

**FEDERAL COMMUNICATIONS COMMISSION****[Report No. AUC-05-81-C (Auction No. 81); DA 05-506]****Low Power Television Auction No. 81 Scheduled for September 14, 2005; Auction No. 81 Applicants Must Provide Supplemental Information by March 18, 2005; Comment Sought on Reserve Prices or Minimum Opening Bids and Other Auction Procedures****AGENCY:** Federal Communications Commission.**ACTION:** Notice.

**SUMMARY:** This document announces the auction of construction permits for certain low power television (LPTV), television translator and Class A Television broadcast stations scheduled to commence on September 14, 2005 (Auction No. 81). This document also notifies Auction No. 81 applicants that they must provide their FCC Registration Number (FRN) and seeks comment on reserve prices or minimum opening bids and other procedures for Auction No. 81.

**DATES:** Comments are due on or before March 18, 2005, and reply comments are due on or before March 25, 2005.

**ADDRESSES:** Comments and reply comments must be sent by electronic mail to the following address: [auction81@fcc.gov](mailto:auction81@fcc.gov).

**FOR FURTHER INFORMATION CONTACT:** For legal questions: Lynne Milne at (202) 418-0660. For general auction questions: Jeff Crooks at (202) 418-0660 or Lisa Stover at (717) 338-2888. For service rule questions, contact the Video Division, Media Bureau, as follows: Shaun Maher or Hossein Hashemzadeh at (202) 418-1600.

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's Public Notice released February 28, 2005, *Auction No. 81 Comment Public Notice*. The complete text of the *Auction No. 81 Comment Public Notice*, including an attachment and any related Commission documents is available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW., Room CY-A257, Washington DC 20554. The *Auction No. 81 Comment Public Notice* and related Commission documents may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc. (BCPI), Portals II, 445 12th Street, SW., Room CY-B402, Washington, DC, 20554, telephone (202) 488-5300, facsimile (202) 488-5563, or you may contact BCPI at its Web site:

<http://www.BCPIWEB.com>. When ordering documents from BCPI, please provide the appropriate FCC document number (for example, DA 05-506 for the Auction No. 81 Comment Public Notice). The *Auction No. 81 Comment Public Notice* and related documents are also available on the Internet at the Commission's Web site: <http://wireless.fcc.gov/auctions/81/>.

**I. General Information**

1. By the *Auction No. 81 Comment Public Notice*, the Wireless Telecommunications Bureau (the "Bureau") and the Media Bureau (collectively referred to as the "Bureaus") announce the auction of construction permits for certain LPTV, television translator and Class A Television broadcast stations, scheduled to commence on September 14, 2005 (Auction No. 81). The construction permits to be auctioned are the subject of pending, mutually exclusive applications for referenced broadcast services for which the Commission has not approved settlement agreements or engineering amendments. Participation in this auction will be limited to those applicants for construction permits identified in Attachment A of the *Auction No. 81 Comment Public Notice*. Applicants will be eligible to bid only on those construction permits as set forth in Attachment A of the *Auction No. 81 Comment Public Notice*.

2. *Supplemental Information Required:* The applicants listed in Attachment A of the *Auction No. 81 Comment Public Notice* may only continue to participate in Auction No. 81 if they provide their FCC Registration Number (FRN) no later than 5 p.m. Eastern Time (ET) on March 18, 2005, in accordance with public notice, *Applicants for Low Power Television Construction Permits to be Awarded in Auction No. 81 Must Submit Supplemental Information by March 18, 2005*, DA 05-505, which was released concurrently with this public notice, February 28, 2005. If an applicant fails to provide this information in the manner and time specified in that public notice, its engineering proposal(s) will be dismissed and it will not be permitted to participate in the auction.

3. Attachment A of the *Auction No. 81 Comment Public Notice* sets forth the mutually exclusive applicant groups ("MX Groups") accompanied by their respective minimum opening bids and upfront payments. Attachment A of the *Auction No. 81 Comment Public Notice* also lists the names of the applicants for construction permits in each MX Group. All MX Groups identified in Attachment

A of the *Auction No. 81 Comment Public Notice* have been subject to competition through the opening and closing of the relevant period for filing competing applications. All applications within an identified MX Group are directly mutually exclusive with one another, and therefore a single construction permit will be auctioned for each MX Group identified in Attachment A of the *Auction No. 81 Comment Public Notice*. An applicant may submit only one bid per round for a construction permit for a particular MX group, even if the applicant has submitted more than one engineering proposal that is included in the MX group.

