

Senate Panel Skeptical About Cyren Call Proposal

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Cyren Call Chmn. Morgan O'Brien's polished sales pitch for a public safety broadband network fell somewhat flat Thurs., as several senators questioned how the company could deliver its network without disrupting the DTV transition. Despite several public safety groups support for the plan, senators expressed concern that although the proposal looked interesting, the timing was tight and it could threaten a years-old plan to deal with first responders' critical needs.

Senate Commerce Committee Chmn. Inouye (D-Hawaii) hasn't made a decision on the proposal, a staffer said Thurs. No bill has been fully written, although Sen. McCain (R-Ariz.) recently crafted a plan that outlines a broadband public safety trust like that proposed by Cyren, and his staffers are hoping to draft a bill soon. "It is worth taking a fresh look" to see whether current plans for using the 700 MHz spectrum, adopted nearly a decade ago, still make sense, Inouye said.

Inouye emphasized that discussion of alternative ideas wouldn't delay the digital transition: "This discussion will not change that date." The High Tech DTV Coalition said earlier that if Congress adopts the Cyren Call proposal, it could delay the 700 MHz auction by years or kill it (CD Feb 7 p3). O'Brien told Congress, however, a delay "would be a terrible mistake and no one at Cyren Call would support that."

Cyren Call's goal is to create a nationwide interoperable network while rolling out broadband to rural areas. The company is asking for 30 MHz of spectrum to be licensed in a public-private partnership that public safety would operate; excess capacity would be leased to commercial carriers. The latter proposal is the most controversial. It prompted Senate Commerce Committee Vice-Chmn. Stevens (R- Alaska) to ask: "This is creating a new FCC, isn't it?"

O'Brien defended his proposal, saying it was much better for the public. The International Assn. of Fire Chiefs and APCO backed him with their testimony. "There is no aspect of our proposal that would change the relationship with the FCC," O'Brien said. Sen. Sununu (R-N.H.) said he's concerned about the proposal's potential to delay the DTV transition. He also asked panelists for ideas on how to use efficiently the 24 MHz of spectrum devoted to public safety.

Any proposal that risks undoing or postponing the DTV transition "should be skeptically received," warned former FCC Chmn. Michael Powell, a senior adviser to Providence Equity Partners. In a letter sent to Stevens, Powell suggested that any "alternative plan" examine whether there would be a delay in getting an interoperable system in place and whether funding would be disrupted: "Follow the money," Powell wrote: "Who is going to benefit the most, those in uniform who are sworn to serve or those in suits who are set to profit?"

Sen. McCaskill (D-Mo.) hit on the same subject when she tried to pin down O'Brien on the cost of his proposal. "I'm assuming that this proposal is predicated on the idea that it will make a

profit," she said to O'Brien, then asked why he wouldn't bid on the spectrum like other companies. CTIA Pres. Steve Largent said: "That's the question we're asking." -- Anne Veigle

Stevens Is Wary Of Proposed Wireless Safety Network

Senate Commerce ranking member Ted Stevens, R-Alaska, Thursday harshly criticized a proposal by Cyren Call Communications to build and oversee a nationwide, wireless public-safety network on the high-speed Internet.

"This is creating a new FCC, isn't it?" Stevens asked during an exchange with Morgan O'Brien, chairman of the McLean, Va.-based company.

Commerce Chairman Inouye did not reveal his stance on Cyren Call, but he underscored the importance of improving emergency communications across jurisdictions.

"In too many cities and counties ... our nation's first providers struggle to talk to one another during natural or manmade disasters," Inouye said.

Under existing law, the government will reserve for public-safety purposes 24 megahertz of spectrum that broadcasters will return to the government as they transition to digital signals. Another 30 megahertz would be auctioned, raising at least \$10 billion, but Cyren Call wants to pay \$5 billion for those frequencies in exchange for constructing the network and leasing extra capacity to commercial carriers.

"I have some serious questions about this," said Stevens, noting that the 30 MHz could raise far more than \$10 billion at auction. He warned that Congress must change existing laws to enable the plan, which would siphon money from initiatives dependent on auction revenue.

Under Cyren Call's approach, half of the returned spectrum would fall under a public-safety trust, putting it outside the FCC's reach, he complained. "What if there's a change in technology?"

O'Brien, the co-founder of Nextel, countered that placing the spectrum under the trust, which would be supervised by government agencies, would be "a much better return for the public" in the long run. But Stevens was unconvinced: "Spectrum is subject to license; it is public property; we have never given it away. We've never sold it completely. We've leased the right to use it."

Stevens warned that Cyren Call, whose idea is enthusiastically endorsed by police, fire and rescue organizations, would own the frequencies outright. O'Brien disagreed, insisting that his company would have rights identical to any other licensee.

Powell Weighs in on the Allocation of Communications Spectrum

John Eggerton
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Former FCC Chairman Michael Powell has weighed in on a plan to rethink allocation of emergency communications spectrum.

He sent a letter to Senate Commerce Committee Vice Chairman Ted Stevens (R-Alaska) supporting the DTV transition bill's plan for first responder communications and taking aim at an alternative being pushed by company Cyren Call.

According to a copy of the letter, which is dated February 7, Powell says the committee got it right in the DTV transition bill. The bill which sets a hard date of the transition, and sets aside \$1 billion and 24 MHz of spectrum for first responders. He said during his tenure he "saw the need to act urgently and resist the never-ending parade of new ideas and new plans." Putting an even finer point on it, he adds: "Delay in this context can literally mean death."

Powell said that any attempt to go in a different direction should be tested against some important criteria. Cyren Call is suggesting taking half of the spectrum 60 MHz scheduled for auction and put it in a public-private trust fund to create a national interoperable network that the private partner would build and operate for profit and that first responders would also have access to whenever it needed it for emergencies. Morgan O'Brien, chairman of Cyren Call, likened it to using the highway, but moving over whenever those red lights appeared in the rearview mirror.

But Powell was flashing his own red light in the letter, saying the plan should be gauged against the following questions:

1) Would it delay existing plans for an interoperable system?, adding "we have a good approach now and uncertainty will stall implementation." 2) Would it disrupt funding? 3) Is it complex, with too many moving parts. 4) "Who is going to benefit the most, those in uniform who are sworn to serve or those in suits who are set to profit?"

The Senate Commerce Committee is considering a bill giving guidance on the administration of the \$1 billion for first responder communications.