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July 8, 2004

Via Electronic Mail

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

RE: Report No. AUC-04-58-B (Auction No. 58)

Dear Ms. Dortch:

Coloma Spectrum, LLC commends the Commission for enforcing the designated entity (DE) rules and policies, developed in connection with Auction No. 35, for the forthcoming Broadband PCS Spectrum Auction No. 58. (Broadband PCS Spectrum Auction Scheduled for January 12, 2005, Public Notice DA 04-1639 (dated June 18, 2004) ("Public Notice").) As a DE that won two licenses in Auction No. 35, Coloma Spectrum, LLC looks forward to an equitable playing field in Auction No. 58, with the expectation that the upcoming auction will provide us with a meaningful opportunity to acquire additional licenses and to offer competitive and innovative services for the benefit of wireless consumers.

We urge the Commission to continue to hold firm against pressure from the nationwide carriers and their trade association, who will likely use the Public Notice to further erode the DE program. In fact, the current auction structure as announced by the Commission already reflects a significant erosion of the DE opportunity as a result of intensive lobbying from the national carriers four years ago. At that time the Commission developed the current rules pursuant to a lengthy notice and comment period where the interests of the parties were fully heard and weighed at the time. The Commission is therefore precisely correct in adhering to that fully-considered consensus plan.

As supported by the Commission in 2000 and enforced again today, the Auction No. 58 rules provide a true opportunity for DEs to acquire PCS spectrum through the critical combination of set-asides and bid credits. As we clearly saw in Auction No. 35, the underlying success of that auction cannot be disputed. In fact, the 32 DEs that participated in Auction No. 35 won 45 percent of all licenses by value. This statistic demonstrates that small businesses are eager for spectrum ownership opportunities and are well-positioned to pursue them thanks to the current rules.

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Although well-financed nationwide carriers have mounted an aggressive lobbying campaign against the DE set-asides in this auction, the Commission must continue to protect its record of enhancing diversity and promoting small business presence in the wireless communications industry. Any further diminishment of the DE rules, even if seemingly minor, will preclude our company and other similarly-situated companies from meaningful participation in the wireless industry going forward, tilting the playing field wholly in favor of the national carriers. Consequently, Coloma Spectrum, LLC opposes the significantly higher minimum opening bids established for this auction, as compared to Auction No. 35, as set forth in the Public Notice. Public Notice at 6, 7, Attachment A.

Finally, any consideration of modifying the auction structure at this late date in a direction that would diminish DE opportunities would delay the January, 2005 start of Auction No. 58, and would likely expose the auction to regulatory uncertainty and litigation, circumstances that would further hinder the path toward build-out and deployment of new services.

For these reasons, Coloma Spectrum, LLC commends the Commission for enforcing the current auction rules, giving companies like Coloma Spectrum, LLC the opportunity to participate in Auction No. 58 and the opportunity to offer innovative wireless services in competition with larger carriers.

Sincerely,

/s/ Scott Donohue

Scott M. Donohue
President