



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
445 12th STREET, S.W.
WASHINGTON, D.C. 20554

News Media Information: (202) 418-0500
Fax-On-Demand: (202) 418-2830
Internet: <http://www.fcc.gov>
<ftp.fcc.gov>

DA 00-527
March 9, 2000

Supplemental Closed Broadcast Auction Auction No. 28

4 Qualified Bidders

Report No. AUC-28-D (Auction No. 28)

This *Public Notice* identifies 4 applicants that have been found qualified to bid for broadcast construction permits associated with 2 Mutually Exclusive Applicant Groups (“MX Groups”) in Auction No. 28, which is scheduled to begin on Tuesday, March 21, 2000. This *Public Notice* also contains bidding instructions and other important information regarding the auction.

Attachment A lists each of the 4 qualified bidders, their upfront payments, and maximum eligibility in bidding units.

Attachment B lists the construction permit that was listed on each qualified bidder's FCC Form 175.

Attachment C contains software downloading/installing instructions for participation in the mock auction.

Attachment D contains round results file formats for use during the auction.

Attachment E provides information on “How to Monitor FCC Auctions Online”.

Attachment F provides information concerning Accessing the FCC Network using Windows 95/98.

In order to participate effectively in the auction, qualified bidders should re-familiarize

themselves with the auction rules and other information contained in the *Public Notices* released for this auction.¹ The following information provides additional guidance.

Registration. Qualified bidders have been automatically registered for the auction. For security reasons, the Commission will confirm registration by two separate mailings of registration materials, both sent to the contact person at the contact address identified in the bidder's FCC Form 175. Each mailing will include confidential bidding codes. The second mailing will also include remote bidding system software, if ordered. Upon receipt of both mailings, each bidder should be in possession of the following information:

- FCC Account Number (as assigned by FCC)
- Bidder Identification Number
- Login ID
- Login Password
- Remote bidding system software, if ordered
- FCC Bidder Line Telephone Number

Applicants are solely responsible for ensuring the security of their computer systems, the security of their bidding codes, and that only authorized bidders place bids on their behalf. The FCC assumes no responsibility or liability for these matters.

WARNING: Any unauthorized person or entity accessing or tampering with an FCC or other government computer will be prosecuted to the full extent of the law.

Any applicant listed as a qualified bidder in Attachment A to this *Public Notice* that has not received both registration mailings **by 2:00 p.m. on Friday, March 17, 2000**, should contact the Auctions Hotline directly at (717) 338-2888. It is each applicant's responsibility to ensure that all registration information has been received.

Bidding Code Replacement. Lost Login IDs, Login Passwords and Bidder Identification Numbers can be replaced only at the FCC Auction Headquarters, located at 445 12th Street, S.W., Washington, D.C. If replacement is necessary, either an authorized representative or the certifying official (as designated on the applicant's FCC Form 175) must appear in person with two forms of identification, one of which must be a photo identification. The authorized representative should immediately contact the technical

¹ See "Supplemental Closed Broadcast Auction, Auction No. 28; Notice and Filing Requirements for Auction of certain AM, FM, LPTV, and TV Broadcast Construction Permits Scheduled for March 21, 2000; Minimum Opening Bids and Other Procedural Issues," *Public Notice* DA-99-2958 (rel. December 23, 1999) ("Auction No. 28 *Public Notice*"). See also Supplemental Broadcast Auctions Scheduled For March 21, 2000; Comment Sought on Reserve Price, Minimum Opening Bids and Other Auction Procedures, *Public Notice*, DA 99-2594 (released November 19, 1999) ("*Comment Public Notice*").

support hotline to arrange the replacement of bidding codes.

Electronic Bidding Software. Qualified bidders are allowed to bid electronically or telephonically. Only those qualified bidders that have requested the Commission's electronic bidding software will be permitted to bid electronically. The software has been updated for Auction No. 28; therefore, **software from prior auctions will not work for this auction.** For software backup, bidders are advised to duplicate the software for use by its authorized bidders at different locations. However, the FCC Remote Bidding Software will not accept electronic bids from qualified bidders who have not purchased the bidding software. The bidding software mailed via Federal Express is not the software used in the mock auction, and is specifically designed to only be used in the actual auction event. The downloadable mock auction software is discussed later in this public notice.

Bidding Contingency Plan. Bidders should develop comprehensive contingency plans they can implement quickly in case they experience difficulty participating in the auction. While the FCC will correct any problems within Commission-controlled facilities, bidders are solely responsible for anticipating and overcoming problems such as bidder technical failures, local telephone service interruptions, adverse local weather conditions, unavailability of authorized bidders, or loss or breach of confidential security codes.

