

# **Northpoint Technology:**

## **An Opportunity for the United States to Lead the World in Wireless Technology**

Congress and the FCC have the opportunity to put the U.S. at the forefront of innovation, investment, and deployment of new wireless products and services. Northpoint Technology has patented a video programming and broadband Internet service using a small shared portion of the satellite spectrum. Repeated regulatory delay and indecision, however, has frustrated the deployment of this low cost competitive service.

**What is Northpoint?** Northpoint's terrestrial wireless service will provide multichannel video programming services, including all local TV channels, and broadband Internet access to the entire country by sharing the 12.2 – 12.7 GHz band with satellites. This is revolutionary – prior to Northpoint, no one believed it was possible for satellite and terrestrial systems to share spectrum. The FCC has now concluded (thanks to Northpoint's efforts) that ubiquitous sharing between satellite and terrestrial systems can enable new services in spectrum previously thought to be full!

**Status at the FCC.** After eight years the FCC has still not issued licenses for this promising new service. The FCC has validated that Northpoint can share the spectrum with 9 nationwide satellite systems – the two existing DBS operators and 7 others satellite applicants (including industry giants Hughes, Boeing and Alcatel). Even though Northpoint literally applied on the same day to share the same spectrum with the satellite applicants, the FCC has only considered Northpoint for a spectrum auction and is giving the satellite giants the same spectrum without auction.

**The Impact of Auctions.** Auctions have not fostered new services outside of the largest markets. An auction would drive up the costs of deployment, delay delivery of broadband services and local broadcast signals to rural users, and inhibit the emergence of new competitive alternatives to cable and satellite. An auction would force Northpoint to compete for the right to use its own patented innovation against deep-pocketed companies, which have neither a proven technology nor a commitment to rapid nationwide deployment. As noted above, the FCC does not subject satellite systems to auctions. At last count, the FCC has given Hughes and its subsidiaries (including DirecTV) 51 nationwide licenses totaling 79,000 MHz of spectrum.

**Opportunity for the United States.** Our nation now has the chance to extend its technological preeminence to next generation technologies that enable terrestrial and satellites services to share scarce spectrum. Rather than stifle innovative new wireless technologies and limit new competition, the FCC should end its discriminatory licensing policy to speed the rapid deployment of new wireless products and services to consumers. If the FCC fails to do so, Congress should take immediate steps to require basic fairness in the regulatory process.