

Communications Daily

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Top News

Starks' Puerto Rico Hearing an 'Opportunity' Even Amid 'Short Notice'	2
Kennedy Wants to Talk With Trump on FCC C-Band Concerns, Seeks Vote Delay	3
FCC Meets With Stakeholders on What to Ask in 5G Fund NPRM	5
Senators Strike Deal on 'Rip and Replace' Telecom Funding; DOJ Indicts Huawei	6
9th Circuit Panel Questions Antitrust Application in FTC v. Qualcomm	8

Comm Daily® Notebook

NANC OKs Recommendations for Reassigned Numbers Database Fee Mechanisms	10
Telecom Interests Call VoIP Truth-in-Billing Proposals Needless	10
Include Status of Enforcement in Report on Illegal Robocallers, CAC Asks FCC	11

Capitol Hill

Gillibrand Bill Would Create Federal Privacy Agency; Eshoo, Lofgren Praise It	11
---	----

Wireline

Comments Due Feb. 24 on Traced Act Registration Consortium	12
--	----

Wireless

Ericsson CEO Tells FCC Members of Mid-Band Spectrum Needs, Talks C Band	12
Anterix Urges Quick FCC Action on 900 MHz	12
FCC Bureaus Propose Releasing MF-II 4G LTE Broadband Mapping Data	12

Internet

FCC Reveals \$240M of CAF-II Support; Wisper ISP Gets Most, Hughes Some	13
---	----

State Telecom

NY Official Defends Satellite Broadband, Says Pre-empting Cities Would Drive Wireless	13
South Dakota House Unanimously Passes Caller ID Bill	13
Arizona Senate Panel Clears Electric Co-op Broadband Bill	14

International Telecom

Outdoor Wi-Fi Power Level Decisions a WRC-19 Disappointment, Koh Tells TPI	14
--	----

Telecom Notes

Coronavirus Threatens Tech Hub Operations, S&P Says; Applied Materials Affected	14
---	----

Consumer Electronics

FCC Seeks Transfer of RF Safety Case to DC Circuit	15
Broadcom Touts Better Bluetooth, Battery Performance in Wi-Fi Chip for 6 GHz	15

Broadcast

Eshoo, Doyle Blast Pai Over ‘Russian Propaganda’ on US Radio Stations.....	15
--	----

Cable

NJ BPU Challenges Injunction in Altice Pro-Rating Litigation	16
--	----

Communications Personals.....	16
-------------------------------	----

Top News

Seeking PRBA's Turn

Starks' Puerto Rico Hearing an 'Opportunity' Even Amid 'Short Notice'

FCC Commissioner Geoffrey Starks’s planned Puerto Rico field hearing on disaster preparation and response in Puerto Rico is a chance to draw attention to issues on the island, but the short lead time between the event’s [announcement](#) Thursday and its Feb. 21 date have caught some stakeholders by surprise, they told us (see [2002130012](#)). “We’re playing catch-up to this announcement,” said Reuben Jusino, who consults on FCC matters for the Puerto Rico Radio Broadcasters Association. “We’re trying to get a turn at the table,” he said. “It’s an important opportunity.”

“We are happy Commissioner Starks will be traveling to Puerto Rico and meeting with various stakeholders to talk about resilient communications networks,” emailed Free Press Senior Director-Strategy and Engagement Joseph Torres. “We are also concerned that the short notice for this field hearing will prevent the people most impacted by the islands’ communications crisis—and by the industry’s and the FCC’s slow response to it—from being able to attend.”

T-Mobile, AT&T, several Puerto Rico ISPs and the Puerto Rico Telecommunications Regulatory Board didn’t comment.

A Starks aide told us the event had been in the works for some time, the timing prompted by the island’s recent earthquakes and planning considerations that allowed the commissioner to schedule the trip now. Starks hasn’t been to Puerto Rico, and had been planning an official visit for a while, the aide said.

The field hearing is open to the public, but there are currently no plans to livestream it or make it possible to participate via conference call, the aide said. Though no attendee list was released, the event is to involve carriers, local officials, public safety and public health professionals, and communications entities from a variety of industries, the aide said. Starks is seeking to gather information from a broad swath of stakeholders on a variety of emergency preparedness and communications concerns afflicting the territory. Firsthand information about how commission rules affect those on the ground can better inform future policies, the aide said.

Starks’ Democratic colleague Jessica Rosenworcel has long sought an FCC field hearing on disaster preparedness in Puerto Rico. She says the agency should hold a full field hearing there and prepare a de-

tailed report on the issues there similar to after 2012's Hurricane Sandy (see [1909260032](#)). She and Chairman Ajit Pai each visited Puerto Rico after the 2017 storms. "After Hurricane Maria, I toured both the city of San Juan and rural areas inland," Rosenworcel said in a statement to us now. "I saw firsthand the devastation that Mother's Nature's wrath can do to essential communications. I am really glad that others at this agency can do so too." The agency declined to comment.

One FCC official told us only the chairman can officially hold field hearings. Multicultural Media, Telecom and Internet Council Senior Adviser David Honig noted former Commissioners Jonathan Adelstein and Michael Copps held field hearings on media ownership when they were at the agency. "It's not important what you call it," said Starks' aide. "What's important is for the commissioner to hear from people on the ground about how their communications networks are performing under pressure and how the FCC can help."

