study than we have been able to give it thus far.

The thrust of the Bill tilts toward competition over regulation; as a matter of philosophy we support that directivity. However, it is not clear how this Bill would treat land mobile. We believe that the forces of competition have caused advances in the state of the art of mobile radio communications systems and equipment and that as a result they offer the user an excellent variety of ways in which he can meet his telecommunication needs at affordable prices.

We also note that the Bill would seemingly remove the power of state legislatures and public utility commissions to regulate mobile radio. Although the Bill does not explicitly state that the Federal

Government would preempt this area, it appears that states would have no authority over mobile radio systems, even those which may be wholly intrastate in nature.

Other provisions relating to our field are more difficult to assess. The whole subject of fees, for example, predicated on the cost of processing plus the value of the spectrum, raises questions about its applicability to private land mobile.

Whether the Bill will ever be enacted, in whole or in part, it deals with matters of crucial importance to the future well-being of the land mobile user. I am sure that broadcasters, cable interests and others will take an active interest in the forthcoming legislative process; I hope that all of Bob Tall's readers will also be making their voices heard. Even if nothing happens in terms of legislation, it is certainly a rare opportunity to highlight our problems and concerns. For the land mobile community, opportunity rarely knocks.

Forest Industries Telecommunications

Congressman Van Deerlin and his Subcommittee on Communications are to be congratulated on their efforts. Several things that FIT has encouraged over the years have been incorporated into the new Act; i.e., reducing the number of Commissioners; recognition of the need to balance the professional telecommunications backgrounds of the Commissioners; less regulation; more recognition of land mobile interests. We feel we can generally support FCC Commissioner James Quello's statements: "Congressman Van Deerlin and his subcommittee are not only in time with the anti-big government mood. . .they are considerably ahead of it," and "the new act represents a courageous, much-needed, initial proposal with great potential benefits for the public interest."

FIT has long been in favor of up-dating or rewriting the Communications Act of 1934. In fact, FIT participated at the initial hearings held by Mr. Van Deerlin's subcommittee to encourage him and his group. Our position at that time was that the Act should include a separate title dealing specifically with land mobile use, with some concept being developed regarding a priority class of radio service within the industrial users. Therefore, there is some disappointment to see that land mobile is still a "step-child" of broadcasting being included in Title IV as nonbroadcasting. It is still FIT's contention that the existing differences between Commercial Public Broadcasting and land mobile are significant and should be dealt with separately and in more detail.

A second major concern is with the "new" concept of spectrum licensing fees that not only include a cost-of-licensing fee but also a charge reflecting the scarcity value of the spectrum. While fees of this nature appear to be just another form of taxation, they are probably justifiable to the point of recovering the costs the Commission incurs from its operations. However, it is quite onerous that they should collect enough money to insure a "profit" in order to subsidize Public T.V.

Additionally, we would ask if the fee schedule will consider the major purpose of broadcasting which is to make a profit whereas in land mobile the major purpose is to increase safety and efficiency of operations thus reducing accidents and costs so as to provide a finished

product to the end-customer at a lower cost. Or, in fact, will land mobile be exempt from filing fees? If, on the other hand, fees for land mobile are set high enough, growth of two-way radio will be hindered thus reducing the efficiency of the economy. This would especially be true for the thousands of small businesses in America that would decide against radio but not in the case of a large corporation that may only limit its use of radio but still continue with some usage.

We are wary of the provision to establish an Office of Consumer Assistance (Sec. 215) that is "to assess the needs, interests and problems of consumers" in telecommunications matters. This appears to be a license for zealous government workers or crusaders "in all their wisdom" to determine what the public's needs are and issue regulations to see to it that those "needs" are met. It seems today that the consumer is "over protected" to his detriment by a huge battery of consumer interest lawyers lobbying in Washington, D.C. for many "needs" that are not consumer needs at all, but for "needs" that are imagined. If, in fact, the new Act is de-regulative, this portion seems to indicate more regulation in the sacred name of "consumerism." However, if the office is limited to the status of an ombudsman, one that hears and listens to consumer complaints and presents those complaints to the Commission, it would not be objectionable.

Generally, FIT is pleased with the initiation of a new Communications Act. Its time has come and FIT will strive to support its final development and inactment.

