

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20054**

<b>In the Matter of</b>	)	
	)	
<b>Spectrum Policy Task Force on</b>	)	
<b>Issues related to Commission’s</b>	)	<b>ET Docket No. 02-135</b>
<b>Spectrum Policies</b>	)	

**REPLY COMMENTS OF  
CANTOR FITZGERALD TELECOM SERVICES, LLC**

Cantor Fitzgerald Telecom Services, LLC (“Cantor Telecom”) hereby submits these reply comments in response to initial comments filed in the above-referenced docket. As explained in greater detail in its own comments, Cantor Telecom, a subsidiary of Cantor Fitzgerald, L.P., is an industry leader in brokering telecommunications infrastructure and services, including dark fiber, collocation, conduit, and lit fiber. Cantor Telecom’s experience demonstrates that secondary markets in the communications sector can serve the important role of connecting buyers to sellers while ensuring that spectrum resources are put to their highest and best use. Intermediaries such as Cantor Telecom enable these markets to function efficiently by providing a central location for buyers and sellers to locate one other and to transact business under standardized terms and conditions.

After reviewing the initial comments submitted in this docket, Cantor Telecom is even more convinced that the Commission should expeditiously address the creation of a thriving secondary spectrum market as proposed in its pending rulemaking, *Promoting Efficient Use of Spectrum Through Elimination of Barriers to the Development of Secondary Markets*, WT Docket No. 00-230. Commenters addressing the concept of secondary spectrum markets were

very supportive of a rapid, favorable conclusion to this Commission proceeding.<sup>1</sup> Commenters speaking to the issue also favored greater flexibility in spectrum use and leasing.<sup>2</sup>

In addition to ensuring that spectrum is used effectively and efficiently, commenters pointed out that a secondary spectrum market can fulfill other important policy goals, such as encouraging the delivery of important new wireless services to rural areas of our country.<sup>3</sup> Creating a more efficient spectrum market and permitting spectrum leasing also can enable smaller carriers to enter the market and provide novel services with “slices” of spectrum that are being underutilized.<sup>4</sup> Several rural carriers confined their comments to requesting that the Commission issue and auction more licenses for smaller geographic areas.<sup>5</sup> Here, too, a more efficient secondary spectrum market can resolve a problem that partitioning and disaggregation rights alone have addressed less successfully.

A number of broadcast industry and public safety commenters, while acknowledging that the harnessing of market forces can play an important role in the distribution of certain types of spectrum,<sup>6</sup> expressed concern about the universal application of such policies to their spectrum bands. Cantor Telecom agrees that in certain special instances, other public policy goals might possibly override the efficiencies created by an open market. However, the creation of a clearly-

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<sup>1</sup> See, e.g., Comments of Cingular Wireless, LLC at 31 (hereafter, “Comments of Cingular Wireless”); Comments of Sprint Corporation at 9-10. See also Comments of Blooston, Mordkofsky, Dickens, Duffy & Prendergast on behalf of Private Radio Commenters at 15 (hereafter “Private Radio Commenters”); Comments of Blooston, Mordkofsky, Dickens, Duffy & Prendergast on behalf of Certain Rural Telephone Companies at 6-7 (hereafter Comments of Rural Telcos); and Comments of Stratex Networks, Inc. at 7.

<sup>2</sup> See, e.g., Comments of Cingular Wireless at 24.

<sup>3</sup> See Comments of The Rural Telecommunications Group at 9; Comments of The National Telecommunications Cooperative Association (“NTCA”) at 8.

<sup>4</sup> See Comments of NTCA at 8.

<sup>5</sup> See Comments of Telephone and Data Systems, Inc. and Comments of Matanuska Telephone Association.

<sup>6</sup> See, e.g., Comments of National Public Radio, Inc., at 2; ATX Technologies, Inc. at 5; Private Radio Commenters at 15.

defined secondary market would greatly enhance the free flow of information concerning underutilized spectrum, a factor that should not be underestimated. It may be that in cases such as these, the Commission could further the public interest by creating a well-defined “submarket” for these particular spectrum users to allow them to exchange spectrum better amongst themselves.

Similarly, a significant number of commenters support the allocation of additional spectrum for unlicensed use under Part 15 of the Commission’s Rules. These commenters point to the development of advanced technologies that rely on their robust ability to withstand interference from similar devices operating nearby. However, at this time, these devices are not intended for transmission over longer distances or for mobile services (other than for pedestrians moving short distances within a concentrated or enclosed area). The provision of 3G, high-capacity, and long-haul transmissions all still require the exclusive rights to spectrum assured in a licensed environment. In this context, market forces should play a strong role in ensuring that excess capacity and unused spectrum is efficiently leased, subdivided, or transferred to the party who values it most and who will ensure the highest and best use of the spectrum.

Cantor Telecom strongly encourages the Commission to establish market-oriented methods for increasing the efficient use of spectrum. In addition to following up on the initiatives described in the Public Notice, the Commission should expeditiously adopt rules that facilitate the development of a secondary market in spectrum as outlined in WT Docket No. 00-230.

Respectfully submitted,

A handwritten signature in black ink that reads "Nancy Killien Spooner". The signature is written in a cursive style and is positioned above a horizontal line.

Nancy Killien Spooner

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