One issue the FCC should address in Puerto Rico is the ineffectiveness of the disaster information reporting system, said Jean Paul Vissepo, a lawyer on the island who has represented the territory's broadcaster association and sits on several station boards. The lack of power and communications after Maria made it extremely difficult for broadcasters to report their status to the agency, leading to inaccurate disaster information reporting system reports during the disaster. After the most recent earthquakes, it was found that the island's tsunami warning system—which is connected with the emergency alert system—wasn't fully operational, Jusino said.

The FCC's use of old, pre-disaster census data for the territory is also a problem, said Fletcher Heald's Frank Montero, who represents broadcast and telecom companies with business in Puerto Rico. FCC calculations of 2019 regulatory fees were based on 2010 census data, but after post-storm depopulation and economic devastation, that data is drastically out of date, he said. "Half of that island is in Orlando now."

Starks' visit doesn't forestall the FCC from eventually holding a full field hearing, Honig said. It wasn't unusual for the commission in the past to send an emissary ahead before eventually holding a full hearing, Honig noted. The information Starks brings back could influence the policies of the full agency, Honig said. "It's certainly better than doing nothing," Honig said of the one-commissioner hearing. "It draws attention to the problem." Jusino said that since Pai already visited, he doesn't see the Starks hearing as a lesser alternative to a full hearing. He welcomes the chance to give the FCC information about the situation, he said. — *Monty Tayloe*

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Rosenworcel Endorses Senate Bill

Kennedy Wants to Talk With Trump on FCC C-Band Concerns, Seeks Vote Delay

Senate Appropriations Financial Services Subcommittee Chairman John Kennedy, R-Miss., told reporters Thursday he plans to again meet with or talk to President Donald Trump to express his renewed ire about the FCC's direction in planning an auction of the 3.7-4.2 GHz C band. Kennedy railed against FCC Chairman Ajit Pai's current C-band auction plan during a Senate floor [speech](#), criticizing the proposal to allocate about \$15 billion of sale proceeds for relocation and incentive payments to incumbents on the frequency (see [2002060057](#)). Commissioner Jessica Rosenworcel said she's supporting Kennedy's C-band centric Spectrum Management And Reallocation for Taxpayers (Smart) Act ([S-3246](#)).

“I don’t know if [Trump] knows about” Pai’s C-band proposal, but “I’m going to go see him” to discuss it, Kennedy told reporters. “If [Trump] looks me in the eye and tells me that ‘I have agreed to give away \$15 billion to [C-band incumbents] for something they don’t own, then I will say ‘Mr. President, I understand your position. We just disagree.’ But he hasn’t told me that.” Kennedy opposed Pai’s auction plan soon after its release last week. The senator spoke with Trump before Pai’s November decision to back a public C-band auction (see [1911180065](#)), which some believe influenced Pai’s process.

“There are some people at the White House that know all about this” proposal and if “it were up to” them, “they would have given the satellite companies the full” proceeds of the spectrum sale, Kennedy said. “Some of them over there got mad at me for raising the issue.” Vice President Mike Pence and National Economic Council Director Larry Kudlow endorsed Pai’s proposal last week (see [2002070016](#)). “The indirect suggestion to me now is, ‘Kennedy, you won’” by getting Pai to back a public auction and shouldn’t criticize the amount of money the commission now allocates from that sale, Kennedy said. He said on the Senate floor he respects Pai but “wouldn’t take him with me” to buy a car because he would agree to “pay the full sticker price.”

Kennedy urged the FCC to delay a Feb. 28 vote on Pai’s specific proposal but still “vote to have the public auction as they promised.” There’s “no single solitary reason” why the FCC needs to approve the current proposal at this point in the year since the auction isn’t to begin until Dec. 8, he said: “We can negotiate a better deal.” The commission and the C-Band Alliance of major satellite incumbents didn’t comment.

“I’ve got several other cards I’ve yet to play” to give Congress a voice in shaping the auction plans if negotiations on a compromise between S-3246 and other C-band bills fully collapse, Kennedy told reporters. S-3246 would set aside some sale proceeds for relocation, incentive and U.S. Treasury payments. It would reserve the bulk of the money for rural broadband and next-generation 911. Kennedy led the measure with Senate Commerce Committee ranking member Maria Cantwell, D-Wash., and Communications Subcommittee ranking member Brian Schatz, D-Hawaii (see [2001280041](#)).

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Cantwell told us she's "more optimistic" about the prospects for negotiation on a C-band deal, in contrast to pessimism voiced earlier this week (see [2002110041](#)) by Senate Commerce Chairman Roger Wicker, R-Miss. "We don't want anybody to overspend, including the FCC," and that's something lawmakers should be able to come to a consensus on, Cantwell said. Wicker touts his 5G Spectrum Act ([S-2881](#)). That bill would set a graduated scale for amounts the FCC would be required to return to the Treasury from C-band proceeds, beginning with "not less than 50 percent" of the first \$40 billion.

S-3246 "could fund" NG-911 projects "from the revenues we raise at the FCC when we auction certain wireless airwaves to help power your mobile phone," Rosenworcel [said](#) at a NG 9-1-1 Institute event Wednesday, in remarks released Thursday. "We need the blessing of Congress to make this happen. It would be a shame if the FCC simply auctioned these valuable public airwaves without first ensuring a cut for public safety. Because with the next spectrum auction, we have a once-in-a-generation opportunity to help fund next-generation 9-1-1 nationwide—and I think we shouldn't squander it."

