

## Google Eyes New Model

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Another month and another new 700 MHz proposal, this latest one from Google. The Google proposal is somewhat different in that the company claims it has no interest in bidding in the auction, although the company has at times stated that it might bid as part of a consortium. Rather, Google would like to see the introduction of a “real time airwaves auction model” for prospective licensees in the 700 MHz band.

The real time auction model as proposed would operate in similar fashion to Google’s advertising auctions. In Google’s advertising auctions, advertisers, in real time, bid an amount per click through (pay per internet user that clicks on the link generated on Google’s search page). Needless to say, this has been a successful approach for Internet advertising as Google generates billions of dollars in advertising revenue.

For spectrum in the 700 MHz band, Google proposes the same approach, where spectrum users would bid, in real time, for the use of the frequency. In some cases this may require that each wireless device have a component (either hardware or software) dedicated to navigating this spectrum marketplace. The actual license holder would essentially own the spectrum and run the market. This would, according to Google, maximize the value to the public by allowing for full use of the spectrum allocated in a market-based approach.

Google filed an *ex parte* letter asking for clarification as to whether the 700 MHz band rules allow for spectrum auctions as proposed, and whether they would be in the public interest. The Commission placed Google’s proposal on Public Notice on May 24. Frontline Wireless, whose proposal we wrote about in our May issue, has already endorsed the Google proposal. This is not surprising since the Frontline proposal included the ability to lease some portion of the spectrum, so the two proposals dovetail nicely. The Commission is expected to rule on these matters within the next month.