

Memo to Clients August, 2007

Sprint to LPTV/Translator Licensees: Let's Make a Deal . . . Real Soon

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As many broadcasters are aware, Sprint has been negotiating with stations all over the nation to replace certain broadcast auxiliary equipment and reconfigure frequency use at 2 GHz. While negotiations with full-power broadcasters have been underway for quite some time, discussions with other affected groups – including LPTV and translator licensees and operators of unlicensed remote pick-up equipment (operated without license under the 720-hour rule) – had not even begun as of July 31. But *as of August 1 that has changed: Sprint has agreed to negotiate with the latter group but has set a very limited time frame for negotiations.* Anyone with any interest in this matter should read the following:

Full-Power and Class A Stations – Full-power television stations, including Class As, that have licenses for 2 GHz broadcast auxiliary equipment likely already have begun negotiations with Sprint or have attended a Market Kickoff meeting to discuss the migration process within their DMA. Stations with 2 GHz licenses that have not yet begun the process should contact counsel or Sprint to get the ball rolling.

Broadcast auxiliary service (BAS) equipment can include studio-to-transmitter links, relay stations and remote pickup units (usually vans, trucks or choppers). Sprint reimburses television stations to stop using BAS channels 1 and 2 (which are located at 1990-2025 MHz). Television stations must move off of these channels so that the spectrum can be used for mobile phone and other new operations. The FCC has endorsed a plan that requires television stations to cooperate in the move but also requires Sprint to reimburse the television stations for their cooperation.

Most stations have licensed their BAS equipment with the FCC to ensure primary operations. However, FCC rules allow full-power broadcasters to operate BAS equipment on a short-term basis of up to 720 hours per year without obtaining a BAS license. Based upon a recent FCC ruling, Sprint has announced that it will reimburse stations with unlicensed BAS equipment that was purchased before November 22, 2004.

Before **October 30, 2007**, television stations must provide Sprint with an inventory and proof of pre-November 2004 purchase for unlicensed equipment. Proposed costs, replacement timelines and other deal terms must be submitted to Sprint prior to March 12, 2008. If a station does not meet these deadlines, it will still be required to discontinue use of the unlicensed equipment, *but* the cost of replacement equipment will *not* be reimbursed.

LPTV/Translator Stations – LPTV/translator stations using auxiliary equipment in the 2 GHz band have been provided a very limited window during which to acquire new equipment and have Sprint pay for it. This opportunity arises as part of very detailed and lengthy negotiations

between Sprint and the FCC which originally were designed to relocate certain Sprint mobile phone frequencies.

After several years of negotiations, the LPTV/translator portion of this deal has finally been struck. The FCC is reassigning the 1990-2025 MHz frequencies that broadcasters use for auxiliary operations. In order to assist LPTV and translator broadcasters who are using these frequencies, the FCC has given Sprint the option of reimbursing LPTV and translator stations to move their equipment off of these frequencies. In return, Sprint will be able to use part of the newly-cleared frequencies without any interference.

LPTV and translator stations who use broadcast auxiliary equipment should immediately verify the frequencies on which the equipment operates. Broadcast auxiliary equipment can include studio-to-transmitter links, relay stations and either licensed or unlicensed remote pickup units (usually vans, trucks or choppers). If you have equipment using 1990-2025 MHz, you should contact your counsel or Sprint as soon as possible. Sprint needs to be advised of your intention to participate in the relocation program. A full inventory of your equipment must be submitted to Sprint by Friday, **September 14, 2007**. You must submit your proposed costs, timeline and other deal terms to Sprint by January 12, 2008. Failure to meet the deadlines will not eliminate your obligation to move from the frequencies, but it will foreclose any opportunity for you to get Sprint to pay for the move.