Kennedy didn't rule out the possibility he would attach a ridersetting out uses for money from the spectrum sale to Senate Appropriations' bill allocating the FCC's FY 2021 funding. He's aiming for additional C-band-focused hearings, likely after Feb. 28, and wants "to know how they arrived" at Pai's proposed amount of relocation and incentive payments. Kennedy wondered "did they just pull it out of their orifices?"

"It is extremely disappointing" the lawmaker "is looking to slam the brakes on the progress" in Pai's C-band proposal, a 5G Action Now spokesperson emailed. "The United States is in a race to 5G development and deployment against China and the longer we wait, the further we fall behind." Kennedy should "work with the Trump Administration and the FCC toward our collective goals of national and economic security in the 21st Century by supporting their efforts to get to full 5G development and deployment before Beijing does." — *Jimm Phillips*

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Mapping Concerns

FCC Meets With Stakeholders on What to Ask in 5G Fund NPRM

The FCC Wireless Bureau is meeting with industry on what to ask in an NPRM for its rural 5G fund, according to interviews this week and recent filings. The agency announced the \$9 billion USF program in December to replace its Mobility Fund Phase II (see [1912040027](#)).

The NPRM is expected "in the first part of this year," likely April or May, said Rural Wireless Association General Counsel Carri Bennet. "March would be a little fast." Others have said it could be ready as early as for the March 31 commissioners' meeting (see [2002050048](#)).

RWA would like the notice to tee up questions of concern to its members, such as whether the program would carve out funding for smaller providers that don't win in the reverse auctions but need continued support to expand, upgrade and maintain their legacy networks. Bennet wants the NPRM to ask about the definition of rural. She raised concerns about the proposed reverse auction. "Reverse auctions clearly favor economies of scale" and larger national carriers, she said. "Large companies had 20 years to do 2G or 3G and had licenses to build out to those areas" but often didn't, she said.

CTIA declined comment. The FCC also declined comment.

Public Knowledge Senior Vice President Harold Feld wouldn't use a reverse auction here: "I'd give preference to local providers versus national or regional carriers." Feld recommended letting local providers use wireless licenses to serve rural communities if the national carriers aren't using their spectrum there. "Let the people who actually want to provide the service provide the service," he said. Feld said when allocating funds based on the lowest bid in a reverse auction "there's always an impulse to skimp as much as possible." He would like the NPRM to consider quality of service measurements.

Vermont's Department of Public Service wants the FCC to consider alternatives to a reverse auction. That could be state block grants, it said in a [filing](#), posted Wednesday in docket 20-32.

Next Century Cities Executive Director Francella Ochillo said USF support for rural wireline and mobile broadband must be coordinated. "You need wireline infrastructure to support 5G," she said. Ochillo recommended the FCC hold Rural Digital Opportunity Fund auctions first so rural communities building a 5G network will have a fiber backhaul available. "If you go to some of these rural communities, they know there's no possibility of 5G coming to them in the near future." Ochillo would like FCC staff to proactively ask local leaders for feedback on its proposed rules.

Some rural areas are so hard to deploy in because of topography or weather that carriers may need extra enticements within the program to serve there, said Competitive Carriers Association CEO Steve Berry. Make sure the new rural 5G fund retains the USF founding principles to bring support to unserved and underserved areas, said Berry. "Is it focused on closing the digital divide and bringing basic connectivity" to rural areas, he asked. "When you don't have any G, that's an area that should have a high priority."

"Mapping is the first thing to get a handle on," said National Grange Legislative Director Burton Eller. "You've got to have a target to reach before you can go out there and do something." In rural America, he said, "some of what we have out there is not much better than dial-up."

"I wouldn't give out the money until I had more accurate mapping data, which is the same problem I had with RDOF," said Benton Institute for Broadband & Society Senior Fellow Gigi Sohn. She called mapping the biggest area of concern she would have in an NPRM. Her second concern is whether the money will primarily go to "everyday rural Americans" or for private enterprise use. With the exception of the \$1 billion proposed to go to precision agriculture applications, the rest of a rural 5G fund should go to serve consumers, Sohn said.

Once the NPRM is released, the rules will take at least another year to finalize, Bennet predicted. "I can't see an auction scheduled on this until at least 2022." — *Monica Hogan*

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Commerce Extends Export License

Senators Strike Deal on 'Rip and Replace' Telecom Funding; DOJ Indicts Huawei

Senate Commerce Committee Chairman Roger Wicker, R-Miss., told reporters Thursday he reached a deal to allow the chamber to pass the Secure and Trusted Communications Networks Act ([HR-4998](#)) by unan-

ymous consent (UC) after the upcoming Presidents Day recess. The House-passed bill would allocate at least \$1 billion to help U.S. communications providers remove from their networks Chinese equipment determined to threaten national security. Meanwhile, Huawei faces 16 DOJ charges it violated the Racketeer Influenced and Corrupt Organizations Act and stole trade secrets from six U.S. companies (see [2002130030](#)).

