

Business Radio Spectrum Reform 2007

Stakeholder workshop

Main issues raised through the responses to the two consultations – Business Radio trading and liberalisation and Modification to spectrum pricing.

Chairman: Paul Jarvis

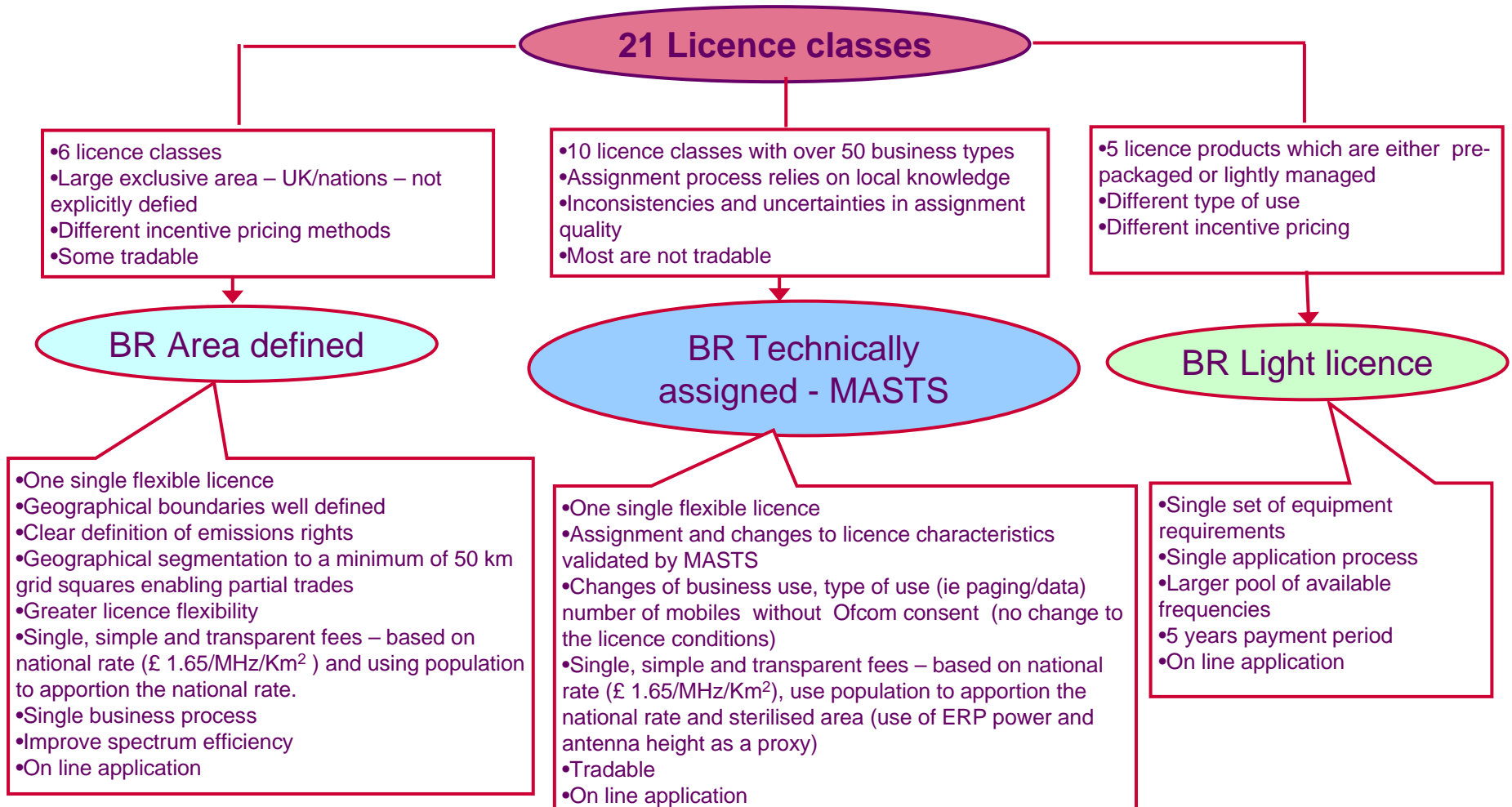
Ofcom Panel: Mostafa Relmy, Roger Stewart, Nigel Gunn, Diana Kennedy and Reuben Braddock

