Cable Operators Agree To Link Wi-Fi Networks

Five major U.S. cable system operators—Comcast, Time Warner Cable (TWC), Cablevision, Cox Communications and Bright House Networks—agreed this week to link their respective Wi-Fi networks to create a unified system of more than 50,000 hot spots across the U.S. Announced on Monday at the annual National Cable & Telecommunications Association trade show in Boston, the agreement builds upon a similar pact, signed two years ago by Comcast, TWC and Cablevision, that allows subscribers of any one participating provider to use Wi-Fi hot spots that belong to any of the other companies in parts of the northeastern U.S. Describing Wi-Fi as “a superior approach to mobile data,” Cablevision senior executive vice president Kristin Dolan told reporters on Monday that “cable providers are best positioned to build the highest-capacity national network, offering customers fast and reliable Internet connections when away from their home or business broadband service.” Under the agreement, subscribers of any of the participating cable companies will be able to access any of the companies’ hot spots under a single network name—CableWiFi—by using existing log on credentials that correspond to their particular provider. Earlier this month, Cablevision and Bright House launched “CableWiFi” alongside their branded Wi-Fi networks in New York City and in central Florida, and shared network access will be expanded at a later date to additional hot spots throughout the country. While subscribers will be required initially to log on to the Wi-Fi service, the companies plan eventually to enable subscriber smart phones, tablet PCs and other mobile devices to connect to hot spots automatically. As a Comcast executive touted mobile access as “an increasingly important part of our Xfinity services product road map,” TWC COO Rob Marcus proclaimed: “through our rollout of Wi-Fi and the benefits of this collaboration, we greatly increase the value and reach of our high-speed Internet service, providing access to broadband outside the home and in cities across the country.”

House Approves Satellite Export Amendment, as Satellite Export Reform Bill is Introduced in Senate

Key players in the satellite industry applauded the passage of House bill provisions last Friday that would relax current stiff controls on the export of commercial U.S. satellites and components. Meanwhile, Senator Michael Bennet (D-CO) reinforced the House’s action with the introduction of legislation on Tuesday that would authorize the President to transfer satellites and satellite components from the United States Munitions List (USML) to the Commerce Control List (CCL). By a vote of 299-120, House members adopted the $643 billion FY13 National Defense Authorization Act, which includes an amendment to shift control of commercial satellites from the USML to the CCL. Sponsored by ranking House Foreign Affairs Committee member Howard Berman (D-CA), the amendment would reverse a 1998 congressional mandate that categorizes commercial U.S. satellites and components as weapons and thus places such equipment.
under the governance of the International Traffic in Arms Regulations (ITAR). Satellite exports to China, Iran, North Korea, Syria, Sudan or Cuba, however, would remain prohibited under the amended legislation. Voicing support for the amendment, ranking House Intelligence Committee member Dutch Ruppersberger (D-MD) noted that, prior to the passage of the 1998 ITAR bill, American manufacturers controlled nearly 70 percent of the global satellite equipment market but “we are at about 27 percent and slipping right now.” Arguing that ITAR control of commercial satellites “has gravely harmed American space manufacturers,” Berman warned: “if onerous restrictions prevent them from competing in the international marketplace, then they can’t innovate and ultimately cannot survive.” As the Senate prepared to mark up its version of the defense bill, Bennet unveiled a similar measure that would also transfer commercial satellite equipment from the USML to the less stringent-regulated CCL. Bennet introduced the bills on the heels of a recent report, issued by the Defense and State departments, that recommends removal of communications satellites with unclassified components from the USML. The proposed bill, explained Bennet, “will ensure that our nation’s export controls will treat satellites and their components in a manner that is consistent with other items that serve both a military and commercial purpose.”