“Everything is resolved” with the office of Sen. Mike Lee, R-Utah, over moving HR-4998 as originally intended in December, Wicker said. Lee objected then to Wicker’s bid to pass it via UC (see [1912190068](#)). Capitol Hill leaders had aimed to enact the bill in tandem (see [1912120071](#)) with the Pallone-Thune Telephone Robocall Abuse Criminal Enforcement and Deterrence (Traced) Act ([S-151](#)) and the Broadband Deployment Accuracy and Technological Availability (Broadband Data) Act broadband mapping legislative package ([S-1822](#)).

Lee “is back to accepting” the final version of HR-4998 Wicker offered in December, Wicker said. Lee attempted in December to move the similar Senate Commerce-cleared U.S. 5G Leadership Act ([S-1625](#)), which set a limit of \$700 million in equipment removal grants and specifies the money would come from spectrum auction proceeds. Lee objected to moving HR-4998 because it didn’t delineate a clear funding source. He “wanted a vote on an amendment” to address the funding issue but the Congressional Budget Office “gave it a bad score and he just didn’t feel like wrestling with that,” Wicker said.

Lee’s office confirmed the agreement.

DOJ’s indictment, filed in U.S. District Court in Brooklyn, [claimed](#) Huawei and two of its affiliates engaged in a “pattern of racketeering activity” and worked to steal trade secrets from six unidentified “Victim” U.S. companies in the tech sector. The stolen information included source code and user manuals for wireless technology, DOJ said. The indictment notes a Huawei employee in 2004 snuck into a Chicago trade show “in the middle of the night after the show had closed for the day in the booth of a technology company” and was found “removing the cover from a networking device and taking photographs of the circuitry inside.” Justice didn’t answer our request to identify the six affected U.S. firms.

“This new indictment is part of the Justice Department’s attempt to irrevocably damage Huawei’s reputation and its business for reasons related to competition rather than law enforcement,” the company said in a statement. “The ‘racketeering enterprise’ that the government charged today is nothing more than a contrived repackaging of a handful of civil allegations that are almost 20 years old and that have never been the basis of any significant monetary judgment against Huawei. The government will not prevail on these charges which we will prove to be both unfounded and unfair.”

Senate Intelligence Committee Chairman Richard Burr, R-N.C., and Vice Chairman Mark Warner, D-Va., in a statement [called](#) the indictment “an important step in combating Huawei’s state-directed and criminal enterprise. The indictment paints a damning portrait of an illegitimate organization that lacks any regard for the law. Intellectual property theft, corporate sabotage, and market manipulation are part of Huawei’s core ethos and reflected in every aspect of how it conducts business.” Huawei’s “unlawful business practices are a threat to fair and open markets, as well as to legitimate competition in a tech space,” the senators said.

The Commerce Department’s Bureau of Industry and Security, meanwhile, [extended](#) its temporary general license for Huawei and 114 of its non-U.S. affiliates until April 1. The 45-day extension is the third granted since May, when BIS first placed the company on its list of entities subject to export administration regulations (see [1905160081](#)). Commerce’s actions in the past have drawn lawmakers’ ire. BIS’ extension notice is set to appear in the Tuesday *Federal Register*, The previous extension was to expire Sunday. — **Jimm Phillips**

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Qualcomm Acknowledges Monopoly

9th Circuit Panel Questions Antitrust Application in FTC v. Qualcomm

SAN FRANCISCO—A three-judge panel for the 9th U.S. Circuit Court of Appeals questioned during oral argument Thursday whether antitrust law, not patent law, is best to address Qualcomm's potential violations related to chip licensing (see [2002120059](#)). One judge appeared to dismiss DOJ's argument that FTC antitrust enforcement against Qualcomm would threaten national security.

A Qualcomm attorney told the panel the company never disputed that it has a chip monopoly. As the district court affirmed, Qualcomm charges monopolistic prices, said attorney Tom Goldstein of Goldstein & Russell. That opens the door for competitors to move into the market and charge lower prices, he said. But FTC attorney Brian Fletcher argued Qualcomm indirectly disrupts access for rivals like Intel.

Reached after the hearing, Qualcomm officials declined to comment. The FTC also declined to comment.

DOJ argued in favor of Qualcomm. Deputy Attorney General Michael Murray focused arguments on the national security implications of harming a U.S. company competing with Chinese rivals for 5G.

There's no market analysis or financial evidence that national security would be harmed, said Judge Stephen Murphy. There might be a broad policy concern, but there's no hard evidence, he said.

The national security concerns are extremely abstract, Fletcher said. It's ironic Qualcomm is asking for insulation from foreign competitors, when the purpose of antitrust law is to keep competition strong, he said.

Upholding the district court's ruling would fundamentally alter Qualcomm's operation and practices, Murray said. He conceded the district court proceedings didn't focus on the 5G claims made by DOJ, which intervened late in the case.

The FTC claims Qualcomm uses its monopoly power to gain higher patent royalties, which causes rivals to make less money, Goldstein said: "If that's correct, we win this case because that is what happens in business all the time."

There's no evidence Qualcomm interferes with competition through below-cost pricing, Goldstein said. He noted U.S. District Judge Lucy Koh's finding that Qualcomm engages in monopolistic pricing. "We have accepted that rule," he said. But the company denies violating antitrust law because there's no evidence of competition disruption, Goldstein said: "There may be a contractual violation or something else."

Murphy suggested possible patent violations. "Sure. Absolutely," Goldstein said.