**Note:** In no instance will more than a single construction permit be awarded to a winning bidder for a particular MX group, even if a winning bidder has submitted more than one engineering proposal that is included in that MX group.

4. Auction No. 81 will use the FCC's Integrated Spectrum Auction System ("ISAS" or "FCC Auction System"), an extensive redesign of the previous auction application and bidding systems. The redesign includes FCC Form 175 application enhancements such as discrete data elements in place of free-form exhibits and improved data accuracy through automated checking of FCC Form 175 applications. Enhancements have also been made to the FCC Form 175 application search function. The auction bidding system has also been updated for easier navigation, customizable results, and improved functionality.

5. Section 309(j)(3) of the Communications Act of 1934, as amended, requires the Commission to "ensure that, in the scheduling of any competitive bidding under this subsection, an adequate period is allowed \* \* \* before issuance of bidding rules, to permit notice and comment on proposed auction procedures \* \* \*." Consistent with the provisions of Section 309(j)(3) and to ensure that potential bidders have adequate time to familiarize themselves with the specific rules that will govern the day-to-day conduct of an auction, the Commission directed the Bureaus, under existing delegated authority, to seek comment on a variety of auction-specific procedures prior to the start of each auction. The Bureaus therefore seek comment on the following issues relating to Auction No. 81.

## II. Auction Structure

### A. Simultaneous Multiple-Round Auction Design

6. We propose to award all construction permits included in Auction No. 81 in a simultaneous multiple-round auction. As described further below, this methodology offers every construction permit for bid at the same time with successive bidding rounds in which bidders may place bids. We seek comment on this proposal.

### B. Upfront Payment and Bidding Eligibility

7. The Bureaus have delegated authority and discretion to determine an appropriate upfront payment for each construction permit being auctioned, taking into account such factors as the efficiency of the auction process and the potential value of similar spectrum. As described further below, the upfront payment is a refundable deposit made by each bidder to establish eligibility to bid on LPTV, television translator, and Class A television station construction permits. Upfront payments related to the specific spectrum subject to auction protect against frivolous or insincere bidding and provide the Commission with a source of funds from which to collect payments owed at the close of the auction. With these guidelines in mind, we propose the schedule of upfront payments contained in Attachment A of the *Auction No. 81 Comment Public Notice*. We seek comment on this proposal.

8. We further propose that the amount of the upfront payment submitted by a bidder will determine the maximum number of bidding units on which a bidder may place bids. This limit is a bidder's initial bidding eligibility. Each construction permit is assigned a specific number of bidding units equal to the upfront payment listed in Attachment A of the *Auction No. 81 Comment Public Notice*, on a bidding unit per dollar basis. Bidding units for a given construction permit do not change as prices rise during the auction. A bidder's upfront payment is not attributed to specific construction permits. Rather, a bidder may place bids on any combination of construction permits as long as the total number of bidding units associated with those construction permits does not exceed its current eligibility. Eligibility cannot be increased during the auction; it can only remain the same or decrease. Thus, in calculating its upfront payment amount, an applicant must determine the maximum number of bidding units it may wish to bid on (or hold

provisionally winning bids on) in any single round, and submit an upfront payment amount covering that total number of bidding units. Provisionally winning bids are bids that would become final winning bids if the auction were to close in that given round. We seek comment on this proposal.

### C. Activity Rules

9. In order to ensure that the auction closes within a reasonable period of time, an activity rule requires bidders to bid actively throughout the auction, rather than wait until late in the auction before participating. Bidders are required to be active on a specific percentage of their current bidding eligibility during each round of the auction. A bidder that does not satisfy the activity rule either will lose bidding eligibility in the next round or must use an activity rule waiver (if any remain).