International Bridge, Tunnel & Turnpike Association

The Communications Act of 1978, commonly referred to as the "Van Deerlin Bill", is intended to improve communications in this country. The enactment of the Van Deerlin Bill would lead to the creation of a new Communications Regulatory Commission which would establish operating rules and issue licenses. In addition, the Act would establish a National Communications Agency, staffed to the President, which would have responsibility for the development and implementation of national communications policy. The Agency would also exercise principal responsibility for allocation of electromagnetic frequency spectrum for various uses and study and provide for more essential uses of the spectrum. The Federal Communications Commission would be abolished upon the creation of the two new agencies.

The basic purpose of the agencies which are members of the International Bridge, Tunnel & Turnpike Association, is to provide cost efficient and safe service to the motoring public. A material improvement in any area that would help our members improve their service objective, would be welcome. This is particularly true with regard to communications, which are the foundation of our service efforts. Our review of the Van Deerlin Bill leads us to be cautiously optimistic at this time. We will be monitoring it closely through individual agency sources and through our membership in the Land Mobile Communications Council.

Our members primarily deal with the motoring public and the need to provide cost effective, trouble-free service for these people. Communications is the essence of the service we render. For most of our members we are talking currently about a ribbon type shortwave radio operation. Above and beyond the current use our agencies make of

spectrum, we have to plan for short and long range needs in the communications field. Our interests will involve the use of microwave for television scanning of high density traffic locations and data transmission. Comprehensive highway advisory service is going to be a very necessary thing within the next few years. The importance of such service can be seen from the recent assignments of spectrum by the Federal Communications Commission for pilot projects in this area. There will also be the need to develop such things as automatic vehicle locations systems, weather factor detectors, and breakdown and accident location systems. Long range, we would be interested in any development in the state of the art that improves our capability to render better service to the motorists.

For many years, in common with other members of the Land Mobile Communications Council, we have been concerned about the problems attendant to the use and assignment of spectrum. This history is one that requires a person to take a sober and pragmatic view of the problem and the possibilities for improvement in spectrum management. Against this history, it has to be recognized that the Van Deerlin Bill is written in a rather general fashion. There are a number of items which are of concern to us because they are not explicit at this time. The Bill would appear to assign the basic responsibility for spectrum allocation to the National Telecommunications Agency. At the same time, there is no indication of just how the Agency would handle allocations. Particularly, there is no detail about redress in the event of allocations that are adverse to the interest of a given organization.

Another factor is the limited language describing a new fee approach for the assignment of licenses. A calculation, combining the cost of processing the license and the scarcity value of spectrum, appears to have merit. On the other hand, our agencies have a very significant investment in communications equipment at this time. The needs we can foresee over the next ten years will add considerably to our capital investment in communications equipment. We would expect that any new licensing cost would be reasonable and not place an undue burden on the cost of our operations.

Change and new ideas are essential to attain improvement in any field. We trust we are about to enter a period of communications improvement with the new Communications Act.

National Association of Business & Educational Radio

The Communications Act Rewrite deals with many of the problems faced today in our industry, but it appears to raise as many questions as it answers. It contains a number of contradictions which must be resolved before it is to become an effective tool in meeting the public's communications needs:

(a) The act appropriately mandates the newly created Communications Regulatory Commission (CRC) to upgrade clerical and rulemaking functions, but at the same time it divides the closely related tasks of spectrum allocations and assignment between the CRC and the also newly created National Telecommunications Agency (NTA); (b) the act applies the notion of market place competition to establish licensing fees but then fails to minimally define the marketplace; (c) the act emphasizes competition as a key communications policy but leaves open the possibility for much

Commission regulation in this area; (d) finally, the act seemingly deletes Section 221(b) of the current Act, but fails to set out reasonably clear statements regarding pre-emption and interconnection.

1. This bill recognizes the need for the CRC to speed the handling of several clerical and rulemaking functions. First, rulemaking proceedings are to be completed or terminated within one year. Second, non-broadcast radio applications competing for the same frequency will be settled randomly or by negotiation, leaving only the most significant conflicts to warrant a hearing. Third, the licensing period for non-broadcast radio services is extended to 10 years, resulting in less frequent renewals. In addition, the act encourages speedy handling of common carrier rate proposals by presuming them equitable if not acted upon within 9 months. Efficient and timely action is clearly emphasized.

However, the advantages of transferring spectrum allocation to the NTA are far from clear. Certainly the current FCC (much of which would remain intact as the CRC) has developed an expertise in handling allocations over the years and deals with closely related matters. This division of responsibility will require coordination between the two entities, in a manner not specified in the proposed bill. For example, fee schedules based on scarcity values would appear to be intimately related to spectrum allocation and yet these tasks are assigned to separate agencies. Such a separation of functions may impose an unnecessary burden on users of the spectrum. Further, the data flow between users (and their association representatives) and the Commission now leads to relatively informed decisions on allocations and assignments of non-government spectrum. Transferring the important function of spectrum allocation of <u>all</u> spectrum to NTA raises serious concerns as to how the land mobile services will fare under this arrangement.