Fletcher agreed with Goldstein that when a monopolist charges high prices, a rival can usually enter and offer lower prices. The problem, Fletcher said, is that Qualcomm has taken part of the price for its chips and moved it to charging inflated patent royalties. Manufacturers like Apple testified they're paying inflated patent royalties, Fletcher said, not because they reflect the value of Qualcomm's patents but because if the royalties aren't paid Qualcomm won't sell the chips. The surcharge reflects the value of the monopoly chips, he said.

Manufacturers only agree to pay for the inflated Qualcomm license price to get access to Qualcomm chips, Fletcher said. Qualcomm is telling manufacturers they have to pay an extra fee whether they buy Qualcomm chips or rival chips, he said.

That's a good point, said Murphy. But he asked why manufacturers don't exercise rights in patent law to file predatory pricing or monopoly abuse of patent claims. The federal circuit would be the venue to settle the dispute in those instances, he said.

Manufacturers testified they can't do that because when trying to invoke ordinary patent law remedies, Qualcomm says to stop it, or it won't sell the chips, Fletcher said. Manufacturers claim if they can't get Qualcomm chips, they go out of business, Fletcher said.

Judge Consuelo Callahan questioned FTC claims Qualcomm employs a no license, no chip policy. It implies Qualcomm is saying buy the chips, or Qualcomm won't award a standard-essential patent license, which is needed to sell the phones, Callahan said. The policy seems to make chip purchases from Qualcomm contingent on SEP license status, she told Fletcher: "I feel like you're flipping it." Why would manufacturers see this as unfair if they have to buy licenses anyway, she asked.

"No one else in the industry" has a no license, no chips policy, Fletcher said. It's imposing a policy the district court found to be anticompetitive that's imposed only in monopoly markets, he said. It's a "red flag that it's not actually efficient. It's a way of exploiting and entrenching your monopoly power," he argued.

Judge Johnnie Rawlinson questioned Goldstein's characterization of the FTC's argument about blocking rivals from entering the market. She said the commission believes Qualcomm interferes with rivals' ability to compete or enter the market, not make less money. There's less ability to enter the market because competitors "make less money," Goldstein said. They have less for R&D and make fewer competitive products, he said, and they're getting outcompeted. The licensing fees don't force a customer to purchase Qualcomm products, he said.

Rawlinson said the FTC believes Qualcomm's "naked tax" forces customers' hands when choosing which chips to buy. "That isn't what happens here," Goldstein said. "We say to our customers, 'You will take a patent royalty because everyone agrees we're entitled to do that.'" If the customer uses a competitor chip, Qualcomm doesn't charge more, he said.

Apple was in the best position to compete with Qualcomm, Fletcher said. Qualcomm recognized this and went out of its way to foreclose entry for competitors, he said. It delayed Intel from entering the market for about five years, he claimed. Apple was ready to work with Intel in 2014, but Qualcomm sacrificed its profits to buy exclusivity with Apple and enforced that exclusivity through dramatic clawback penalties, he said. Apple wasn't able to work with Intel until those clawback penalties expired (see [1904160056](#)).

Inside and outside monopoly markets, Qualcomm collects the same royalty rates, Goldstein claimed. The company is unique in that it has 140,000 patents and patent applications and an industry-leading chip sector, he said: The question is whether it's charging too low prices for rivals to get in. — **Karl Herchenroeder**

Communications Daily will not be published Monday, February 17, in observance of the federal Presidents' Day holiday. Our next issue will be Tuesday, February 18.

Comm Daily® Notebook

NANC OKs Recommendations for Reassigned Numbers Database Fee Mechanisms

The North American Numbering Council approved recommendations from its Numbering Administration Oversight Working Group on mechanisms to set the development cost and user pricing of its reassigned numbers database (RND), at a [meeting](#) Thursday. NAOWG found fundamental differences between the database and a federal do not call registry that make the latter an insufficient model for set-up costs and fee structures for the new database, said WG co-chair Robert McCausland, Intrado vice president-regulatory and government affairs. He said NAOWG won't estimate development costs associated with the RND until it completes a vendor bidding process. The WG recommended distinct contribution factors to cover RND startup costs and annual operating costs, to be determined once costs are known. If excess funds are collected from RND users, they should be refunded on an annual basis, McCausland said. One fee model could be based on a tiered, flat-rate payment structure, giving users the option of selecting the next tier up if they reach their usage limit, he added. NAOWG wanted to leave some flexibility in the approach to the winning vendor with oversight from NANC, he said. The FCC is taking comments through Feb. 24 on a technical document on the database (see [2001240056](#)). NANC also announced meetings for the rest of 2020: May 5, July 15, July 28, Sept. 24 and Dec. 3. —MH

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Telecom Interests Call VoIP Truth-in-Billing Proposals Needless

