

Response to the extended Consultation on licence exempt Public
Telecommunications.

From: John McPherson Associates Limited

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1. An assumption that “provision of services for a consideration” are “public” services is being made. This assumption is far too simplistic. It leads to the presumption that the services provided over such licence exempt spectrum will compete head-on with those provided over individually licensed spectrum. It is more likely that licence exempt spectrum, when used for service provision, will be used to establish businesses that lead to applications for exclusive spectrum in other bands. Thus a licensee is able to test a business plan before commitment to a 15 to 25 year spectrum licence for which there may be no business justification.
2. There is a bias against use of radio technologies in communications systems under the belief that it is scarce. It is not. Wire and cable links can be used for self- and service-provision so why not radio links. A consequence of the present regime is that self-provided systems that use radio technologies cannot be outsourced to service providers.
3. Claims that the regulations applicable to licensed and licence exempt spectrum will be unbalanced are unfounded. The exclusively licensed service provider has far greater control over their commercial and quality-of-service risk than does a spectrum sharing licence exempt service provider.
4. The time for service related spectrum regulation has passed. The only criteria that should be used are those related to spectrum management, including location and band sharing. The objective being that the possibility for conflicting or competing regulation between radio and non-radio applications is obviated.

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