**Genachowski Voices Support for Broadband Pricing “Experimentation”**

Remarks by FCC Chairman Julius Genachowski in support of “experimentation” for usage-based and other pricing models that pertain to broadband services proved a hot topic of debate this week between consumer groups, who generally criticized Genachowski’s position and providers of broadband services, such as AT&T, who praised Genachowski for affirming that “the broadband market is in fact working and benefiting customers.” During a session at the National Cable & Telecommunications Association (NCTA) show on Tuesday, Genachowski, in response to a question posed by NCTA CEO and former FCC Chairman Michael Powell, outlined his views on consumption-based pricing and pricing tiers for broadband services. Stressing that “business model innovation is very important, particularly in areas like broadband,” Genachowski told Powell and others in the audience that “experimentation with these models is completely appropriate.” Genachowski also maintained “there was a point of view a few years ago that said there was really only one acceptable form of [pricing] and I didn’t agree with that, and the Commission didn’t agree” when the agency adopted its net neutrality rules in 2010. With respect to mobile broadband, Genachowski further advised his audience that “we have to look harder and more carefully at government spectrum” as a potential source of capacity for relieving the shortage of spectrum needed for commercial wireless broadband use. Taking issue with Genachowski’s remarks on pricing, Free Press Policy Director Matt Wood argued that if the FCC “wants to see experimentation . . . that actually benefits consumers, we need a competition policy that creates more experimenters,” especially as “the wireline market is at best a duopoly and is trending toward a cable monopoly.” Wood further claimed that usage caps on wired broadband networks “don’t affect network congestion, even in the rare instances where congestion actually exists” and are used by cable operators “to penalize their subscribers and discourage them from using innovative services that compete with cable TV.” However, Jim Cicconi, a senior executive vice president at AT&T, applauded Genachowski’s speech, countering that “nothing is broken in this market, certainly nothing that government needs to intervene and fix.”

**Commenters Endorse Terrestrial Usage of 2 GHz MSS Band**

Plans by the FCC to open up the 2 GHz mobile satellite service (MSS) band for terrestrial wireless use were endorsed in comments filed last week by wireless, satellite and global positioning system (GPS) entities that offered additional recommendations pertaining to the “AWS-4” terrestrial license to be carved out of the 2 GHz MSS band. The FCC’s rulemaking proceeding was spurred in part by a petition, filed by DISH Network, that sought waiver of the MSS/ancillary terrestrial component (ATC) integrated service rule to permit terrestrial-only wireless usage of 2 GHz ATC S-band spectrum designated for hybrid satellite/terrestrial services. (Although the FCC last March approved DISH’s acquisition of the ATC spectrum in question from DBSD North America and TerreStar, it turned down the requested rule waiver on grounds that terrestrial usage of 2 GHz MSS channels would be addressed through the rulemaking process.) Favoring the FCC’s proposal, Verizon Wireless pointed out that, as consumer demand for mobile broadband services continues to drive up data consumption, “carriers will increasingly require more spectrum to meet their consumers’ need.” Along the same vein, Sprint Nextel advocated expedited licensing of AWS-4 spectrum and an auction of H-block spectrum adjacent to core wireless PCS operations, predicting that the industry and consumers will realize cost savings through PCS licensees’ usage of existing
equipment for any H-block deployment. To prevent a single licensee from receiving a substantial benefit “at the expense of other licensees that have invested billions of dollars in . . . expanding competitive wireless broadband networks,” T-Mobile USA said DISH should surrender 20 MHz of its 2 GHz MSS allocation “in return for receiving flexible terrestrial use rights in the remaining 20 MHz.” While commending the FCC for limiting the scope of the rulemaking to the 2 GHz MSS bands, the U.S. GPS Industry Council called on the agency to codify in Part 27 of the FCC’s rules existing interference protections for radio navigation satellite services that include out-of-band emission limits applicable to MSS ATC licensees. Objecting to a proposal that would terminate automatically any MSS license in which the associated terrestrial license is revoked for failure to satisfy AWS build out requirements, the Satellite Industry Association asserted that MSS licensees should be permitted to keep their system authorizations intact “so long as substantial MSS is being offered within the licensee’s overall service area.”

Google Completes $12.5 Billion Purchase of Motorola Mobility

Google, Inc. was finally able to complete its acquisition of Motorola Mobility (MM) on Tuesday after receiving the last of its required regulatory approvals from the Chinese government. Announced last summer, the $12.5 billion purchase ranks as the largest transaction ever for Google and provides Google with a treasure trove of 17,000 MM patents that may help the search engine giant to ward off patent infringement claims that relate to its Android mobile device operating platform. The deal also gives Google access to other MM technologies that may enable Google to deliver advertising and other services to televisions, set-top boxes and other electronic devices. Although officials in the U.S. and Europe approved the transaction three months ago, closing had been delayed pending receipt of regulatory approval in China. That hurdle was cleared last weekend, and Chinese officials conditioned approval on Google’s pledge to continue providing its Android software to other handset manufacturers without charge for at least five years. In announcing the deal’s completion, Google founder and CEO Larry Page confirmed that Dennis Woodside, a “longtime Googler” will step in for Sanjay Jha as the new CEO of MM. Lauding MM as “a great American tech company that has driven the mobile revolution with a track record of over 80 years of innovation,” Page proclaimed: “as a company who has made a big, early bet on Android, [MM] has become an incredibly valuable partner to Google.”

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