10 and 16 October 2006

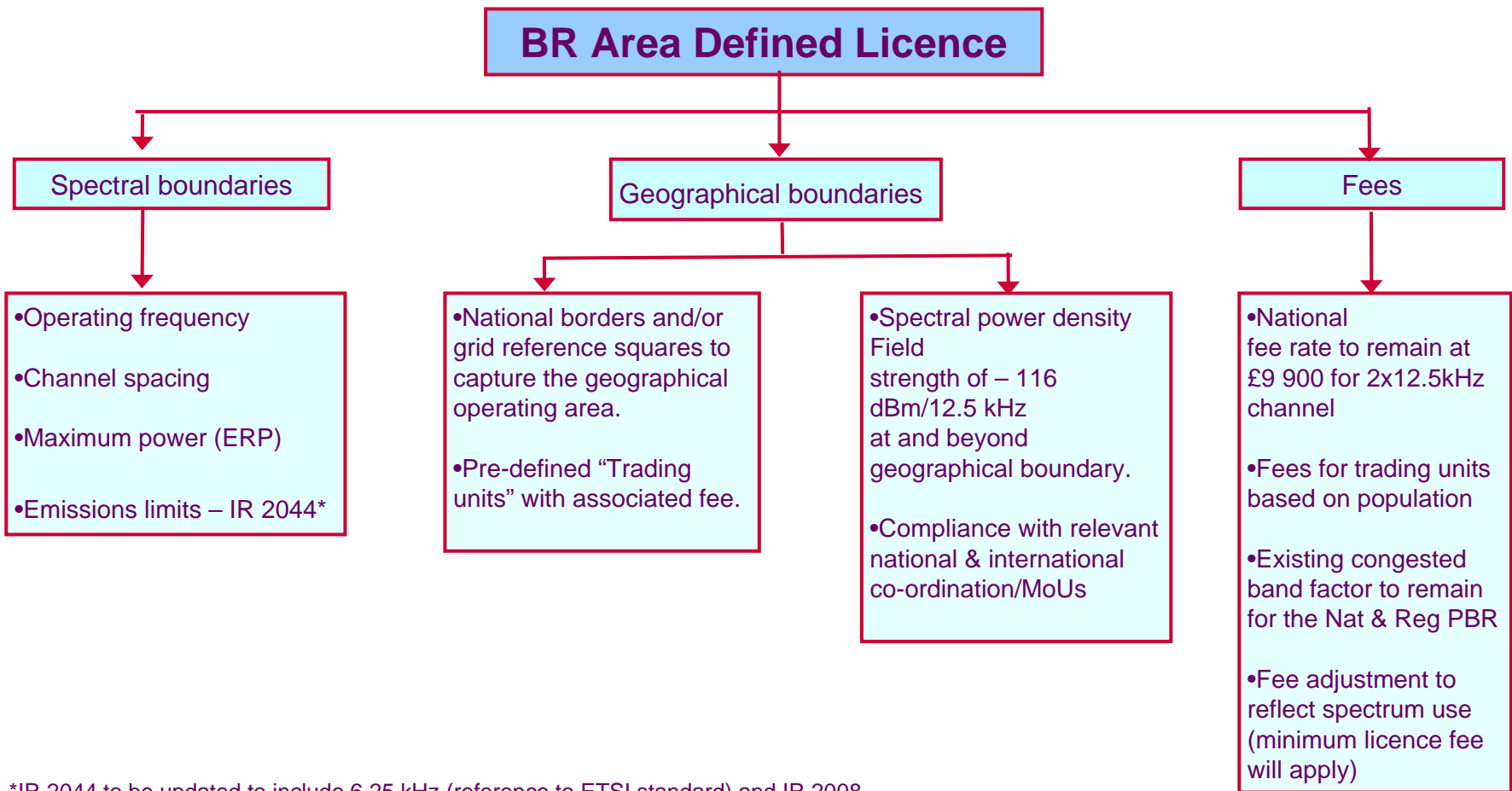
Agenda

- 1. Introduction - Ofcom (5 min)**
- 2. Short presentation: Summary of the proposals for business radio reform - Ofcom (30 min)**
- 3. Main issues raised by respondents – Ofcom (45 min)**
- 4. Open discussion - (60 min)**
- 5. Summary of next steps and deliverables – Ofcom (10 min)**

