

New bid vowed for unsold spectrum lots



Representatives of DTAC and AIS groups and NBTC commissioners take a group photo before the start of the spectrum auction yesterday.

AFTER OFFERS ONLY FROM DTAC TRINET AND AWN, NBTC CONSIDERS EASING PAYMENT TERMS

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THE NATIONAL Broadcasting and Telecommunications Commission (NBTC) has pledged to hold auctions for the unsold seven lots of the 1800MHz licence and an unsold 900MHz licence within this year or early next year.

The watchdog would also consider making the terms of payment of the licence upfront fee of these unsold spectrum lots more flexible in order to attract more bidders, NBTC secretary-general Takorn Tantasith said yesterday after the auction of nine lots of the 1800MHz spectrum.

Dtac TriNet (DTN), the subsidiary of Total Access Communication (DTAC), and Advanced Wireless Network (AWN), a subsidiary of Advanced Info Service (AIS), each bid for only one lot of the 1800MHz licence yesterday.

Both proposed the same final total price of Bt12.511 billion to grab the lot, each containing 2x5MHz bandwidth. They were the only two bidders at this auction.

Earlier, the NBTC had planned to auction 5MHz of the 900MHz licence on Saturday but no bidder submitted any application. This prompted the auction to be aborted.

Takorn added that the NBTC office would make reports on how to deal with the unsold spectrum lots.

He said one option was for the NBTC to not reduce the starting bid price of the 1800MHz but to extend the annual upfront fee instalment payment period from five to six years, instead of the three years in yesterday's auction rules.

Likewise, the NBTC will not reduce the starting bid price of the 900MHz licence but will extend the upfront payment period to eight years, instead of the four years stip-

ulated in the rules of the aborted auction.

The auction yesterday was concluded in around one hour and 15 minutes, after beginning at 10am at the NBTC headquarters on Phaholyothin Road. The bidders raised the price only once.

In the first round of bidding, each of them selected only one spectrum lot against the right to bid for a maximum of four lots. This round confirmed the starting bid price of Bt12.486 billion as required by the auction rules.

In the second round, each of the bidders raised the price of the selected lot to a total of Bt12.511 billion. According to the auction rules, they can raise the price by Bt25 million per round.

In the third and final round, they declined to further raise the price.

DTN selected the 1745MHz-1750MHz paired with 1840MHz-1845MHz.

AWN selected 1740MHz-1745MHz paired with 1835MHz-1840MHz.

In line with advice

AIS chief executive officer Somchai Lertsutiwong said after the bidding that the AWN bidding result was in line with the bid consultant's advice.

A telecom analyst said that AWN's existing 1800MHz bandwidth and this newly acquired bandwidth would mean it would have contiguous 2x20MHz bandwidth of the 1800MHz, which will enhance AWN's 4G network speed and capacity and ensure sufficient spectrum bandwidth for next few years.

As a result of yesterday's bidding, AWN will have the biggest bandwidth under the NBTC licensing regime, totalling 45MHz.

Currently AWN holds licences to operate the 15MHz bandwidth of the 2.1GHz, 10MHz bandwidth of the 900MHz, and 15MHz bandwidth of the 1800MHz. It will also gain an additional 5MHz of the 1800MHz it won yesterday.

AWN has also roamed some of its subscribers with 15MHz of the TOT's 2.1GHz under the partnership deal.

When asked if it was enough for DTAC to grab only 5MHz of the 1800MHz, DTAC's chief corporate affairs and business development officer Rajiv Bawa said that it was enough for now.

As a result of the bidding, DTAC will have a total of 20MHz bandwidth under the NBTC licensing

regime. Currently DTAC holds only the licence to operate 15MHz bandwidth of the 2.1GHz.

It recently partnered with TOT to provide wireless service on the state agency's 60MHz bandwidth of the 2.3GHz band.

The 1800MHz band in auction yesterday belonged to CAT Telecom. The state agency has granted the concession to DTAC to operate this 1800MHz band and a 850MHz band. The concession will expire on September 15.

DTAC's chief executive officer Lars Norling said: "Acquiring the 1800MHz spectrum will not only allow DTAC to maintain the 2G service for a large base of customers but will also provide 4G network capacity to serve the massive growth of data usage."

The NBTC will convene to officially approve the bid results within the next seven days.

Takorn said that he was satisfied with the bid outcome.

True Corp declined to take part in the bidding, saying it currently had sufficient bandwidth.

True holds a total of 40MHz bandwidth under NBTC licences. It holds licences to operate 15MHz bandwidth of the 2.1GHz, 15MHz bandwidth of the 1800MHz, and 10MHz bandwidth of a 900MHz. The group has partnered with CAT to provide wireless service on the state agency's 15MHz bandwidth of 850MHz.