Extending truth-in-billing (TIB) rules to cover interconnected VoIP and requiring voice providers separate government-mandated charges from other charges on bills is needless and potentially confusing to consumers, telecom interests said in docket 98-170 comments posted through Thursday. Not everyone agreed. Replies on the FCC Consumer and Governmental Affairs public notice are due March 13. USTelecom argued against a “one size fits all” requirement on how voice service providers display ... line-item fees” since the market is ensuring providers bill “in a transparent and customer-friendly way.” It [said](#) TIB rules being extended to iVoIP would be justified only if there were evidence of consumer concerns with bills. Verizon [said](#) rules let providers provide clear and useful information even in different ways. Incompas [said](#) the market hasn't changed over the past 16 years to now warrant such iVoIP TIB rules, as did Voice on the Net Coalition (see [here](#)). Cable interests argued for a broader approach. NCTA [said](#) few providers offer only voice, and the agency should focus on setting up “high-level principles for all voice services” that line up with the principles applicable to other services it oversees. If the agency does voice-specific iVoIP billing rules, applying existing rules would be “a poor fit,” it said. It suggested changes, such as only requiring identification of line-item fees to make clear what the total price of a package of services is, instead of requiring a specific form of separation of fees. First doing a comprehensive review of the voice services market would help ensure any steps result in fewer consumer complaints while avoiding imposition of new costs on providers, America's Communications Association [said](#). It said members generally don't bill separately for local and long-distance service iVoIP, so breaking out such charges on customer bills as wireline

common carriers do would serve no purpose. Backing the line-item billing suggested rule, NTCA [said](#) it would allow consumers to equally compare different providers. It backed TIB rules applied to iVoIP providers as “a natural extension of [FCC] rules.” Kansas Corporation Commission [said](#) the TIB expansion would ensure all consumers have the same basic bill information. It said wireless and iVoIP service features are similar so it’s reasonable to apply TIB rules to both. —**MD**

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Include Status of Enforcement in Report on Illegal Robocallers, CAC Asks FCC

Use consistent definitions of robocalls, being sure to differentiate between unwanted calls and illegal calls, the Consumer Advisory Committee recommended Thursday to FCC staff preparing a report on availability, adoption and effectiveness of call blocking tools. The unanimously approved Robocall Report Working Group recommendations said the report should discuss the status of enforcement against illegal robocallers, acknowledge that tools are new and consumers mightn’t be aware of the tools available, collect data from analytic engines, third-party app and call-blocking providers and others, and be transparent about sources of data. Commissioners adopted a declaratory ruling in June allowing carriers to block unwanted robocalls by default. The ruling required the Consumer and Governmental Affairs Bureau, working with other bureaus, to collect information from carriers on the deployment and implementation of call blocking (see [1906060056](#)). The first report is due in June, the second June 2021. Tuesday’s CAC vote was followed by a closed session on truth in billing. —**DR**

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Capitol Hill

Gillibrand Bill Would Create Federal Privacy Agency; Eshoo, Lofgren Praise It

The sponsors of the Online Privacy Act ([HR-4978](#)) praised Sen. Kirsten Gillibrand, D-N.Y., Thursday for [filing](#) the Data Protection Act. Both measures would create a new federal privacy agency. HR-4978 would also grant rights for U.S. citizens to access, correct or delete their data, plus rights to determine how long companies can keep data (see [1911050062](#)). “Today, no one is held accountable when a consumer’s online information is stolen, abused, or grossly mishandled,” [said](#) HR-4978 sponsors Reps. Anna Eshoo and Zoe Lofgren, both D-Calif., in a statement. “This independent-agency approach is an important piece of comprehensive privacy reform and allows tough but fair oversight.”

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Wireline

Comments Due Feb. 24 on Traced Act Registration Consortium

Comments are due Feb. 24, replies March 2 on a proposed FCC rule to implement the Pallone-Thune Telephone Robocall Abuse Criminal Enforcement and Deterrence Act (Traced) by establishing a process to register a consortium to conduct industry-led efforts to trace suspected unlawful robocalls, [says](#) Friday's *Federal Register*. Commissioners OK'd the NPRM, in docket 20-22, earlier this month (see [2002060038](#)).

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Wireless

Ericsson CEO Tells FCC Members of Mid-Band Spectrum Needs, Talks C Band

CEO Borje Ekholm and other Ericsson executives told FCC members of both parties that “more mid-band spectrum is necessary,” and backed some of the FCC’s C-band moves. The draft C-band order “acknowledges the importance of large bandwidths to support 5G,” the company said, posted Thursday in docket 18-122, on meetings a week earlier with Chairman Ajit Pai ([here](#)) and Commissioner Jessica Rosenworcel ([here](#)) and their aides: “100 MHz channels are essential to deliver a high-performance experience.” Licensed mid-band spectrum in the upper 6 GHz band “is a priority for Ericsson,” which doesn’t “see a shift to unlicensed spectrum as 5G is rolled out given the performance demands seen for industrial use cases.” The company would like 100 MHz-wide channels, including in the C band, emailed the filing’s author, Vice President-Government Affairs and Public Policy Jared Carlson. On why the disclosure was late, he said that “the filing just took a little longer than expected.” Commissioners vote Feb. 28 on the C-band order (see [2002110041](#)). Regulatory action on 6 GHz is expected later this year (see [2002120055](#)). —JM

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Anterix Urges Quick FCC Action on 900 MHz

Anterix urged the FCC to move quickly on releasing 900 MHz spectrum to the critical infrastructure industry for wireless broadband. Amaren and Anterix executives met Monday with aides to Commissioner Geoffrey Starks, [said](#) a filing posted Thursday, and with Commissioner Brendan Carr, said [another](#) in docket 17-200. Ex-Commissioner Rachelle Chong, working with Anterix, discussed 900 MHz benefits for resiliency Wednesday at NARUC in Washington (see [2002120038](#)).

