



NEWS

Federal Communications Commission
445 12th Street, S.W.
Washington, D. C.

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

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NEWS MEDIA CONTACT:
Meribeth McCarrick at (202) 418-0654

AUCTION OF WIRELESS COMMUNICATIONS LICENSES RAISES \$ 45,064,450

Today, the Federal Communications Commission (FCC) completed a Local Multipoint Distribution Service (LMDS) auction that raised a total net revenue of \$45,064,450. The auctioned licenses can be used by companies to provide a variety of wireless services for consumers including: one- and two-way broadband services, such as video programming distribution; video teleconferencing; wireless local loop telephony; and high speed internet access.

"I'm extremely pleased with the results of this auction. The FCC has sold LMDS licenses to a variety of bidders," said Chairman William Kennard. "74% of the licenses sold were won by small businesses. This is what auctions are all about -- providing opportunities for companies to become members of the dynamic telecommunications marketplace."

The auction began on April 27, 1999 and closed after 43 rounds. A total of 161 licenses, 100% of the licenses available in the auction, were sold to 40 bidders. The licenses will be awarded in various geographic areas throughout the continental United States and Puerto Rico. The spectrum auctioned included 121 Block A licenses (1,150 MHz each) and 40 Block B licenses (150 MHz each).

"As a result of this auction the FCC has placed 161 new LMDS licenses into the hands of companies," said Tom Sugrue, Chief of the FCC's Wireless Telecommunications Bureau. "These new competitors will bring even more competition and innovation to the wireless marketplace."

LMDS is a relatively new fixed, broadband point-to-multipoint microwave service, which, because of the amount of spectrum to be licensed, offers more capacity than is currently available from most existing wireless services. Because of its multi-purpose applications, LMDS has the potential to become a major competitor to local exchange and cable television services. LMDS has the flexibility and the potential to promote competition in both the local telephone and cable television marketplaces.

License winners must make the down payment on their licenses ten business days after the release of the Wireless Telecommunications Bureau's Public Notice announcing the close of the auction. Winning bidders must also file their long form applications with the FCC within the same time period.



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Wireless Telecommunications Bureau contact: Kathy Garland at 1-800-Call FCC, Option #2 or Tim Salmon at (202) 418-7531 or TTY at (202) 418-7233, (Auctions) or Ronald Quirk or Catherine Fox at (202) 418-0680 or TTY at (202) 418-7233 (Public Safety & Private Wireless Division). (*Report No. WT 99-12*)