10. We propose to divide the auction into two stages, each characterized by a different activity requirement. The auction will start in Stage One. We propose that the auction generally will advance from Stage One to Stage Two when the auction activity level, as measured by the percentage of bidding units receiving new provisionally winning bids, is approximately twenty percent or below for three consecutive rounds of bidding. However, we further propose that the Bureaus retain the discretion to change stages unilaterally by announcement during the auction. In exercising this discretion, the Bureaus will consider a variety of measures of bidder activity, including, but not limited to, the auction activity level, the percentage of construction permits (as measured in bidding units) on which there are new bids, the number of new bids, and the percentage increase in revenue. We seek comment on these proposals.

11. For Auction No. 81, we propose the following activity requirements:

*Stage One:* In each round of the first stage of the auction, a bidder desiring to maintain its current bidding eligibility is required to be active on construction permits representing at least 80 percent of its current bidding eligibility. Failure to maintain the requisite activity level will result in a reduction in the bidder's bidding eligibility in the next round of bidding (unless an activity rule waiver is used). During Stage One, a bidder's reduced eligibility for the next round will be calculated by multiplying the bidder's current round activity by five-fourths ( $\frac{5}{4}$ ).

*Stage Two:* In each round of the second stage, a bidder desiring to maintain its current bidding eligibility is required to be active on 95 percent of

its current bidding eligibility. During Stage Two, a bidder's reduced eligibility for the next round will be calculated by multiplying the bidder's current round activity by twenty-nineteenths ( $\frac{20}{19}$ ).

12. We seek comment on these proposals. Commenters that believe these activity rules should be modified should explain their reasoning and comment on the desirability of an alternative approach. Commenters are advised to support their claims with analyses and suggested alternative activity rules.

### D. Activity Rule Waivers and Reducing Eligibility

13. Use of an activity rule waiver preserves the bidder's current bidding eligibility despite the bidder's activity in the current round being below the required minimum level. An activity rule waiver applies to an entire round of bidding and not to a particular construction permit. Activity rule waivers can be either proactive or automatic and are principally a mechanism for auction participants to avoid the loss of bidding eligibility in the event that exigent circumstances prevent them from placing a bid in a particular round.

14. The FCC Auction System assumes that bidders with insufficient activity would prefer to apply an activity rule waiver (if available) rather than lose bidding eligibility. Therefore, the system will automatically apply a waiver at the end of any bidding round where a bidder's activity level is below the minimum required unless: (1) The bidder has no activity rule waivers available; or (2) the bidder overrides the automatic application of a waiver by reducing eligibility, thereby meeting the minimum requirement.

**Note:** If a bidder has no waivers remaining and does not satisfy the required activity level, its eligibility will be permanently reduced, possibly eliminating the bidder from further bidding in the auction.

15. A bidder with insufficient activity may wish to reduce its bidding eligibility rather than use an activity rule waiver. If so, the bidder must affirmatively override the automatic waiver mechanism during the bidding round by using the "reduce eligibility" function in the FCC Auction System. In this case, the bidder's eligibility is permanently reduced to bring the bidder into compliance with the activity rules as described above. Once eligibility has been reduced, a bidder will not be permitted to regain its lost bidding eligibility.

16. A bidder may apply an activity rule waiver proactively as a means to

keep the auction open without placing a bid. If a bidder proactively applies an activity rule waiver (using the "apply waiver" function in the FCC Auction System) during a bidding round in which no bids or withdrawals are submitted, the auction will remain open and the bidder's eligibility will be preserved. An automatic waiver applied by the FCC Auction System in a round in which there are no new bids or withdrawals will not keep the auction open.

**Note:** Applying a waiver is irreversible; once a proactive waiver is submitted that waiver cannot be unsubmitted, even if the round has not yet closed.

17. We propose that each bidder in Auction No. 81 be provided with three activity rule waivers that may be used at the bidder's discretion during the course of the auction as set forth above. We seek comment on this proposal.

#### *E. Information Relating to Auction Delay, Suspension, or Cancellation*

18. For Auction No. 81, we propose that, by public notice or by announcement during the auction, the Bureaus may delay, suspend, or cancel the auction in the event of natural disaster, technical obstacle, evidence of an auction security breach, unlawful bidding activity, administrative or weather necessity, or for any other reason that affects the fair and efficient conduct of competitive bidding. In such cases, the Bureaus, in their sole discretion, may elect to resume the auction starting from the beginning of the current round, resume the auction starting from some previous round, or cancel the auction in its entirety. Network interruption may cause the Bureaus to delay or suspend the auction. We emphasize that exercise of this authority is solely within the discretion of the Bureaus, and its use is not intended to be a substitute for situations in which bidders may wish to apply their activity rule waivers. We seek comment on this proposal.