Business Radio – Simplification, Trading, Liberalisation and pricing proposals



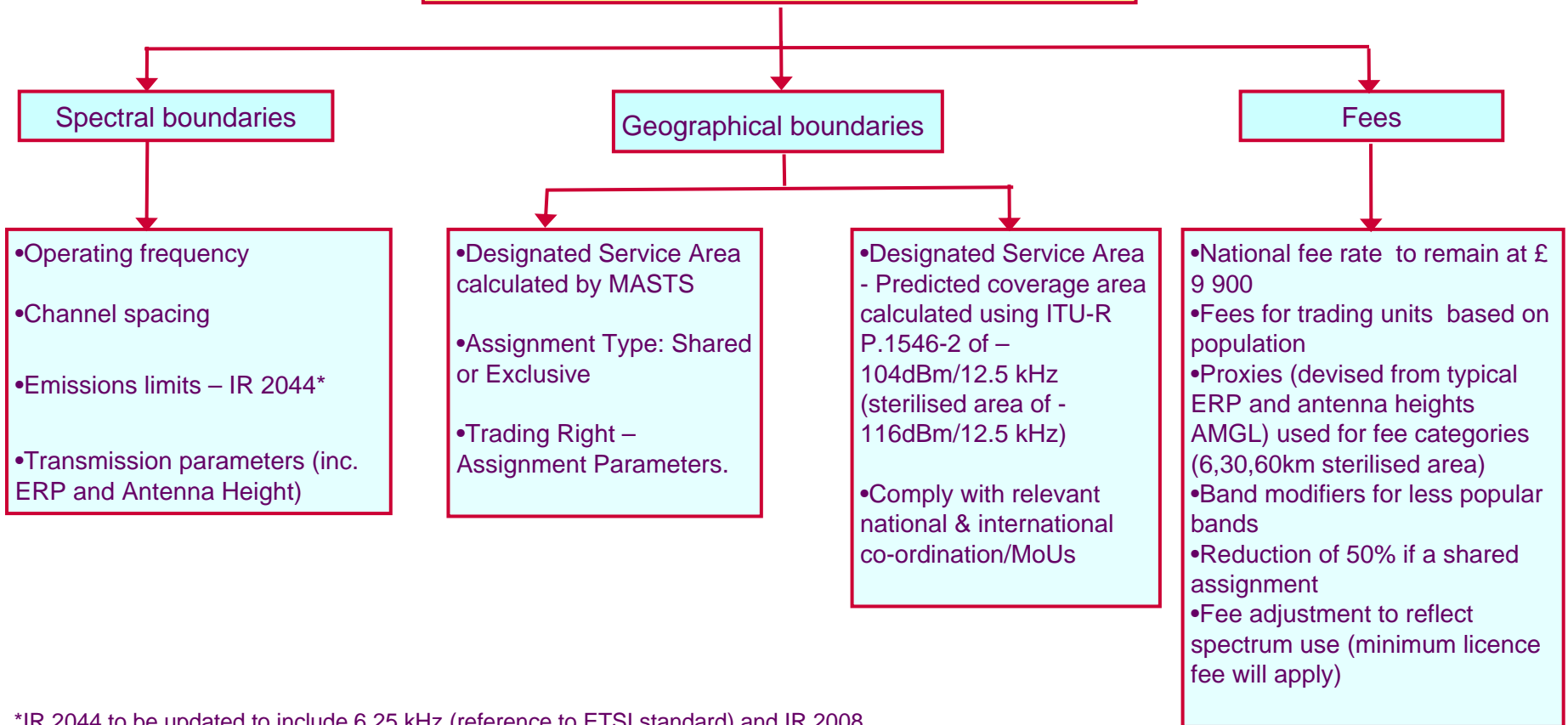
BR Area Defined Licence Design



*IR 2044 to be updated to include 6.25 kHz (reference to ETSI standard) and IR 2008
Will be a 3 months public consultation through the EC

BR Technically Assigned Licence Design

BR Technically Assigned Licence



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Technically Assigned (MASTS)

- Two main types of assignment: **Shared** (typically up to 50%) / **Exclusive** (100%)
- Makes assignments **taking into account topography, propagation model, type of assignment, antenna characteristics (inc. downtilt, downfire).....**
- All assignments must conform to IR2044 (based on ETSI transmission mask)

1 Existing Assignments



- + Designated Service Area
- + Activity Factor
- + QoS

2 New Assignments/Variation/Termination



Makes assessment – approve/reject?

3 Available options without Ofcom consent

- As long as type of use is not changed (i.e. shared to exclusive)
 - Change of Business Use (e.g. taxi to courier)
 - Increase/Decrease number of mobiles

BR Area Defined and Technically Assigned trading and liberalisation measures

Area defined licence

Technically Assigned licence

Trading measures (including UHF1)

Full trade

- Outright transfer of all rights and obligations under a licence
- Concurrent transfers

Partial trade

- Transfers of individual assignments/channels under a licence
- Spectrum segmentation to a minimum of 6.25 kHz.
- Geographical segmentation to a minimum trading unit

Liberalisation

- Changes to business use, type (ie paging/data) and number of mobiles without further authorisation from Ofcom.
- One set of technical restrictions.
- Any other changes must go through licence variation process

Trading measures (including UHF1)

Full trade

- Outright transfer of all rights and obligations under a licence
- Concurrent transfers