2. Aside from coordination between the two agencies, fee schedules present a number of problems. The act merely states that the CRC is to establish these schedules based on cost of processing plus spectrum value in an apparent effort to create a radio spectrum marketplace for non-broadcasting services. Will fee schedules be determined by geographic areas both in terms of processing cost and spectrum scarcity value or will a pro-rated average be used? It appears that real processed costs, for example, would depend on whether or not the Commission performs the frequency coordination. Scarcity values could be based on projected benefits/costs of the system, the number of competing applications, frequency availability or some other factor. Are business frequencies to be more costly at 800 mhz or in Chicago as opposed to another city where more spectrum is available? Without some minimal guidelines, this could result in a constantly fluctuating price scale to the detriment of the user who is attempting to make an informed business decision.

3. The whole idea of marketplace competition is emphasized in the bill, particularly in the common carrier field. But where the Commission is to rely on competition, it is also given the directive to establish competition where need be. It appears that the CRC is to define competition and then determine if its definition has been met. If not, it would regulate to create "competition". But to what extent should regulation supplant competitive forces? NABER does not expect a legislature to define terms precisely, but a more definite indication of the powers to be entrusted to the CRC to carry out the bill's philosophy is needed.

4. Finally, the proposed rewrite fails to clearly state its position on two major subjects: pre-emption and interconnection. The pre-emption provisions list areas over which the CRC will have jurisdiction (Interstate Communications) and at least one area over which it will not (Intrastate Communications in which the radio spectrum is not used to serve the end user directly), but leaves the status of intrastate spectrum-using communications systems open to question. The section on interconnection is similarly vague--it mandates interconnection among carriers but fails to mention private users.

Raising these issues tends to cast our position as negative. This is not NABER's intent. There is much to applaud in this rewrite. More precise language would alleviate many of our concerns; we look forward to participating in the forthcoming hearings to help forge a bill that would benefit the private land mobile services.

Telocator Network of America

(This statement constitutes the preliminary comments of counsel for Telocator and does not constitute official Telocator policy.)

The bill could be equally entitled the "Zero Based Communications Regulatory Act".

Its thrust is to start essentially from scratch and build a regulatory framework with only such governmental control over communications as is demonstrably necessary to accomplish recognized and time-tested public purposes.

It confers great flexibility on the governing agency to fashion differing regulations for differently situated entities, and to modify its basic regulatory format at any time, and from time to time, in the light of changed circumstances.

At the same time, it seeks to eliminate procedural delay in resolving the issues which the agency is charged with deciding.

As a general proposition, therefore, the public, the Commission itself, and those it regulates should welcome the bill as a healthy development and as a sound starting point for revision of the present Act.

Most of the substantive changes proposed by the bill appear either to have no impact on Telocator members, or it is impossible to tell whether the change would be beneficial or not.

An example of the latter category is the proposed shifting of non-government spectrum allocation responsibilities (in contrast to spectrum assignment functions) to a new agency which also will apparently be responsible for assigning spectrum for government use. Whether the land mobile community in general, or Telocator members in particular, will fare better or worse under such a structure cannot be determined in advance.

In the common carrier arena, the bill appears to curtail sharply the agency's rate and tariff regulatory powers--even in the case of monopoly services. This part of the bill should be strengthened, since

the prospect of an eventual refund of excessive charges provides little consolation to competitors who may be forced out of business while the legality of the charges are being adjudicated. Although these and other subjects require further scrutiny, they do not derogate from the overall merit of the bill.

Utilities Telecommunications Council

While the proposed Communications Act of 1978 contains a multitude of matters of interest to the electric, gas, water and steam utilities represented by the Utilities Telecommunications Council (UTC) including such matters as possible regulation by the new Communications Regulatory Commission (CRC) of the manufacture and installation of electric utility power line carrier equipment, the complete federal deregulation of CATV, including pole attachments, and the impact of the proposed "lottery" methodology for licensing of "new" frequencies as that would apply to Power Radio Service land mobile and microwave systems, the major interest of UTC centers around the critical issues of frequency allocation authority, shifting from regulation of common carriers to reliance on market forces, and, the manner in which the proposed license fees are assessed and how resulting revenue is used.

