

C-Band: What Does the First Week of C-Band Version 3.0 Tell Us?

By [Blair Levin](#) | November 22, 2019

With another big news week, we are splitting the Weekend Update into two notes; this C-Band focused one and another, to arrive Sunday night, providing an update on the merger and other telecom policy news. (We are also publishing this morning a note discussing why DISH should be able to sell its licenses without the government taking the proceeds, a question that came up a lot this week: [LINK](#)).

In this C-Band note we discuss what we have learned, and the critical questions still to be answered, in the first week of the FCC's new C-Band direction (which we refer to as Version 3.0) of running the auction itself. We think the initial stakeholder and political reactions demonstrate that the question of the private v. public auction is no longer in play, that CBA's leverage to obtain funds lies not in threats about litigation or the narrative about how political leadership is depriving America of leadership in 5G, but only in its leverage related to the time to clear 300MHz, that the process is likely to go down both a legislative and regulatory track but the FCC is likely to finish before Congress, probably rendering Congressional efforts moot. We think both tracks will be bipartisan, which is important for reducing any political risk of election results causing another rethink and a C-Band version 4.0. We don't have new insight into what may be the most important investment question, which is which enterprises the FCC believes should receive funds beyond relocation expenses and, further, between those enterprises, how should any funds be sized and allocated.

Once those questions are answered, however, there are multiple ways of effectuating that distribution though each carries different political and litigation risks. Part of the calculus requires estimating the results of the auction and calculating those requires understanding the other spectrum bands that will also be coming into the market.

[\(more...\)](#)

Full 12-month historical recommendation changes are available on request

Reports produced by New Street Research LLP, 18th Floor, 100 Bishopsgate, London, EC2N 4AG. Tel: [+44 20 7375 9111](tel:+442073759111).

New Street Research LLP is authorised and regulated in the UK by the Financial Conduct Authority and is registered in the United States with the Securities and Exchange Commission as a foreign investment adviser.

Regulatory Disclosures: This research is directed only at persons classified as Professional Clients under the rules of the Financial Conduct Authority ('FCA'), and must not be re-distributed to Retail Clients as defined in the rules of the FCA.

This research is for our clients only. It is based on current public information which we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. We seek to update our research as appropriate, but various regulations may prevent us from doing so. Most of our reports are published at irregular intervals as appropriate in the analyst's judgment. This research is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients.

All our research reports are disseminated and available to all clients simultaneously through electronic publication to our website.

New Street Research LLC is neither a registered investment advisor nor a broker/dealer. Subscribers and/or readers are advised that the information contained in this report is not to be construed or relied upon as investment, tax planning, accounting and/or legal advice, nor is it to be construed in any way as a recommendation to buy or sell any security or any other form of investment. All opinions, analyses and information contained herein is based upon sources believed to be reliable and is written in good faith, but no representation or warranty of any kind, express or implied, is made herein concerning any investment, tax, accounting and/or legal matter or the accuracy, completeness, correctness, timeliness and/or appropriateness of any of the information contained herein. Subscribers and/or readers are further advised that the Company does not necessarily update the information and/or opinions set forth in this and/or any subsequent version of this report. Readers are urged to consult with their own independent professional advisors with respect to any matter herein. All information contained herein and/or this website should be independently verified.

All research is issued under the regulatory oversight of New Street Research LLP.

Copyright © 2024 New Street Research LLP

No part of this material may be copied, photocopied or duplicated in any form by any means or redistributed without the prior written consent of New Street Research LLP.