

## **Wireless LAN MAN Ltd**

Dear Sir,

I have read the review and proposals for the 70-80Ghz spectrum review. I would like to lodge the following response.

The current system of self regulation has worked well for the past 7 years – I would imagine the recent increases in uptake and use of this spectrum by private licensees is as a result of the falling prices of 70-80Ghz hardware. This now makes the 70-80Ghz spectrums highly competitive for point to point links as an alternative to fixed line carriers, not only in direct cost, but also the added ability to manage and maintain a network of fixed links without the constraints of large corporation mentalities and work flows.

In particular, in your review I strongly object to point 3 in the proposals document that would look to auction a small number of national licences for this spectrum to the highest bidder, especially if as is suggested that this spectrum might be valuable to the 4G operators. The current process of auction to the highest bidder completely excludes the potential of this spectrum to smaller users, purely on financial grounds.

Over the past 15 years the majority of private licensed spectrum has been awarded to the Mobile Phone and Telecoms industries. Although the government would appear on paper to have raised significant sums for the exchequer as a result of these awards, it remains to be seen how much money is actually received, once legitimate tax avoidance and accountancy methods are applied. In all instances the major mobile operators have consistently avoided any realistic taxation payments on the revenues generated through use of these spectrums. I therefore feel that to once again parcel up and sell off the 70-80Ghz spectrum to these establishments, would be to do an injustice to the smaller UK tax paying enterprises wishing to use this spectrum.

The following link is from the Guardian Newspaper published on 31st July 2013 highlights in detail the lack of payments to the exchequer from the main Mobile operators in the UK. <http://www.theguardian.com/business/2013/jul/31/mobile-phone-companies-tax-avoidance> .

In short, OFCOM is in power to regulate the use of UK spectrum for the benefit of UK government and UK industry. With the exception of Vodafone, the current major licensees of UK spectrum would appear to be foreign corporations trading through UK shell companies.

Please consider the needs of smaller UK enterprises that already make use of this spectrum before once again putting out of realistic financial reach access to this spectrum.

Yours sincerely

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