The authors of the bill are to be commended for an excellent effort in singling out and attempting to deal with the major telecommunications issues facing the nation. The method used by the authors in accomplishing their goal has been to create a new Act, rather than revising the existing Act. While, in many cases, the reforms or changes suggested are welcome and needed, UTC urges that caution be exercised in adopting these new approaches so that we do not needlessly abandon provisions and procedures under the existing Act which may be better than those proposed in the new Act.

For example, it appears that under the Communications Act of 1978 the CRC would be stripped of most, if not all, authority to plan and make frequency allocations. Instead, the sole and exclusive authority to make allocations policy and implement it would seem to be within the White House, in the proposed new National Telecommunications Agency (NTA). While it may be advantageous from a government planning point of view to consolidate all allocation policy making and implementation in the Executive Branch, UTC questions how responsive the new Agency will be to the needs of non-government users.

For example, while the Communications Act of 1978 contains comprehensive procedural provisions governing rule makings by the CRC, including the requirement that they be terminated within a one-year period, similar procedural provisions do not apply to the activities of NTA including the manner in which it establishes allocation policy and implements this policy. All too often where such procedural safeguards are lacking, government agencies have a tendency to cloak their activities and decision making processes in an aura of confidentiality and secrecy which only serves the purpose of concealing the incompetence of the agency or its archaic procedures.

Under the present system where both the Executive Branch and the Federal Communications Commission are, theoretically, "equal partners" in national and international frequency allocation matters, the non-

government users at least have an opportunity to make their needs known in an effective manner and have the means to secure action on these requirements from the FCC. UTC is concerned that under the NTA, non-government users would no longer have an effective means of securing reasonably prompt and adequate governmental response in meeting these requirements. Thus, if all allocation authority is placed in the new NTA, it is necessary, in UTC's view, that the Act also set forth the procedures by which the allocation actions of the NTA will be governed including the means whereby non-government users can force, if necessary, prompt and adequate response to their requirements from NTA.

Also, UTC believes that care should be exercised in shifting to more complete reliance on market forces in common carrier matters in lieu of regulation and perhaps more important, in lieu of existing anti-trust restraints. For example, if the American Telephone & Telegraph Company (AT&T) were no longer subject to the restraints of the 1956 Consent Decree, it would be expected that the carrier would enter, again, the private land mobile and microwave market in the "lease and maintenance" mode. It is one thing if the carrier enters as another new and strong competitor to existing land mobile and microwave manufacturers and service organizations and competes with them on equal footing. It would be an entirely different matter, however, if the carrier could re-enter the land mobile and microwave "lease and maintenance" market in such a manner that it could tie-in its lease and maintenance service with the provision of other common carrier services so as to give the telephone carrier a tremendous competitive edge over other parties in the market. This would lead to an eventual non-competitive market.

As to the proposed new "license fee", UTC would suggest, in light of past experience in licensing fee rule making, that it would be in the best interests of all parties if Congress could give some further guidance as to the manner in which the fee could be established both as to bearing a reasonable share of the cost of processing the application and also what is meant by "scarcity value" of the spectrum being used and is this a proper measure for a license fee. Also, while UTC might see a nexus between license fees for Power Radio Service land mobile and microwave systems and the operations of the CRC as they apply to processing those applications, UTC suggests that it might be stretching somewhat to use revenues from Power Radio Service microwave and land mobile applications to further social goals in public broadcasting, broadcast ownership, and rural telecommunications.

WARC: On an equally important front, meanwhile, the Private Land Mobile Service Working Group, working in preparation for the 1979 General World Administrative Radio Conference, to begin in September of that year in Geneva, Switzerland, filed its comments with the FCC on Friday, July 14, in response to the Commission's "eighth notice of inquiry" in the WARC preparatory docket (20271).

The "eighth notice", dealing with the all-important subject of changes in the international frequency tables to be advocated by the United States at the WARC, had been adopted by the Commission at an April 18 meeting (IC, April 21 and May 5), as "a consensus of US views as developed to date by the US preparatory structure."

While the FCC has stated that it expects the eighth notice to be the last notice presenting a proposed frequency allocation table--as far as its inquiry in Docket 20271 is concerned--a considerable amount of massaging could still take place as the State Department's WARC Advisory Committee and the official US Delegation to the Geneva conference complete their preparatory work. (See IC, June 30).

Senator Ernest F. Hollings (D., S. C.), who heads the Senate Communications Subcommittee, has also announced that he intends to conduct hearings in the not-too-distant future on the 1979 WARC preparations, and the subject could also come up in other Congressional forums.

