

John Muleta
Chief, Wireless Telecommunications Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Dear Mr. Muleta:

Pursuant to Section 27.607 of the Federal Communications Commission's ("FCC") Rules, Access Spectrum, LLC ("Access Spectrum") is pleased to provide this Annual Report on its progress in providing band management services utilizing its 700 MHz licenses.¹

As of January 1, 2004, Access Spectrum has entered into seven Spectrum Use Agreements ("SUAs"), all of which are with unaffiliated entities. Five SUAs authorize the deployment of voice systems and have ten-year terms. One SUA authorizes the deployment of a voice system and has a five-year term. One SUA authorizes the deployment of a data transmission system and has a term of five years. Access Spectrum has greater than 50 percent of its spectrum available in all of its MEA markets.

Neither Access Spectrum nor any affiliated entities use Access Spectrum's licensed 700 MHz spectrum, although a few temporary operations have been conducted by Motorola for product demonstration and evaluation purposes. Motorola is a non-attributable investor in Access Spectrum.

Access Spectrum continues to make progress towards its spectrum leasing business plans, consistent with its business objectives and FCC expectations. Due to our strong foundation of technical competency and equipment availability, we expect the pace of leasing to accelerate, and are actively negotiating with additional potential users of 700 MHz Guard Band spectrum. Building on this foundation, Access Spectrum will continue to move forward to meet additional demand for 700 MHz spectrum. Please feel free to contact me if you have any questions.

Sincerely,

Mark E. Crosby

Mark E. Crosby
President

¹ See 47 C.F.R. §27.607; Band Managers' Annual Report Are Due March 1, 2004, *Public Notice*, DA 04-148 (rel. January 23, 2004).