The FCC Remote Bidding System requires access to a 900 service telephone line. Bidders should verify in advance that the telephone systems they will be using to submit electronic bids permit access to 900 service telephone numbers, and should consult their telephone administrators if they need assistance.

All qualified bidders will be supplied with a telephone number for telephonic bidding in their registration materials. Those choosing not to bid electronically are required to use this telephone number to place bids. Electronic bidders may use this telephone number as an alternate method of bidding in the event they are not able to submit their bids electronically.

Minimum Opening Bids. There will be a minimum opening bid for each construction permit in Auction No. 28, calculated in accordance with the formulas we have previously announced.² The minimum opening bid amount is subject to reduction at the discretion of the Commission. Bidders should be aware, however, that the FCC will not entertain requests to lower minimum opening bids. The agency will exercise its discretion, if at all, independent of any communications from bidders.

Bid Increment Calculation and Rounding. In Auction No. 28, the commission will calculate the minimum acceptable bid for each construction permit by multiplying its previous standing high bid by a percent increment. This result is added to the previous standing high bid amount subject to the following rounding rule:

² See Auction No. 28 Public Notice, Attachment A, for information on the minimum opening bid for each construction permit

Where the previous high bid amount multiplied by the percent increment is less than \$10,000.00, the result will be rounded to the nearest hundred dollars. In circumstances where the previous high bid amount multiplied by the percent increment is greater than \$10,000.00, the result will be rounded to the nearest thousand dollars.

Example:

Round 2

Percent increment is 10%
Standing High Bid is \$8,900.00

Calculation

$(10\% * \$8,900.00) + \$8,900.00$
 $\$890.00 + \$8,900.00 = \$9,790.00$
Minimum acceptable bid is \$9,800.00 [result is rounded to nearest \$100.00]
Bid Increment is \$900.00

Round 3

Percent increment is 10%
Standing High Bid is \$9800.00

Calculation

$(10\% * \$9,800.00) + \$9,800.00$
 $\$980.00 + \$9,800.00 = \$10,780.00$
Minimum acceptable bid is \$11,000.00 [result is rounded to nearest \$1,000.00]
Bid Increment is \$1,200.00

Messages and Announcements. The FCC will post pertinent auction information as messages and announcements on the FCC Remote Bidding System and on its Internet site at. Bidders should routinely check for messages and announcements each time they enter the Remote Bidding System and should read this information carefully.

Bidding Schedule. The bidding schedule for Tuesday, March 21, 2000, and continuing until further notice, will be:

| | | | |
|----------------|------------|---|---------------|
| Bidding Period | 9:00 a.m. | - | 9:30 a.m. ET |
| Round Results | 9:30 a.m. | - | 9:45 a.m. ET |
| Bidding Period | 10:00 a.m. | - | 10:30 a.m. ET |
| Round Results | 10:30 a.m. | - | 10:45 a.m. ET |
| Bidding Period | 1:00 p.m. | - | 1:30 p.m. ET |
| Round Results | 1:30 p.m. | - | 1:45 p.m. ET |
| Bidding Period | 2:00 p.m. | - | 2:30 p.m. ET |

Round Results 2:30 p.m. - 2:45 p.m. ET

The FCC will set the pace of the auction based upon its monitoring of the bidding and its assessment of the auction's progress. All schedule changes are made by announcement during the course of the auction.

Bidder Questions during the Auction. FCC auction officials and technical support staff will be available during the course of the auction to answer questions from bidders. Bidders should identify themselves as a bidder with time sensitive auction questions when calling any number. Help can be obtained through the following telephone numbers:

| | |
|---|---|
| FCC Bidder Line (telephonic bidding, auction conduct questions) | Use telephonic bid number supplied in registration mailing |
| FCC Technical Support Hotline (all technical questions, software and hardware) | (202) 414-1250 |
| FCC Auctions Division (legal questions) | (202) 418-0660 |

Monitoring Round Results. Attachment E (How to Monitor FCC Auctions On-Line) of this *Public Notice* provides instructions for reviewing and downloading round results, and other material related to Auction No. 28 released by the Commission during the course of the auction.

Auction Stopping Rules. Barring extraordinary circumstances, the auction will close for both construction permits when one round passes during which no bidder submits a new acceptable bid on any construction permit, applies a proactive waiver, or withdraws a previous high bid. Absent any other bidding activity, a bidder placing a new bid on a construction permit for which it is the standing high bidder would not keep the auction open under this modified stopping rule.