### **III. Bidding Procedures**

#### *A. Round Structure*

19. The Commission will conduct Auction No. 81 over the Internet. Alternatively, telephonic bidding will also be available. The toll free telephone number through which telephonic bidding may be accessed will be provided to bidders.

20. The initial bidding schedule will be announced in a public notice to be released at least one week before the start of the auction. The simultaneous multiple-round format will consist of sequential bidding rounds, each

followed by the release of round results. Details regarding the location and format of round results will be included in the same public notice.

21. The Bureaus have discretion to change the bidding schedule in order to foster an auction pace that reasonably balances speed with the bidders' need to study round results and adjust their bidding strategies. The Bureaus may increase or decrease the amount of time for the bidding rounds and review rounds, or the number of rounds per day, depending upon the bidding activity level and other factors. We seek comment on this proposal.

#### *B. Reserve Price or Minimum Opening Bid*

22. Section 309(j) calls upon the Commission to prescribe methods for establishing a reasonable reserve price or a minimum opening bid amount when FCC licenses or construction permits are subject to auction (*i.e.*, because the Commission has accepted mutually exclusive applications for those construction permits), unless the Commission determines that a reserve price or minimum opening bid amount is not in the public interest. Consistent with this mandate, the Commission has directed the Bureaus to seek comment on the use of minimum opening bid amounts and/or reserve price prior to the start of each auction of broadcast construction permits.

23. Normally, a reserve price is an absolute minimum price below which an item will not be sold in a given auction. Reserve prices can be either published or unpublished. A minimum opening bid amount, on the other hand, is the minimum bid price set at the beginning of the auction below which no bids are accepted. It is generally used to accelerate the competitive bidding process. Also, the auctioneer often has the discretion to lower the minimum opening bid amount later in the auction. It is also possible for the minimum opening bid amount and the reserve price to be the same amount.

24. In light of Section 309(j)'s requirements, the Bureaus propose to establish minimum opening bid amounts for Auction No. 81. The Bureaus believe a minimum opening bid amount, which has been used in other auctions, is an effective bidding tool.

25. For Auction No. 81, the proposed minimum opening bid for each MX Group, as listed in Attachment A of the *Auction No. 81 Comment Public Notice*, was determined by taking into account various factors related to the efficiency of the auction and the potential value of the spectrum, including the type of service and class of facility offered,

market size, population covered by the proposed LPTV, television translator or Class A Television facility, industry cash flow data and recent broadcast transactions. We seek comment on this proposal.

26. If commenters believe that these minimum opening bid amounts will result in substantial numbers of unsold construction permits, or are not reasonable amounts, or should instead operate as reserve prices, they should explain why this is so, and comment on the desirability of an alternative approach. Commenters are advised to support their claims with valuation analyses and suggested reserve prices or minimum opening bid amount levels or formulas. In establishing the minimum opening bid amounts, we particularly seek comment on such factors as the potential value of the spectrum being auctioned including the type of service and class of facility offered, market size, population covered by the proposed LPTV, television translator or Class A television facility, industry cash flow and recent broadcast transactions and other relevant factors that could reasonably have an impact on valuation of the broadcast spectrum. We also seek comment on whether, consistent with Section 309(j), the public interest would be served by having no minimum opening bid amount or reserve price.

#### *C. Minimum Acceptable Bid Amounts and Bid Increments*

27. In each round, eligible bidders will be able to place bids on a given construction permit in any of nine different amounts. The FCC Auction System interface will list the nine acceptable bid amounts for each construction permit.

28. The minimum acceptable bid amount for a construction permit will be equal to its minimum opening bid amount until there is a provisionally winning bid for the construction permit. After there is a provisionally winning bid for a construction permit, the minimum acceptable bid amount for that construction permit will be equal to the amount of the provisionally winning bid plus an additional amount. The minimum acceptable bid amount will be calculated by multiplying the provisionally winning bid amount times one plus the minimum acceptable bid percentage—*e.g.*, if the minimum acceptable bid percentage is 10 percent, the minimum acceptable bid amount will equal (provisionally winning bid amount) \* \* \* (1.10), rounded. We will round the result using our standard rounding procedures.

