

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)
)
Promoting Efficient Use of Spectrum Through) **WT Docket No. 00-230**
Eliminating of Barriers to the Development of)
Secondary Markets)
)

**REPLY COMMENTS OF
CANTOR FITZGERALD TELECOM SERVICES, LLC¹**

Cantor Fitzgerald Telecom Services, LLC (“Cantor Telecom”) hereby submits its reply comments in response to the Report and Order (“Report and Order”) and Further Notice of Proposed Rule Making (“Further Notice”) of October 6, 2003 in the above-referenced proceeding.²

DISCUSSION

Cantor Telecom applauds the Commission’s actions in the Report and Order and is pleased that there is such broad support in the record not only for many of the Further Notice’s market-opening proposals, but also for the beneficial role a private entity such as Cantor Telecom’s spectrum exchange would serve to facilitate market transactions. Consistent with the position of many other commenters, Cantor Telecom urges the Commission to take steps to remove regulatory hurdles to spectrum leasing to further foster the emergence of an effective, efficient secondary market in spectrum.

¹ Due to internal review procedures, Cantor Telecom was unable to submit this filing before the January 5, 2004 deadline. Accordingly, Cantor Telecom makes this submission pursuant to Section 1.1206(b) of the Commission’s Rules and Paragraph 333 of the Further Notice as a written *ex parte* presentation.

² *In the Matter of Promoting Efficient Use of Spectrum Through Elimination of Barriers to the Development of Secondary Markets*, WT Docket No. 00-230, Report and Order and Further Notice of Proposed Rulemaking (rel. Oct. 6, 2003).

Many commenters support Cantor Telecom's position that the role of market maker in a secondary spectrum marketplace would be best served by the private sector.³ Commenting parties believe, and Cantor Telecom agrees, that private entities would be able to compile and provide the information needed to facilitate secondary market transactions in a more efficient manner than the Commission. Concern was also raised about whether brokering leasing arrangements would be an appropriate regulatory function for the Commission.⁴ Establishing a private entity to serve this role also has the benefit of avoiding this issue. Cantor Telecom looks forward to further demonstrating its qualifications to serve as a market maker and sharing its vision for this role with the Commission.

The initial comments also demonstrate broad support for further relaxation of Commission rules to reduce regulatory hurdles to development of an effective, efficient secondary spectrum market. Numerous parties echo Cantor Telecom's position that the Commission should forbear from prior approval and notification requirements for leasing transactions to the greatest extent permissible.⁵ In addition, several commenters urge the Commission to extend its leasing rules to additional services,⁶ as well as to eliminate eligibility

³ See, e.g., Comments of Sprint Corporation at p. 7, Comments of Verizon Wireless at pp. 2-3.

⁴ See, e.g., Comments of Sprint Corporation at p. 7.

⁵ See, e.g., Comments of AT&T Wireless, Inc. at pp. 6-7; Comments of Winstar Communications, LLC at p. 3.

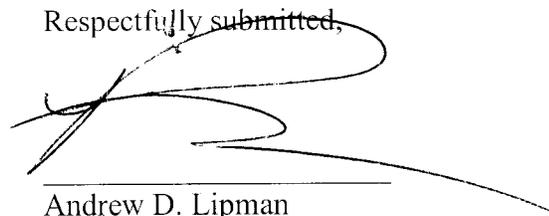
⁶ See, e.g., Comments of The Cellular Telecommunications and Internet Association at pp. 4-5; and Comments of BellSouth Corporation and BellSouth Wireless Cable, Inc. at p. 6 (advocating extension of leasing to MDS, ITFS, and MMDS). Commenting parties disagree, however, on whether to allow public safety licensees to lease their spectrum. See, e.g., Comments of The Association of Public-Safety Communications Officials (opposing public safety leasing generally except under specific conditions); and Comments of SBC Communications Inc. at p. 13 (recommending the FCC open a separate proceeding to consider public safety spectrum leasing).

restrictions to enable designated entities to fully avail themselves of leasing opportunities.⁷ Cantor Telecom agrees that adopting these measures will streamline operation of a secondary spectrum market, making it function more smoothly and efficiently.

CONCLUSION

Cantor Telecom believes the Commission's Report and Order represents important first steps towards development of a secondary spectrum marketplace. By adopting the measures recommended by Cantor Telecom in its initial comment filing, which, as demonstrated herein, are widely supported by other commenting parties, the Commission will further facilitate the emergence of an effective, efficient secondary market in spectrum

Respectfully submitted,



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⁷ See, e.g., Comments of Cingular Wireless, LLC at pp. 2-3 (advocating allowing designated entities to lease spectrum rights to any entity that meets the general eligibility criteria such as foreign ownership). Some parties support allowing designated entities to lease spectrum to non-eligible entities only if the lease would bring service to rural areas. See, e.g., Comments of The Rural Telecommunications Group at pp. 6-7.