



**September 2009**

## **Auction 79 Limp To A Close**

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After 50 rounds of bidding which spanned three weeks, Auction 79, featuring 122 FM construction permits, came to an end late on the afternoon of September 15. Unlike previous auctions which raked in tens of millions of dollars for the federal coffers – like the 2007 auction that brought in \$21 million or the 2006 affair that fetched \$54 million – Auction 79 barely brought in a paltry \$5 million.

When the FCC announced that it was going to conduct an auction in the current economic climate, several industry participants complained. Those who predicted a lack of enthusiasm were proven correct. Out of 122 construction permits on the auction block, more than half attracted only the minimum bid or no bid at all. Thirty-seven permits will have to be trotted back out in a few years for re-auction because nobody showed any interest in them this year.

A few markets did spark some spirited bidding that nudged the final bids above the initial minimums. However, there were no seven-digit pay-outs this time around, unlike auctions past. The top three priced permits were in California and Florida with Murietta, CA, and Palm Coast, FL, each commanding bids of around a half-million dollars.

***Readers are reminded that the FCC's very strict anti-collusion rules remain in effect for several more weeks. Folks who submitted a Form 175 in this auction – even if they ended up not bidding at all – should refrain from communicating with one another about the auction.***