29. The nine acceptable bid amounts for each construction permit consist of

the minimum acceptable bid amount and additional amounts calculated using the minimum acceptable bid amount and the bid increment percentage. We will round the results using our standard rounding procedures. The first additional acceptable bid amount equals the minimum acceptable bid amount times one plus the bid increment percentage, rounded—e.g., if the increment percentage is 10 percent, the calculation is (minimum acceptable bid amount) \* \* \* (1 + 0.10), rounded, or (minimum acceptable bid amount) \* \* \* 1.10, rounded; the second additional acceptable bid amount equals the minimum acceptable bid amount times one plus two times the bid increment percentage, rounded, or (minimum acceptable bid amount) \* \* \* 1.20, rounded; the third additional acceptable bid amount equals the minimum acceptable bid amount times one plus three times the bid increment percentage, rounded, or (minimum acceptable bid amount) \* \* \* 1.30, rounded; etc. Note that the bid increment percentage need not be the same as the minimum acceptable bid percentage.

30. In the case of a construction permit for which the provisionally winning bid has been withdrawn, the minimum acceptable bid amount will equal the second highest bid received for the construction permit.

31. For Auction No. 81, the Bureaus propose to use a minimum acceptable bid percentage of 10 percent. This means that the minimum acceptable bid amount for a construction permit will be approximately 10 percent greater than the provisionally winning bid amount for the construction permit.

32. The Bureaus retain the discretion to change the minimum acceptable bid amounts, the minimum acceptable bid percentage, and the bid increment percentage if it determines that circumstances so dictate. The Bureaus will do so by announcement in the FCC Auction System during the auction. We seek comment on these proposals.

#### D. Provisionally Winning Bids

33. At the end of a bidding round, a provisionally winning bid amount for each construction permit will be determined based on the highest bid amount received for the construction permit. In the event of identical high bid amounts being submitted on a construction permit in a given round (i.e., tied bids), we propose to use a random number generator to select a single provisionally winning bid from among the tied bids. If the auction were to end with no higher bids being placed

for that construction permit, the winning bidder would be the one that placed the selected provisionally winning bid. However, the remaining bidders, as well as the provisionally winning bidder, can submit higher bids in subsequent rounds. If any bids are received on the construction permit in a subsequent round, the provisionally winning bid again will be determined by the highest bid amount received for the construction permit.

34. A provisionally winning bid will remain the provisionally winning bid until there is a higher bid on the same construction permit at the close of a subsequent round, unless the provisionally winning bid is withdrawn. Bidders are reminded that provisionally winning bids confer credit for activity.

#### E. Information Regarding Bid Withdrawal and Bid Removal

35. For Auction No. 81, we propose the following bid removal and bid withdrawal procedures. Before the close of a bidding round, a bidder has the option of removing any bid placed in that round. By removing selected bids in the FCC Auction System, a bidder may effectively “unsubmit” any bid placed within that round. A bidder removing a bid placed in the same round is not subject to a withdrawal payment. Once a round closes, a bidder may no longer remove a bid.

36. A bidder may withdraw its provisionally winning bids using the “withdraw bids” function in the FCC Auction System. A bidder that withdraws its provisionally winning bid(s) is subject to the bid withdrawal payment provisions of the Commission rules. We seek comment on these bid removal and bid withdrawal procedures.

37. In the *Part 1 Third Report and Order*, 63 FR 770, January 7, 1998, the Commission explained that allowing bid withdrawals facilitates efficient aggregation of licenses and construction permits and the pursuit of efficient backup strategies as information becomes available during the course of an auction. The Commission noted, however, that, in some instances, bidders may seek to withdraw bids for improper reasons. The Bureaus, therefore, have discretion, in managing the auction, to limit the number of withdrawals to prevent any bidding abuses. The Commission stated that the Bureaus should assertively exercise their discretion, consider limiting the number of rounds in which bidders may withdraw bids, and prevent bidders from bidding on a particular construction permit if the Bureaus find that a bidder is abusing the

Commission’s bid withdrawal procedures.