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FCC Bureaus Propose Releasing MF-II 4G LTE Broadband Mapping Data

The FCC Rural Broadband Auctions Task Force, Office of Economics and Analytics, and Wireless and Wireline bureaus will release carrier-specific 4G LTE mobile broadband coverage mapping data from

the Mobility Fund Phase II challenge process order March 2, said a public [notice](#) on docket 19-367 and Thursday's *Daily Digest*. Objections are due Feb. 27. The mobile broadband data was deemed inaccurate in December, when the FCC decided to replace MF-II with a new rural 5G fund (see [2002130020](#)).

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Internet

FCC Reveals \$240M of CAF-II Support; Wisper ISP Gets Most, Hughes Some

The FCC cleared \$240 million of Connect America Fund support over 10 years for rural broadband deployment in Arkansas, Illinois, Indiana, Kansas, Massachusetts, Missouri, New York, Oklahoma and Wyoming, the commission [said](#) Thursday. The agency estimates the funding, which broadband providers will start receiving later this month, will connect more than 100,000 unserved rural homes and businesses. Wisper ISP got more than \$220.3 million for projects in six states, and Hughes Network got about \$7 million in New York. This ninth wave of CAF Phase II is another step to close the digital divide, said FCC Chairman Ajit Pai. The commission noted it's the third wave where New York got matching funds for its state broadband program. That state recently raised concerns about possible exclusion from the Rural Digital Opportunity Fund (see [2002050011](#)).

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State Telecom

NY Official Defends Satellite Broadband, Says Pre-empting Cities Would Drive Wireless

A New York legislator defended using satellite broadband to cover some remote areas in the state broadband program. At a budget hearing livestreamed Thursday from Albany, Assemblyman Billy Jones (D) complained that his upstate constituents aren't satisfied with satellite broadband and want better cell-phone coverage. Eric Gertler, acting commissioner at the New York Department of Economic Development, replied that 25 Mbps satellite helps fill in gaps where laying fiber is too expensive. "We can't always do fiber" because the return on investment "is just prohibitive," he said. ROI is also a challenge for spreading wireless coverage, but to help, Gov. Andrew Cuomo (D) is proposing in the budget to ease the local permitting process for wireless infrastructure (see [2001230043](#)), Gertler said. —**AB**

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South Dakota House Unanimously Passes Caller ID Bill

The South Dakota House voted 62-0 Wednesday to stop telemarketers from using misleading caller ID. [HB-1131](#) would empower the state attorney general to investigate upon receiving a complaint. It goes to the Senate.

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Arizona Senate Panel Clears Electric Co-op Broadband Bill

An Arizona bill to empower electric cooperatives to provide broadband cleared the Senate Natural Resources and Energy Committee 6-0 Wednesday. [SB-1460](#) is [opposed](#) by Comcast, Cox Communications and Susan Bitter Smith, who resigned as Arizona Corporation Commission chairwoman after the attorney general said she had a conflict of interest as a cable lobbyist (see [1512180034](#)).

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International Telecom

Outdoor Wi-Fi Power Level Decisions a WRC-19 Disappointment, Koh Tells TPI

Big U.S. accomplishments at the 2019 World Radiocommunication Conference include getting various millimeter wave bands identified for 5G, rules allowing coordination of geostationary and non-geostationary orbit satellites in the V band, and setting up a regulatory framework for NGSO mega constellations, said WRC-19 U.S. Ambassador Grace Koh in a Technology Policy Institute [podcast](#) released Thursday. Koh said a disappointment was failure to get the world to go along with higher power usage for outdoor Wi-Fi. She said Russia, China and Europe raised climate change issues in discussions about 5G use in the 24 GHz band and possible impacts to weather satellites, with those regions championing stringent protection values for those scientific services. Ultimately, the out-of-band emission power level adopted was “a political decision [but still] a good outcome,” splitting the difference between what the various parties were advocating, she said. —**MD**

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Telecom Notes

Coronavirus Threatens Tech Hub Operations, S&P Says; Applied Materials Affected

China's coronavirus outbreak is threatening operations “in the world's largest tech manufacturing hub,” said S&P Global Ratings Thursday. Its “base case” is that the virus will be contained globally next month, and assumes “no new transmissions” in April. That would allow travel and logistical restrictions to be “unwound” by the middle of Q2, it said. If the epidemic “proves more difficult to contain, the effect on the tech sector could be extensive,” it said: “Lengthy factory shutdowns or significant underutilization could materially lower the global output of tech components, subassemblies, or finished goods.” Applied Materials dispatched “business continuity teams” to the regions in China hardest hit in the coronavirus outbreak early in the crisis, [said](#) CEO Gary Dickerson on a fiscal [Q1](#) call Wednesday. “With travel and logistics restrictions, we do expect changes in the timing of revenues during the year. We are actively managing the situation in collaboration with our customers and suppliers.” Q1 ended Jan. 26. The company's display business will feed off “all of the trillion connected devices that will be happening,” and in 2021 will be “up a fair amount over what we see in 2020,” said Dickerson. “The capital intensity is rising as new technologies are adopted, so we see a good opportunity in our core business.” —**PG**

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Consumer Electronics

FCC Seeks Transfer of RF Safety Case to DC Circuit

The FCC asked the 9th U.S. Circuit Court of Appeals to transfer a lawsuit against its December RF safety order to the D.C. Circuit. Children's Health Defense sued Feb. 3 at the 9th Circuit, three days after Environmental Health Trust and others petitioned the D.C. Circuit, the FCC said in a Wednesday [motion](#) (in Pacer) in case 20-70297. A Montgomery County, Maryland, suit against the FCC, which was consolidated with other local challenges against two older FCC infrastructure orders, also raised RF safety issues. Possible consolidation of RF cases came up at oral argument Monday in that case (see [2002100054](#)).