On one of the more controversial items in the "eighth notice", the Commission proposed the following footnote:

"332B. In the United States, within 200 miles of its boundaries with neighboring countries the bands 470-608 megahertz and 614-890 mhz are allocated, on a primary coequal basis, to the fixed, mobile and broadcasting services."

The Private Land Mobile Service Working Group, which has been involved in the preparatory effort for the past several years--along with other working groups representing other types of users of the radio frequency spectrum--said in its comments this week:

"1. The PLM/SWG commends the Commission for recognizing the importance of adopting a flexible position for the 1979 WARC and for adopting proposals in the 8th NOI which go a long way in providing such flexibility. In these Comments the PLM/SWG will address, briefly, only five points with respect to the proposals in the 8th NOI as follows:

--Methodology used to achieve flexibility.

--Applicability of Footnote 332B to the Bands 470-512 and 806-890 mhz.

--Spectrum efficiency issues.

--Deletion of Footnote 329B.

--Suppression of Footnote 294.

"On balance, however, the PLM/SWG believes that in the 8th NOI the Commission is finally coming to grips with the major issues facing the United States at the 1979 WARC and applauds the Commission for its foresight and courage in making the decisions reflected in the 8th NOI.

Methodology Used to Achieve Flexibility

"2. The Commission is proposing to provide freedom of action in future domestic allocation proceedings by introducing a new footnote (332B) in the bands 470-608 mhz and 614-890 mhz. This new footnote provides that in the United States, within 200 miles of its boundaries with neighboring countries these bands are allocated on a primary co-equal basis, to the fixed, mobile and broadcast services. Obviously, in the internal areas of the United States beyond 200 miles from the

boundaries with neighboring countries the Federal Communications Commission could also domestically allocate these bands for fixed, mobile and broadcasting. In essence the Commission has already achieved this with respect to mobile allocations in the 470-512 mhz and the 806-890 mhz bands in Docket No's 18261 and 18262.

"3. While the approach taken in footnote 332B will provide flexibility, the PLM/SWG does not understand what benefit this approach has to an outright co-equal allocation of these bands to these three services. Could not the same end be achieved by simply amending the table of allocations to reflect that in Region 2, the 470-608 mhz and the 614-890 mhz bands are allocated on a primary co-equal basis to fixed, mobile and broadcasting? To the PLM/SWG the footnote approach is almost a 'fallback' negotiating position, tantamount to announcing in advance that the United States will take a reservation to the international use of these bands. Since the Commission has recognized the need for future allocation flexibility in these bands, the only question remaining is the most preferable method. Unless the PLM/SWG has overlooked something, it would appear that an outright Region 2 allocation of these bands to these three services would be the more preferable approach.

Applicability of Footnote 332B
to the 470-512 Mhz and 806-890 Mhz Bands

"4. Should the Commission decide to retain footnote 332B as the best means of providing future allocation flexibility, it would appear that some minor revisions in its applicability are in order. Footnote 332B is shown as being applicable to the 470-512 mhz and 806-890 mhz bands. This appears to be unnecessary, as the Commission is also proposing the MOBILE be entered into these portions of the table as a primary service. Thus, in the interest of consistency and clarity, the PLM/SWG recommends that the Commission review this matter and, if it agrees, delete footnote 332B from the 470-512 mhz and 806-890 mhz portions of the table and rewrite the footnote accordingly.

Spectrum Efficiency Issues

"5. Spectrum efficiency will be a very important issue at the 1979 WARC, and, in fact, must be an underlying principle which supports all of our spectrum requests at this conference.

"6. With regard to this issue, two recent actions appear to be relevant, and are worthy of comment. The first action, development of a spectrum efficient television receiver by Texas Instruments, obviously relates to television broadcast, and potentially impacts almost 500 mhz of currently allocated spectrum. The second action involves potential use of single-sideband/compandoring techniques and relates to Land Mobile. In this case approximately 123 mhz of currently allocated spectrum could conceivably be affected.

"7. There are two major aspects which must be evaluated when considering each of these potential spectrum saving alternatives; these are time frame and feasibility.

"8. Treating time frame first, it is clear that any significant changeout of television receivers is a major process which could not be implemented in the short term. It would very likely require a 10-15

year period to substantially effect a complete phaseover, although conceivably some spectrum could be identified and made available for other use considerably prior to total television receiver changeout.