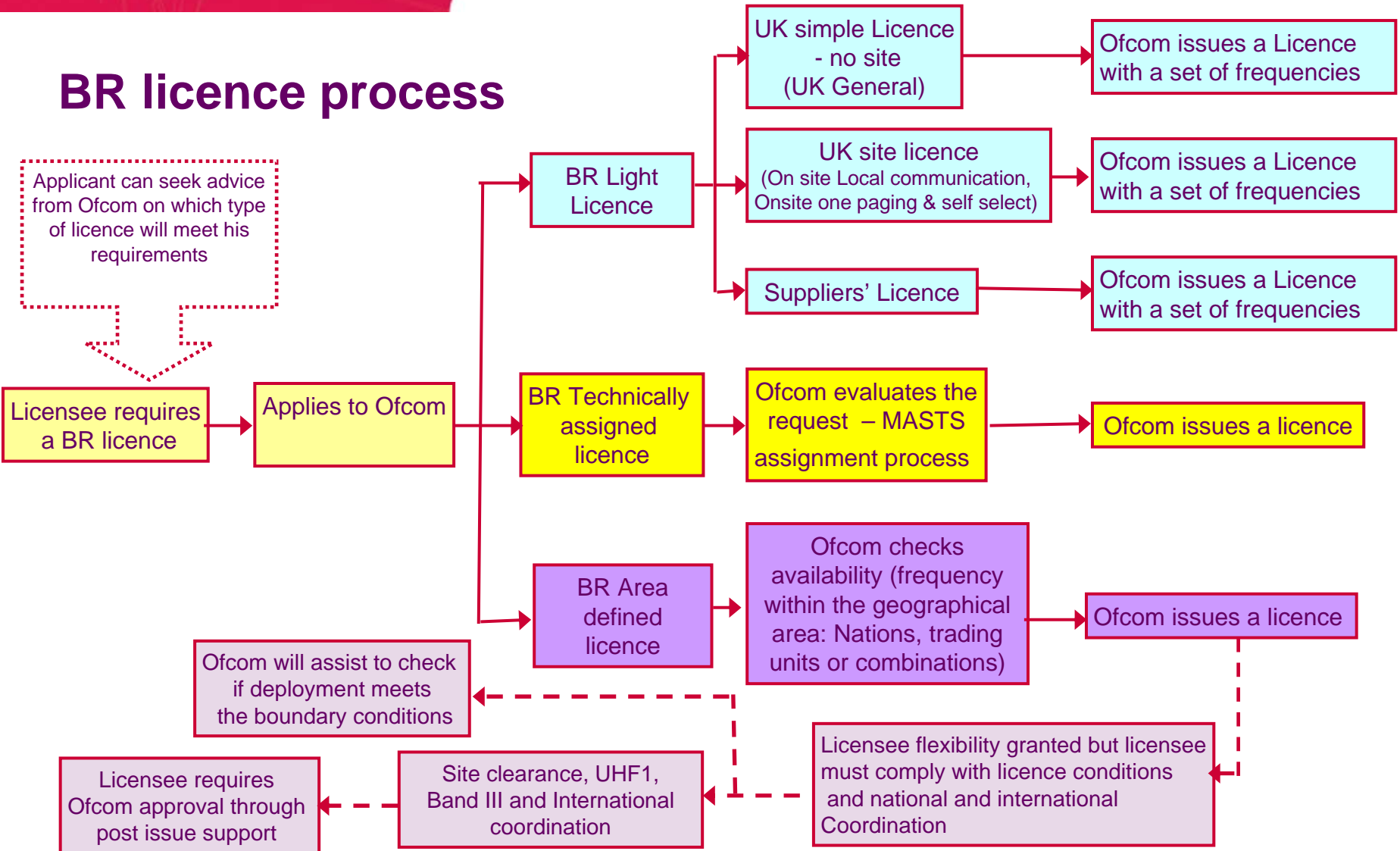
Partial trade

- Transfers of individual assignments under a licence

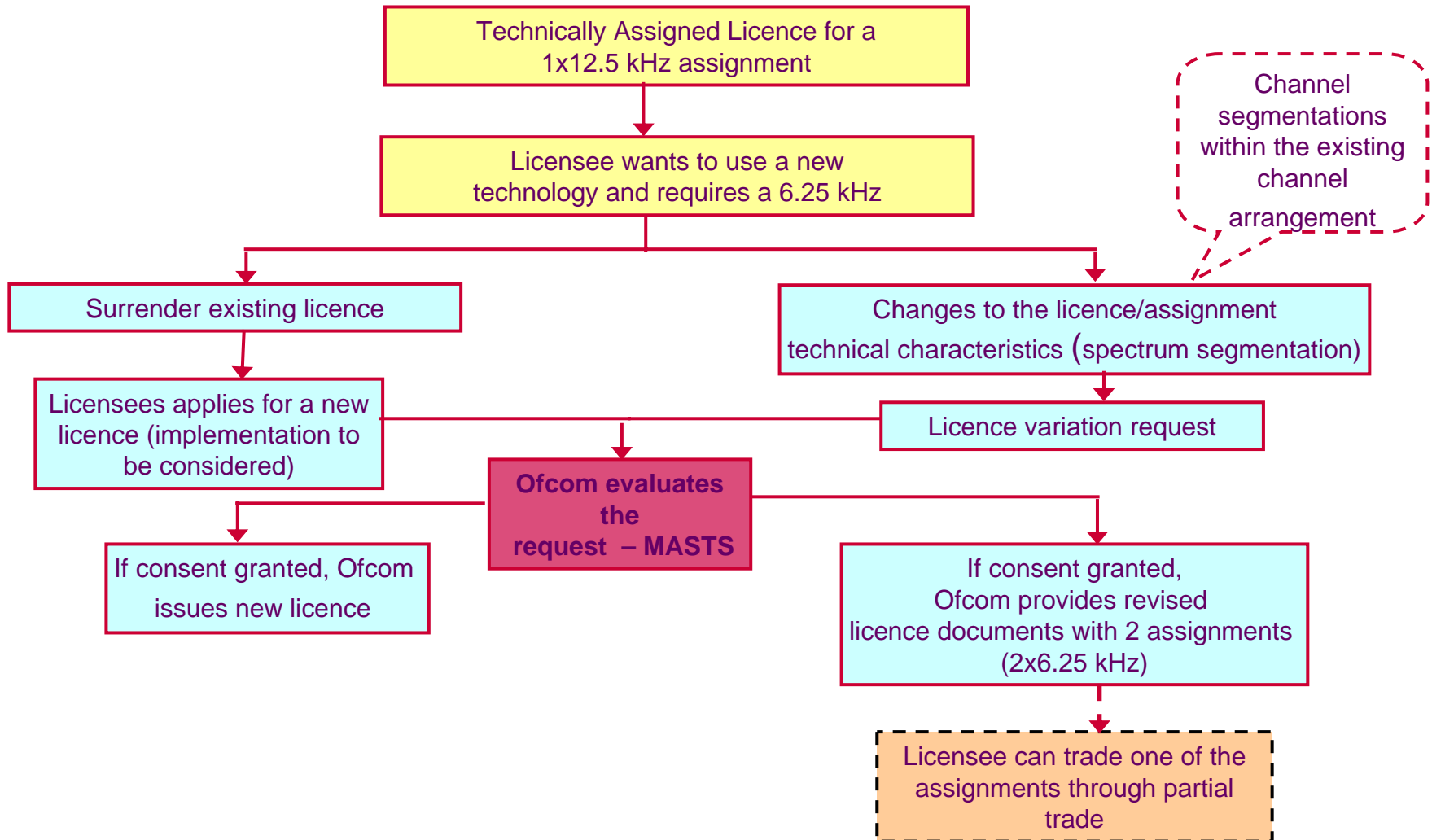
Liberalisation

- Changes to business use, type and number of mobiles without further authorisation from Ofcom.
- One set of technical restrictions.
- Any other changes must go through licence variation process.

BR licence process



BR Technically Assigned – Example for licence variation and trading



Main issues raised by respondents

- Length of consultation
- Proposals too complex and required clarification;
- Proposals will penalise spectrum efficient usage (Trunked systems);
- Minimum trading unit of 50 Km square grid is not flexible enough;
- Complex issues where country boundary and 50km squares overlap for trading. (e.g.. Cardiff/Bristol);