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Broadcom Touts Better Bluetooth, Battery Performance in Wi-Fi Chip for 6 GHz

Broadcom announced what it's calling the industry's first Wi-Fi 6E client device ahead of FCC-expected allocation of some of the 6 GHz band for Wi-Fi. The BCM4389, targeted at flagship smartphones, will deliver over 2 Gbps of real-world speeds and up to five times better battery life, [said](#) the company Thursday. The chipset is said to improve audio performance and range for connected Bluetooth accessories. The BCM4389 uses a tri-band simultaneous connectivity architecture, adding to Wi-Fi and MIMO Bluetooth radios a third ultra-low-power independent radio to optimize Wi-Fi and Bluetooth performance. Broadcom expects phones with the chipset to communicate with home routers, residential gateways, enterprise access points, and augmented- and virtual-reality devices.

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Broadcast

Eshoo, Doyle Blast Pai Over 'Russian Propaganda' on US Radio Stations

Seven Democratic House legislators blasted Chairman Ajit Pai for failing to enforce FCC rules on registered foreign agents and requirements "to clearly identify Russian propaganda aired on U.S. radio stations," in a [letter](#) released Thursday. Anna Eshoo, Jerry McNerney and Jimmy Panetta, all California; Mike Doyle, Pennsylvania; David Cicilline, Rhode Island; Sharice Davids, Kansas; and Eleanor Holmes Norton, Washington, D.C., signed. The agency's inaction on the matter is "a stunning abdication of its responsibility to protect American airwaves," they said. The legislators are concerned with RM Broadcasting airing content from Russian-controlled news agency Rossiya Segodnya on WZHF(AM) Capitol Heights, Maryland (see [1909170032](#)). The FCC opened an enforcement inquiry into WZHF in 2018, and it's ongoing, the letter said. "As a result of the Commission's apathetic approach to enforcement, American radio listeners remain in the dark." WZHF reportedly bought six hours of air time on KCXL Kansas City, apparently referring to KCXL(AM) Liberty, Missouri, and the FCC should add that station to its inquiry, the letter said. Pai's duty

as chairman “compels” him to fully enforce the sponsorship ID rules against adversarial foreign agents “immediately,” the lawmakers said. The stations didn’t comment.

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Cable

NJ BPU Challenges Injunction in Altice Pro-Rating Litigation

The New Jersey Board of Public Utilities asked U.S. District Court in Trenton to reconsider turning an Altice motion to reconsider into a motion for a preliminary injunction. In a [motion](#) (in Pacer, docket 19-cv-21371) Wednesday, the BPU said the conversion was procedurally deficient and it wasn’t allowed to brief on the merits of a preliminary injunction. The court last month issued an injunction to last until the end of Altice’s litigation against the state for seeking to force the cable company to use prorated billing (see [2001290055](#)). The cabler didn’t comment Thursday.

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Communications Personals

America’s Communications Association Executive Vice President **Rob Shema** leaving to become CEO of ACA member ComNet, effective March 23 ... **Van Bloys**, ex-Davis Wright, becomes Crown Castle senior utility relations counsel ... Now at USTelecom is Director-Policy and Advocacy **Farhan Chughtai**, an FCC [filing](#) shows (see [2002130023](#)); group tells us he was hired in April; Chughtai previously was at the Wireless Infrastructure Association.

Aerospace Industries Association hires **Jeff Wilson**, ex-office of Rep. Mike Turner, R-Ohio, as legislative affairs director ... Ofcom announces **Simon Saunders**, from Google, is director-emerging technology, effective in March ... Lotame adds **Amy Yeung**, from Comscore, as general counsel-chief privacy officer ... Alpine Group promotions to partner-principals include **Ansley Erdel**, who works on telecom.

NetApp’s **Ron Pasek**, executive vice president-chief financial officer, [retiring](#) April at end of fiscal year, remaining through transition; interim Chief Marketing Officer **James Whitmore** moves to permanent post; and it hires **Kim Stevenson**, ex-SkyWorks, for senior vice president-general manager, NetApp Foundational Data Services; NetApp stock closed down 9.3 percent to \$55.18 Thursday, partly reflecting the unexpected departure, Raymond James emailed investors ... Kayne Partners tech investment firm elevates **Leon Chen** to managing partner, **Andrew DeYoung** to vice president-business development and operations, and **Alex Duffy** and **Harrison Brunelli** to senior associates.

At Disney, ABC Owned Television Stations **Caroline Foy Welch**, president-general manager, WTVD Durham, North Carolina, retiring in March ... Exabeam taps **Jeff Romano**, from 8x8, as chief customer success officer ... Media Links announces **Andy Armstrong**, ex-PeakView Solutions, is vice president-sales, North American cable markets, new position ... President Donald Trump nominates **Craig Leen** (see this section, Feb. 4) as inspector general, Office of Personnel Management ... Government Wireless Technology & Communications Association names **Chris Baker**, FirstNet, to board.

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