"9. The time frame to effect a total changeout of Land Mobile systems is of the same order as for television receivers, notwithstanding some recent comments to the contrary. In the Commission's UHF Task Force presentation to the Commissioners last February, it was verbally stated that the "new" spectrum-efficient technology could be implemented in 18-24 months. However, it is important to note that this time frame has already been substantially modified. In a presentation to the Land Mobile Communications Council Annual Meeting in Denver, Colorado, on March 23, 1978, by representatives of the UHF Task Force, it was estimated that it may take up to eight years to achieve reasonably full operation of the "new" technique. Even this modified estimate, though more closely approaching reality, is, in our opinion, significantly understated. The changeout of 10-20 million land mobile transmitters (depending on when in the 1980-1990 time frame it might occur) is a very complex procedure, considering that these transmitters are used in various sophisticated systems such as those operated by statewide police, nationwide railroads, and area-wide utilities, just to name a few. It is considerably more difficult to design, purchase and implement one of these systems than it is to replace a television set in a home. Also, the budgeting process to procure such a system is a multi-year project for many entities that use land mobile radio systems. Thus it is clear that the time frame to effect a new type of radio system into the land mobile field is very similar to that required to put a new type of television receiver into operation. In any case, planning for the 1979 WARC can only, at the very best, hope for and provide sufficient flexibility to accommodate whatever spectrum-efficient technology may be available in the relatively long term.

"10. With regard to feasibility, it is too early to be even reasonably sure that either of the above-mentioned technological advances will in fact ever come to fruition. The Texas Instruments television set appears to be closer to maturity than the system proposed for land mobile, but further work must be done to ascertain technical and economic viability.

"11. The single-sideband/compandoring technique proposed for land mobile use is currently being thoroughly analyzed by the Electronic Industries Association (EIA) at the request of the Land Mobile Communications Council. Some of the critical areas being studied are:

--stability requirements;

--performance of frequency compandoring;

--performance of amplitude compandoring;

--spectrum efficiency considerations;

--effect upon signaling systems;

--co-channel, adjacent channel and intermodulation interference considerations;

--effects of ignition noise, flutter and facing.

"12. The analysis of the EIA Committee is not yet complete, but initial results are not encouraging, as serious problems have been identified in a number of the above-listed study areas. Solutions to these problems, if in fact they can be achieved, may even further extend the above-discussed time frame for implementation of such a system.

Deletion of Footnote 329A

"13. The PLM/SWG supports the very sound decision of the Commission to delete the proposed footnote 329A which would have provided satellite access to the 806-890 mhz band. In particular the PLM/SWG appreciates the recognition of the limited market for mobile satellite and the need to preserve this band for terrestrial land mobile requirements. As the Commission recognizes and as the PLM/SWG indicated previously, what mobile satellite needs might eventually develop can readily be met in other bands.

Suppression of Footnote 294

"14. The current International Frequency Allocations table contains a footnote 294 which provides for use of the band 183.1 to 184.1 mhz for space research on a secondary basis. The Commission in its Third Notice of Inquiry proposed suppression of this footnote with the following accompanying statement: 'SUP 294 Reason: To enhance sharing.'

"15. In the subsequent Fifth and Eighth Notices of Inquiry, the Commission continued to propose suppression with the following words: 'SUP 294 To enhance sharing. Reason: To provide for possible mobile use of band.'

"16. We totally support the Commission's action in this matter, as it indeed does enhance the possibility of efficient future use of this valuable spectrum, if at some later time it is appropriate to make it available to non-broadcast services. We urge the Commission to adopt this proposal as part of the U.S. position."

NEW COMMON CARRIERS: FCC common carrier authorizations for new one-way signaling radio stations in North and South Carolina, and for new two-way mobile radio service stations in Kentucky, Nebraska and Wisconsin, have been asked in incoming applications put on "public notice" by the Commission July 10.

The "new station" requests came from Carolina Telephone & Telegraph Co., for a station on 158.10 mhz at Dunn, N. C.; from MT Systems, Inc., for a station on 152.21 mhz near Vallentine, Nebr.; from Able Mobile Telephone & Paging Service, for one on 158.70 mhz near Manning, S. C., and 72.66 mhz (control) at Sumter, S. C.; from Telpage, for a station on 152.06 mhz near Leitchfield, Ky.; and from Radio Telephone Inc., for one on 454.325 mhz at Peshtigo, Wisc.