- No spectrum availability for area defined licence;
- Security issues regarding publication of licence information in the register;
- Enforcement and interference management;
- High fee increases, request for phased or capped fee increases;
- Continuation of charity discount;
- Stakeholder involvement/consultation on the development of TFAC (Technically Frequency Assignment Criteria) and IR (Interface Requirement);
- DMR 446 issue regarding overlapping frequency rasters (6.25 and 12.5 kHz) - this is in relation to the licence exemption consultation;
- Few other comments not related to the proposals.

Open discussion

Any other issues related to the business radio trading, liberalisation and pricing proposals?

Summary of next steps and deliverables

- Stakeholders workshop (today, next week) – To discuss, clarify and respond to the main issues raised to the consultation process;
- Ofcom will issue a statement – Conclusion on proposals consulted on;
- Ofcom will update the current trading and liberalisation guidance notes to reflect the extended measures;
- Ofcom will publish and work with stakeholders to develop guidance for the business radio sector on the level and extent of flexibility (trading/liberalisation) available to each new licence class;
- Ofcom will work with stakeholders and BRIG to develop the IR, TFACs, code of practice and any other documents to support the business radio spectrum reform;
- Ofcom will communicate the timescale and the process of implementing the BRR;
- Consultation on draft regulations (Fee, trading and register) before publishing the final regulations to enable the changes.