38. Applying this reasoning, we propose to limit each bidder in Auction No. 81 to withdrawing provisionally winning bids in no more than one round during the course of the auction. To permit a bidder to withdraw bids in more than one round may encourage insincere bidding or the use of withdrawals for anti-competitive purposes. The round in which withdrawals may be used will be at the bidder’s discretion; withdrawals otherwise must be in accordance with the Commission’s rules. There is no limit on the number of provisionally winning bids that may be withdrawn in the round in which withdrawals are used. Withdrawals will remain subject to the bid withdrawal payment provisions specified in the Commission’s rules. We seek comment on this proposal.

#### F. Stopping Rule

39. The Bureaus have discretion “to establish stopping rules before or during multiple round auctions in order to terminate the auction within a reasonable time.” For Auction No. 81, the Bureaus propose to employ a simultaneous stopping rule approach. A simultaneous stopping rule means that all construction permits remain available for bidding until bidding closes simultaneously on all construction permits.

40. Bidding will close simultaneously on all construction permits after the first round in which no bidder submits any new bids, applies a proactive waiver, or places any withdrawals. Thus, unless circumstances dictate otherwise, bidding will remain open on all construction permits until bidding stops on every construction permit.

41. However, the Bureaus propose to retain the discretion to exercise any of the following options during Auction No. 81:

i. Use a modified version of the simultaneous stopping rule. The modified stopping rule would close the auction for all construction permits after the first round in which no bidder applies a waiver, places a withdrawal or submits any new bids on any construction permit for which it is not the provisionally winning bidder. Thus, absent any other bidding activity, a bidder placing a new bid on a construction permit for which it is the provisionally winning bidder would not keep the auction open under this modified stopping rule. The Bureaus further seek comment on whether this modified stopping rule should be used

at any time or only in stage two of the auction.

ii. Keep the auction open even if no bidder submits any new bids, applies a waiver or places any withdrawals. In this event, the effect will be the same as if a bidder had applied a waiver. The activity rule, therefore, will apply as usual and a bidder with insufficient activity will either lose bidding eligibility or use a remaining activity rule waiver.

iii. Declare that the auction will end after a specified number of additional rounds ("special stopping rule"). If the Bureaus invoke this special stopping rule, it will accept bids in the specified final round(s) and the auction will close.

42. The Bureaus propose to exercise these options only in certain circumstances, for example, where the auction is proceeding very slowly, there is minimal overall bidding activity, or it appears likely that the auction will not close within a reasonable period of time. Before exercising these options, the Bureaus are likely to attempt to increase the pace of the auction by, for example, increasing the number of bidding rounds per day, and/or increasing the amount of the minimum bid increments for the limited number of construction permits where there is still a high level of bidding activity. We seek comment on these proposals.

### III. Due Diligence

43. Potential bidders are solely responsible for investigating and evaluating all technical and market place factors that may have a bearing on the value of the broadcast facilities in this auction. The FCC makes no representations or warranties about the use of this spectrum for particular services. Applicants should be aware that an FCC auction represents an opportunity to become an FCC permittee in the broadcast service, subject to certain conditions and regulations. An FCC auction does not constitute an endorsement by the FCC of any particular service, technology, or product, nor does an FCC construction permit or license constitute a guarantee of business success. Applicants should perform their individual due diligence before proceeding as they would with any new business venture.

44. Potential bidders are strongly encouraged to conduct their own research prior to Auction No. 81 in order to determine the existence of pending proceedings that might affect their decisions regarding participation in the auction. Participants in Auction No. 81 are strongly encouraged to

continue such research during the auction.

45. Potential bidders should note that LPTV and TV translator stations are authorized with "secondary" frequency use status. These stations may not cause interference to, and must accept interference from, full service television stations, certain land mobile radio operations, and other primary services. *See, e.g.*, 47 CFR 74.703, 74.709 and 90.303.