In other types of incoming applications listed by the Commission, Hancock Rural Telephone Corp. asked additional facilities for KWH312

on 454.575 mhz at Maxwell, Ind.; Am-Tex Dispatch Service asked additional facilities for KTS259 on 43.58 mhz at a new site (#2) in Amarillo, Tex.; Industrial Communications asked additional facilities for KOP321 on 152.06, 152.09, 152.12, 152.18 and 152.21 mhz (base) and 2129.6 mhz (repeater) at a new location (#5) about 12 miles southeast of Rock Springs, Wyo., and 2118.4 mhz at Vernal, Utah; Mobilfone, Inc., asked additional facilities for KIJ357 on 152.09 and 152.18 mhz at Clearwater, Fla.; Aztec Communications, Inc., asked some changes in KIQ510, including additional facilities on 43.22 mhz at a new site (#2) in St. Augustine, Fla., and 43.58 mhz at a new site (#3) in Jacksonville, Fla.; Muskogee Two-Way Dispatching asked additional facilities for KIB314 on 152.21, 454.200, 454.250 and 454.300 mhz at Muskogee, Okla.; Able Mobile Telephone & Paging Service asked some changes in KWU515, including additional base facilities on 152.24 mhz at three new sites at or near Hartsville, Lake City and Mullins, S. C., and additional control facilities at new site #5 in Florence, S. C., and some changes in KSV890, including additional facilities on 152.12 mhz (base) and 75.54 mhz (repeater) at a new site (#2) about 10 miles west-southwest of Sumter, S. C., and 72.90 mhz (control) at a new site (#3) in Sumter; Mobile Tel & Pager, Inc., asked consent to transfer of control of KUS-219 at Griffin, Ga., from Gerald Lawhorn to Frank Stanley; Telpage asked additional facilities for KWT890 on 43.22 mhz at a new site (#3) at Leitchfield, Ky., and 75.96 mhz (control) at Elizabethtown, Ky.; Springfield Radio Communications, Inc., asked additional facilities for KWT958 on 454.225 mhz at Springfield, Ore.; Teletron Communications Electronics, Inc., asked additional facilities for KUS416 on 454.125 mhz, and for KWT862 on 43.58 mhz, about 3 miles south-southwest of Coos Bay, Ore.; and J. R. and P. J. Dodd, doing business as Answering Service Unlimited amended pending applications involving a new station at Terrebonne, Ore., to add repeater facilities on 459.175 mhz about 5 miles northeast of Terrebonne and control facilities on 454.325 mhz at Bend, Ore.

. . .IN RESPONSE TO AN EARLIER COMMON CARRIER APPLICATION, MEANwhile, the FCC this week reported the issuance of a construction permit for a new two-way mobile radio station near Centre Hall, Pa. The grant, to Modern Communications Corp., for station KKB569, specifies operation on 152.03 mhz.

In other types of "actions" listed by the Commission this week, Westside Communications of Tampa, Inc., was authorized additional facilities for KLF659 on 158.70 mhz at a new location (#3) in Pinellas, Calif.; M. L. Green, doing business as Gillette Radiotelephone, was authorized additional facilities for KUC875 on 152.21 mhz near Gillette, Wyo.; Mobile Radio System of Ventura, Inc., was authorized additional facilities for KMA835 on 152.12, 152.21 and 454.325 mhz at a new location (#2) near Santa Paula, Calif., and new location #3 near Ventura, Calif.; Phone Depots of Connecticut, Inc., doing business as Liberty Communications, was authorized to change frequency of KCI310 from 72.12 to 75.84 mhz at Trumbull, Conn.; and the Commission cancelled, at the company's request, the license of Alco Telephone Answer-ring Service of Greenville, Mississippi, Inc., for station KUC976, on 152.21 mhz near Oxford, Miss.

REIMBURSEMENT OF FCC EXPENSES: The FCC last week announced a new inquiry in "Gen. Docket No. 78-205", "to consider the reimbursement of expenses for individuals and groups that could bring additional perspectives and data to FCC proceedings and who would otherwise not be able to effectively assist the Commission by their participation," and called for comments on the matter by Sept. 15.

The Commission expressed its "preliminary view" that any reimbursement program it did adopt should, at least initially, be restricted to rulemakings, since resources available for this program are likely to be modest. . ., this is the area where the Commission most needs broader input, and it is also the area in which other agencies have already gained the greatest experience."

