Spectrum managements to promote competition

Problems

• After eliminating a spectrum cap rule in 2003, the concentration of US mobile operator market is on the increase.
• Incumbents have incentives to pay more money for spectrum auctions than new entrants because of monopoly/oligopoly rents.
• 700MHz auction invites some new entrants, but AT&T and Verizon achieved 85% of spectrum in 700MHz, and other operators such as Sprint, T-mobile and PCS acquired only AWS or PCS spectrum which are higher frequency (more costly than lower frequency).
• MVNOs often fail to negotiate terms with incumbents and fails to compete with them.

Possible solutions

• Control through anti-trust regulations?
• Bring back spectrum cap rules?
• Store some spectrum lots for new entrants?
• Impose open access obligation on incumbents/dominants?
• Expand commonly used spectrum?