### IV. Prohibition of Collusion

46. Auction No. 81 applicants are reminded that the anti-collusion rules found at §§ 1.2105(c) and 73.5002(d) of the Commission's rules are in effect. These rules prohibit applicants competing for construction permits in either the same geographic license area or the same MX Group from communicating with each other during the auction about bids, bidding strategies, or settlements unless they have identified each other as parties with whom they have entered into agreements under § 1.2105(a)(2)(viii). For Auction No. 81, this prohibition became effective at the short-form application filing deadline on August 4, 2000, and will end on the post-auction down payment deadline, which will be announced in a future public notice. This prohibition applies to all applicants regardless of whether such applicants become qualified bidders or actually bid. For purposes of this prohibition, § 1.2105(c)(7)(i) defines applicant as including all controlling interests in the entity submitting a short-form application to participate in the auction, as well as all holders of partnership and other ownership interests and any stock interest amounting to 10 percent or more of the entity, or outstanding stock, or outstanding voting stock of the entity submitting a short-form application, and all officers and directors of that entity. If parties had agreed in principle on all material terms, those parties must have been identified on the short-form application under § 1.2105(c), even if the agreement had not been reduced to writing. If parties had not agreed in principle by the filing deadline, an applicant should not have included the names of those parties on its application, and must not have continued negotiations with other applicants for licenses in the same geographic area.

47. By electronically submitting their FCC Form 175 short-form applications, applicants certified their compliance with §§ 1.2105(c) and 73.5002. In addition, § 1.65 of the Commission's Rules requires an applicant to *maintain*

the accuracy and completeness of information furnished in its pending application and to notify the Commission within 30 days of any substantial change that may be of decisional significance to that application. Thus, § 1.65 requires an auction applicant to notify the Commission of any violation of the anti-collusion rules upon learning of such violation. Applicants are therefore required by § 1.65 to make such notification to the Commission immediately upon discovery. In addition, § 1.2105(c)(6) requires that any applicant that makes or receives a communication prohibited by § 1.2105(c) must report such communication to the Commission in writing immediately, and in no case later than five business days after the communication occurs.

### V. Conclusion

Comments are due on or before March 18, 2005, and reply comments are due on or before March 25, 2005. Because of the disruption of regular mail and other deliveries in Washington, DC, the Bureaus require that all comments and reply comments be filed electronically. Comments and reply comments, and copies of material filed with the Commission pertaining to Auction No. 81, must be sent by electronic mail to the following address: [auction81@fcc.gov](mailto:auction81@fcc.gov). The electronic mail containing the comments or reply comments must include a subject or caption referring to Auction No. 81 Comments and the name of the commenting party. The Bureaus request that parties format any attachments to electronic mail as Adobe® Acrobat® (pdf) or Microsoft® Word documents. Copies of comments and reply comments will be available for public inspection during regular business hours in the FCC Reference Information Center, Room CY-A257, 445 12th Street, SW., Washington, DC 20554, and will also be posted on the Web page for Auction No. 81 at <http://wireless.fcc.gov/auctions/81>. In addition, the Bureaus request that commenters fax a courtesy copy of their comments and reply comments to the attention of Kathryn Garland at (717) 338-2850.

48. This proceeding has been designated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentations must contain summaries of the substance of the presentations and not merely a listing of the subjects discussed. More than a one

or two sentence description of the views and arguments presented is generally required. Other rules pertaining to oral and written *ex parte* presentations are set forth in § 1.1206(b) of the Commission's rules.

Federal Communications Commission.

**Gary D. Michaels,**

*Deputy Chief, Auction and Spectrum Access Division, WTB.*

[FR Doc. 05-4727 Filed 3-9-05; 8:45 am]

BILLING CODE 6712-01-P

## FEDERAL RESERVE SYSTEM

### Agency Information Collection Activities: Announcement of Board Approval Under Delegated Authority and Submission to OMB

**AGENCY:** Board of Governors of the Federal Reserve System

**SUMMARY:** Background. Notice is hereby given of the final approval of proposed information collections by the Board of Governors of the Federal Reserve System (Board) under OMB delegated authority, as per 5 CFR 1320.16 (OMB Regulations on Controlling Paperwork Burdens on the Public). Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the OMB 83-I's and supporting statements and approved collection of information instrument(s) are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

#### FOR FURTHER INFORMATION CONTACT:

Federal Reserve Board Clearance Officer—Michelle Long—Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, DC 20551 (202-452-3829).

