

Lucent Technologies
Bell Labs Innovations



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Geoff Chapman
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Radiocommunications Agency
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Dear Mr. Chapman,

Lucent Technologies appreciates having the opportunity to respond to the Radiocommunications Agency's consultation on implementing spectrum trading.

As a designer and manufacturer of state-of-the-art wireless communications solutions, Lucent Technologies is keenly aware of the many issues that need to be considered to ensure that the introduction of spectrum trading increases efficiency and brings added benefits to consumers.

Lucent broadly supports the comments submitted by Intellect, of which it is a member. However, Lucent feels that it is important separately to reiterate that we would have significant concerns about any spectrum management plan that linked spectrum allocation to particular types of systems or that did not contain enough flexibility for spectrum users to respond to technological change, which can often be rapid, and offer dramatically enhanced services, increased spectral efficiency and concomitant benefits to operators, manufacturers and end users, and thus the economy at large.

In this regard, Lucent would support the introduction of spectrum trading for all commercial spectrum users and to minimise the conditions imposed in licenses on such use so that spectrum users have full flexibility to deploy the best wireless solutions available to maximise economic and technical efficiency in the interest of UK society as a whole. Lucent believes that any use within the ITU-specified service categories should be allowed and that it would be sufficient to impose interference limits on spectrum users to avoid harmful interference to other users that might otherwise occur.

Lucent Technologies has successfully worked with many operators around the world who have obtained their spectrum licences in the ways that the RA is considering, both through auctions, secondary trading and the relaxation of restrictive licensing conditions to allow changes in the use of the spectrum and/or technology used.

We would therefore like to provide the following replies to both sections of Question 5:

5a) We generally support proposals which both tend to encourage competition in the supply of services and also result in the more efficient use of the spectrum. Spectrum pricing through whatever mechanism should encourage operators to move towards using more advanced technology, e.g. advanced antennas and new air interfaces, thus using less of the valuable spectrum resource. Spectrum trading should make this a more progressive and responsive process.

5b) We feel that spectrum trading should be introduced as soon as the administrative mechanisms for ensuring good spectrum management can be prepared (e.g. through negotiating alternative but equivalent ways of ensuring that interference between adjacent users--in both frequency and in geographic area—is limited). We suggest that the process first be tested on some of the bands used for less high profile public wireless networks to confirm that the procedures do indeed encourage economically and spectrally efficient innovative use. We would further suggest the process then be rolled out to the more high profile bands, e.g. 2G and 3G mobile, as soon as it is clear that the process is working efficiently. This should ensure that the process is well established before the '2.6GHz' 3G expansion band is licensed around 2008.

Respectfully submitted,

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