Amendments to FCC Form 175s. Applicants are responsible for maintaining the accuracy and completeness of information furnished in their FCC Form 175 and exhibits. See 47 C.F.R § 1.65. Applications should be amended within ten business days from the occurrence of a reportable change. Filers should make modifications to their FCC Form 175s electronically, and submit a letter briefly summarizing the changes to:

Amy Zoslov
Chief, Auctions & Industry Analysis Division
Wireless Telecommunications Bureau
Federal Communications Commission
Room 4-A760
445 12th Street, SW
Washington, DC 20554

with a courtesy copy to Jose Ochoá at the same address. As described in the Commission's Rules, applicants may make only minor changes to their FCC Form 175 applications (e.g., mailing address, authorized bidders). Major modifications (e.g., changing the markets applied for, control of the applicant, certifying official) will not be accepted. See 47 C.F.R. § 1.2105(b).

Due Diligence. Bidders are reminded that they should continue to conduct due diligence examinations regarding incumbents and other legal developments with respect to the permits for which they bid during the course of the auction.³

Mock Auction. The FCC will conduct a mock auction on Friday, March 17, 2000, to allow qualified bidders to familiarize themselves with the electronic bidding software. The mock auction will be open only to qualified bidders. Telephonic bidding will also be available during the mock auction. Qualified bidders wishing to place telephonic bids should use the telephone number supplied in the registration materials for the auction. Pre-registration is not required to participate in the mock auction.

This mock auction will include Auction No. 28 construction permits, and will follow the rules governing the actual auction. The mock auction will be identified as Auction No. 74. The software will reflect the construction permit each bidder applied for and the associated upfront payment, which in turn corresponds to the number of bidding units allocated. The mock auction will simulate the start of the auction and all bidders will be required to be active on 100 percent of their bidding units, or risk having a waiver automatically applied unless bidding eligibility is reduced.

To participate in the mock auction, bidders are advised to review the software manual provided in the second mailing. For installation instructions, please refer to Attachment C of this *Public Notice*.

The mock auction bidding schedule for Friday, March 17, 2000 will be:

Round 1

| | | | |
|----------------|-----------|---|--------------|
| Bidding Period | 9:00 a.m. | - | 9:30 a.m. ET |
| Round Results | 9:30 a.m. | - | 9:45 a.m. ET |

Round 2

| | | | |
|----------------|------------|---|---------------|
| Bidding Period | 10:00 a.m. | - | 10:30 a.m. ET |
| Round Results | 10:30 a.m. | - | 10:45 a.m. ET |

Round 3

| | | | |
|----------------|-----------|---|--------------|
| Bidding Period | 1:00 p.m. | - | 1:30 p.m. ET |
| Round Results | 1:30 p.m. | - | 1:45 p.m. ET |

³ See Auction No. 28 Public Notice at 7-8.

Round 4

| | | | |
|----------------|-----------|---|--------------|
| Bidding Period | 2:00 p.m. | - | 2:30 p.m. ET |
| Round Results | 2:30 p.m. | - | 2:45 p.m. ET |

Eligible Auction No. 28 bidders who wish to participate in the mock auction using electronic bidding must establish a Point-to-Point Protocol (PPP) connection to the FCC Auction Network through either an 800 or a 900 number, as selected through the mock auction software. (The FCC strongly encourages participants to test their ability to connect using the 900 number, in order to identify any potential problems such as a 900-number telephone block. There will be no access charge for the first minute of the 900-number connection time.)

When participants establish the PPP connection and start the Mock Bidding System, they will register for the mock auction by entering their FCC Account Number. The Login names, Login passwords, and Bidder Identification Numbers (BINs) will be pre-filled. Please note that pre-filled codes are for the mock auction only. For the actual auction, valid Login codes and BINs will be mailed to qualified bidders with their registration materials.

Remote bidding software for the mock auction will be available via the FCC's Internet by noon on Thursday, March 16, 2000. See Attachment C for downloading/installing instructions. This software is specifically designed for this simulation, and is not adaptable to any other FCC spectrum auction. As part of the software, the Commission has established a suggestion box and welcomes your comments regarding the software.

For additional information regarding this *Public Notice*, please contact Ruby Hough or Jose Ochoá, Auctions & Industry Analysis Division, Wireless Telecommunications Bureau, at (202) 418-0660, or Bob Reagle, Auctions and Industry Analysis Division, Wireless Telecommunications Bureau, at (717) 338-2807. Questions about software or hardware should be directed to Technical Support at (202) 414-1250.

- FCC -