Commissioner Robert E. Lee issued a dissenting statement, in which Commissioner James E. Quello joined, commenting that "It seems to me that, in its zeal to help everybody, the federal government has been playing musical money--shuffling money from citizen to citizen until finally it is consumed by a giant bureaucracy. With this notice, the FCC has joined the game. . .I don't think that the Commission can keep this promise. . .Obviously, we cannot reimburse the expenses of every person or group who could have standing in Commission proceedings. We would have to pay off everyone in the country at some point! . . .I don't want to fritter away the limited resources we do have on reimbursement claims. . .This is hardly the time to propose a new spending program which may ultimately benefit only the lawyers. . ."

Commissioner Abbott Washburn issued a "concurring" statement, noting that "while the goal" of the concept "is noble, the proposal to reimburse expenses raises troublesome questions. . .In any event the responses will provide the Commission and the Congress with useful information to help in reaching a decision as to whether such a program is needed at the FCC, and if so, how it should be designed."

Commissioner Joseph R. Fogarty issued a "separate" statement saying he is "very pleased" that the FCC is considering the question. "While it may be that ultimate authority and the funds for a citizens' reimbursement program will have to come from Congress," he said, "that argument does not relieve this Commission of the responsibility to assess immediately our own regulatory needs and to make any necessary legislative proposals to Congress."

. . .ROGER F. SMITH, WHO HAS BEEN WITH THE COMPANY SINCE 1962, and its Sales Manager since 1976, has been named Vice President-marketing for Telecomm Systems, Inc., of Eugene, Ore., President Leslie F. Smith, Jr. announced this week. TSI, a 25-year-old firm serving central and southern Oregon, it noted, "is a total sales and service outlet for radiotelephones, two-way radios, mobile communications systems and pagers," and "also markets land mobile communications products and other electronic equipment." It is "one of the largest independent radiotelephone systems in the nation and is the largest operating network in the Pacific Northwest," the company said.

. . .THE U.S. GENERAL SERVICES ADMINISTRATION LAST WEEK AN-nounced the award of a $2,700,000 contract to the G. R. M. Corp., of Medford, N. J., "for radio equipment and accessories."

. . .ELECTROLERT, INC., MANUFACTURER OF THE "FUZZBUSTER" RADAR detector, which has been keeping track of such things, reported this week that the "first 20 radar units" have been ordered for California's Highway Patrol, "just days after the passage of a resolution by the state legislature endorsing (radar) use on freeways and major highways." One requirement, the company said, is that any CHP car using radar "be clearly marked". The company said "Several hundred radar units will be in service" by the state Highway Patrol "by the end of the summer, and by 1979, estimates place the radar population in use by CHP at as many as 3000 units."

. . .THE KEL CORP., OF MELROSE, MASS., WHICH WAS FORMED LAST October to acquire Bell & Howell Communications Co., has announced agreement for it to purchase Pioneer Medical Systems, a manufacturer of bio-telemetry communications equipment. Pioneer is an affiliate of W. M. G., which is owned by O. S. Walker, Inc. Kel said it plans to bring the Pioneer division to Kel's corporate headquarters in Mel-rose. It said it "plans to continue to manufacture the entire P. M. S. product line, with new product releases to be announced shortly."

. . .THE "FIRST WESTERN CB INDUSTRY SIDEBAND/GENERAL MOBILE Radio Service Conference" will be held over the Labor Day Weekend at the Marriott Inn at Marina del Rey, near the Los Angeles Internation-al Airport. The conference will open Sept. 1 with a reception; tech-nical sessions on SSB and GMRS will be held Sept. 2; Marketing ses-sions are scheduled for Sept. 3; and the conference will conclude on Sept. 4 with equipment displays. The conference, designed for deal-ers, distributors, sales representatives, manufacturers and importers, will be hosted by Leo G. Sands, Editor-In-Chief of CB Magazine, and Loren R. McQueen, President of Communication Control Inc. Details are available from Mr. Sands, P. O. Box 19386, San Diego, Calif. 92119, phone 714-463-8312.

. . .LIMITED TESTS "INDICATE THE POTENTIAL FOR INTERFERENCE with certain types of telephone services," the Wisconsin Telephone Co. said last week in connection with reported approval of an electric power load control system developed by American Science & Engineering, Inc., of Cambridge, Mass. The Wisconsin Public Service Commission authorized sale of the system to the Wisconsin Electric Power Co., for installation by 1981. Wisconsin Telephone said "additional test-ing involving all interested parties should be undertaken."

. . .THE 1978 ANNUAL CONVENTION OF THE TELOCATOR NETWORK OF America will be held Oct. 18-21 at the Hilton Palacio Del Rio in San Antonio, Tex.