

Congress of the United States
U.S. House of Representatives
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515-6315

October 27, 2011

The Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Chairman Genachowski:

Rule X, cl. 3(l) of the Rules of the House authorizes the Committee on Small Business to “study and investigate on a continuing basis the problems of all types of small businesses.” Pursuant to that authority, the Committee held a hearing on October 12, 2011 to examine the potential impact on small businesses of a proposal by LightSquared to operate a terrestrial-based broadband network utilizing its spectrum currently allocated for Mobile Satellite Service (MSS). We are writing today to inform you of the issues raised by small businesses at the hearing and our concerns that the LightSquared proposal may result in very problematic interference with Global Positioning Satellite (GPS) technology that small businesses utilize on a daily basis to operate their businesses.

Witnesses from the agriculture, manufacturing and general aviation industries all expressed strong concerns with LightSquared’s proposal. Rick Greene, Precision Agronomy Manager with MFA Inc., said interference of the GPS signal will severely impair the efficiency, productivity and crop output for family farmers. He estimated their proposal will require nearly 1 million high precision receivers to be replaced or retrofitted, costing an estimated \$10 billion. Tim Taylor, President and CEO of Free Flight Systems, explained that the process of manufacturing and replacing high precision GPS devices requires extensive testing and certification to meet rigid safety standards, which are extremely time consuming and expensive. Some high precision GPS receivers take up to six years to fully develop. Small businesses should not be required to bear the costs of replacing or retrofitting their devices due to this proposal.

Moreover, LightSquared's proposal will have a significant impact on the general aviation community. General aviation accounts for about 27 million flight hours and carries 166 million passengers to around 4,000 paved airports, many of which have no scheduled commercial air service operated under Part 121 of the Federal Aviation Administration (FAA) rules.¹ More than two-thirds of general aviation flights are for business purposes.² No estimate exists on the total number of small businesses involved in general aviation, but data from the Small Business Administration suggests that over 90 percent of the businesses that provide air transportation service, aircraft maintenance or other support services, and manufacture general aviation aircraft and parts are small. Of course, this excludes that innumerable businesses that rely on general aviation for the delivery of goods and people to locations not served by scheduled air service – generally in rural areas. Overall, general aviation, both operations and manufacturing, employ about 1.2 million people, and contribute approximately \$150 billion to the overall gross domestic product.³ Another witness, Dennis Boykin IV, Principal of DB4 Consulting and a pilot, said an accurate GPS signal is vital for his safety and the safety of his passengers. He spent nearly \$40,000 on GPS equipment and installation on two planes to make sure they are equipped with the most precise and reliable equipment.

During the hearing, LightSquared stated their proposal would not cause any interference with 99 percent of the GPS users, and tests showed “little to no degradation” on certain high precision receivers. This is not an acceptable answer or solution for general aviation. The FAA has very specific requirements for safety and one percent tolerances are not acceptable – 100 percent accuracy is needed to ensure a safe flight for general aviation.

LightSquared's latest proposal is to operate their hybrid satellite and terrestrial network on the lower 10 MHz of their MSS band, further away from the GPS spectrum. It is our understanding the National Executive Committee for Space-Based Positioning, Navigation and Timing is currently testing this new proposal on both general navigation and high precision receivers. Testing is scheduled to be complete by November 30, 2011. We expect that the Commission will carefully examine those results.

While we understand the importance and benefits of providing high-speed internet to rural areas, such innovations should not threaten current established GPS and add more unnecessary burdens to small businesses. Further, we request that the Commission not proceed with approval of LightSquared's proposal until federal testing reveals that there will be no interference with GPS, thereby ensuring that small businesses will not have to incur significant monetary burdens to try and filter potential interference to their GPS reception devices.

¹ GENERAL AVIATION MANUFACTURERS ASSOCIATION, 2010 STATISTICAL DATABOOK & INDUSTRY OUTLOOK II (2011)

² *Id.*

³ *Id.*

Given our concerns, please provide to the Committee an outline of actions that the Federal Communications Commission will be taking in this matter. We look forward to your response.

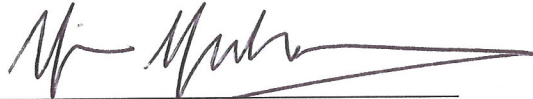
Sincerely,



Sam Graves
Chairman
House Small Business Committee



Mike Coffman
Chairman
Subcommittee on Investigations,
Oversight and Regulations



Mick Mulvaney
Member of Congress



Scott Tipton
Member of Congress



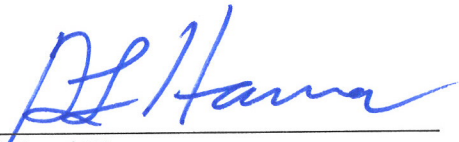
Jeff Landry
Member of Congress



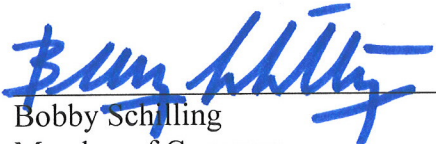
Allen B. West
Member of Congress



Renee Ellmers
Member of Congress



Richard Hanna
Member of Congress



Bobby Schilling
Member of Congress

cc: Commissioner Michael Copps
Commissioner Robert McDowell
Commissioner Mignon Clyburn