



Live Mock Auction Completed with LYA's CCA Auction Platform

November 13, 2012 – Lemay-Yates Associates Inc. (LYA) is pleased to announce that its Combinatorial Clock Auction (CCA) Platform was used successfully in a live mock auction at the Americas Spectrum Management Conference held in Washington DC from October 22-24, 2012.

LYA was a sponsor for a second time of the Annual Americas Spectrum Management Conference. This conference has become an important meeting point for stakeholders involved in spectrum management. As part of the conference, LYA conducted an intensive half-day workshop on October 22 focusing on the dynamics of 4G spectrum and addressing key issues such as license valuation. The workshop also included bidding in a live combinatorial clock auction (CCA) using LYA's independently developed CCA Auction Platform.

Highlights of the mock auction:

- The auction was for a hypothetical set of 45 items: 9 mobile licenses, auctioned in three generic groups covering two frequency bands and two types of license, in each of five regions of a fictitious country,
- Eight bidding groups participated with representatives from six countries, included large carriers, regulators and government agencies;
- Over \$2.2 billion of imaginary budget value was on the table and a reserve price of \$950 million was set for all licenses. LYA had designed the auction with the objective of it lasting 10-15 clock rounds; in reality bidding lasted 14 rounds. All licenses were allocated after the sealed bid phase for a final price of \$1.3 billion or 37% over reserve;
- LYA's software allowed the bidders to bid any number of clock rounds, including placing revealed preference bids, and to place any number of sealed bids. Each



- bidder began the auction with a set of bidding points, budget and a broad objective for acquisition of differing licenses and geographic footprint,
- Winner determination and pricing algorithms allocated all licenses to seven of the eight bidders, with one coming away empty-handed. There were no unsold items.
 - The mock auction was completed in approximately two hours – proving the value of using LYA’s CCA Auction platform in a workshop setting for bidder training.

The CCA Auction format has been used in a number of countries to award licenses for mobile spectrum and for planned auctions in the UK, Canada and Australia. The format is also one being considered for use in the US incentive auction.

For more information, please contact us at lya@lya.com or 1-514-288-6555.

You can also consult the conference web site at:

http://www.eu-ems.com/summary.asp?event_id=126&page_id=1012