OMB Desk Officer—Mark Menchik—Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, Washington, DC 20503, or email to [mmenchik@omb.eop.gov](mailto:mmenchik@omb.eop.gov).

### Final approval under OMB delegated authority of the extension for three years, with minor revision of the following report:

*Report title:* Ongoing Intermittent Survey of Households

*Agency form number:* FR 3016

*OMB Control number:* 7100-0150

*Frequency:* On occasion  
*Reporters:* Households and individuals

*Annual reporting hours:* 658 hours

*Estimated average hours per response:*

Division of Research & Statistics, 1.33 minutes; Division of Consumer & Community Affairs, 3 minutes; Other divisions, 5 minutes; and Non-SRC surveys, 90 minutes.

*Number of respondents:* 600

*General description of report:* This information collection is voluntary (12 U.S.C. 225a, 263, and 15 U.S.C. 1691b). No issue of confidentiality normally arises because names and any other characteristics that would permit personal identification of respondents are not reported to the Board. However, exemption 6 of the Freedom of Information Act (5 U.S.C. 552(b)(6)) would exempt this information from disclosure.

*Abstract:* The Federal Reserve uses this voluntary survey to obtain household-based information specifically tailored to the Federal Reserve's policy, regulatory, and operational responsibilities. The University of Michigan's Survey Research Center (SRC) includes survey questions on behalf of the Federal Reserve in an addendum to their regular monthly Survey of Consumer Attitudes and Expectations. The SRC conducts the survey by telephone with a sample of 500 households and includes questions of special interest to Board staff intermittently, as needed. The frequency and content of the questions depend on changing economic, regulatory, and legislative developments.

*Current actions:* On December 29, 2004, the Federal Reserve issued for public comment proposed revisions to allow contractors, either the SRC or others, to use broader surveying techniques, such as mall intercept testing, focus groups, and guided discussions (69 FR 78027). The Federal Reserve did not receive any comments. The changes will be implemented as proposed.

### Final approval under OMB delegated authority of the extension for three years, without revision of the following report:

*Report title:* Recordkeeping Requirements associated with the Real Estate Lending Standards Regulation for State Member Banks

*Agency form number:* Reg H-5

*OMB control number:* 7100-0261

*Frequency:* Aggregate report, quarterly; policy statement, annually

*Reporters:* State member banks

*Annual reporting hours:* 19,660 hours

*Estimated average hours per response:* Aggregate report, 5 hours; policy statement, 20 hours

*Number of respondents:* 935

*General description of report:* This information collection is mandatory (12 U.S.C. 1828(o)) and is not given confidential treatment.

*Abstract:* State member banks must adopt and maintain a written real estate lending policy. Also, banks must identify their loans in excess of the supervisory loan-to-value limits and report (at least quarterly) the aggregate amount of the loans to the bank's board of directors.

Board of Governors of the Federal Reserve System, March 4, 2005.

**Jennifer J. Johnson,**

*Secretary of the Board.*

[FR Doc. 05-4689 Filed 3-9-05; 8:45 am]

BILLING CODE 6210-01-S

## FEDERAL RESERVE SYSTEM

### Change in Bank Control Notices; Acquisition of Shares of Bank or Bank Holding Companies

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire a bank or bank holding company. The factors that are considered in acting on the notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. The notices also will be available for inspection at the office of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than April 24, 2005.

**A. Federal Reserve Bank of Atlanta**  
(Andre Anderson, Vice President) 1000 Peachtree Street, N.E., Atlanta, Georgia 30303:

1. *Douglas Williams and Zella Irene Williams*, both of Portland, Tennessee; to acquire additional voting shares of First Farmers Bancshares, Inc., Portland, Tennessee, and thereby indirectly acquire additional voting shares of The Farmers Bank, Portland, Tennessee.

**B. Federal Reserve Bank of Chicago**  
(Patrick M. Wilder, Assistant Vice President) 230 South LaSalle Street, Chicago, Illinois 60690-1414:

1. *Everett D. Lawrence, Marshall, Illinois, Lawrence Gravel, Phyllis Lawrence, and Kim Schmidt*, acting in concert to retain voting shares of