Attachment 1 to FCC Electronic Form for Assignment of International Section 214 Authorization

Pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.24 of the Commission's rules, 47 C.F.R. § 63.24, Wisconsin RSA #7 Limited Partnership d/b/a Element Mobile ("Wisconsin 7 Partnership") seeks authority for the assignment of Wisconsin 7 Partnership's international Section 214 authority to a newly-formed entity, Lake Mobility LLC ("Lake Mobility"). Lake Mobility will be directly owned by New Cingular Wireless PCS, LLC ("New Cingular"), an indirect wholly owned subsidiary of AT&T Inc. ("AT&T"). New Cingular's ownership interest will be 59.9 percent, with no other person or entity holding a 10 percent or greater interest in Lake Mobility.²

Answer to Question 10 – Section 63.18(c)-(d)

Assignor Information (Wisconsin 7 Partnership)

Contact Information

Gregory A. Aymar Wisconsin RSA #7 Limited Partnership 440 East Grand Avenue P.O. Box 8020 Wisconsin Rapids, WI 54495 Tel: (715) 818–5423 al.aymar@elementmobile.com

with a copy to

Howard Shapiro Bennet & Bennet, PLLC 6124 MacArthur Boulevard Bethesda, MD 20816 Tel: (202) 551-0017

Applications will also be filed for the assignment or lease of wireless radio licenses. *See* File No. 0005780695 for the lead application for this transaction. An application is also being filed for the partial assignment of international Section 214 authority held by New Cingular to allow the transition of customers from New Cingular to Lake Mobility.

At the closing of the transaction described herein, 7 individual limited partners of Wisconsin 7 Partnership will obtain membership interests in Lake Mobility that in the aggregate will represent 40.1 percent of Lake Mobility's membership interests. No such individual member will hold 10% or more of the membership interests in Lake Mobility and there are no common ownership interests among those members.

hshapiro@bennetlaw.com

<u>International Section 214 Authority</u>

Wisconsin 7 Partnership holds the international Section 214 authorization that is the subject of this application, File No. ITC-214-20101217-00489 (authorization to provide global resale services).

Assignee Information (Lake Mobility)

Contact Information

Michael P. Goggin AT&T Mobility LLC 1120 20th Street, NW Suite 1000 Washington, DC 20036 Tel: (202) 457-2055

Fax: (202) 457-3073

michael.p.goggin@att.com

<u>International Section 214 authority:</u>

Lake Mobility does not hold any international Section 214 authorizations.

Answer to Question 11 – Section 63.18(h)

Direct Ownership:

The following entity has a direct ten percent or greater direct ownership interest in Lake Mobility:

Direct Shareholder Name: New Cingular Wireless PCS, LLC Address: 2200 N. Greenville Ave, 1W

Richardson, TX 75082

Citizenship: United States

Principal Business: Provision of CMRS Services

Ownership Interest in Lake Mobility: 59.9%

Indirect Ownership:

New Cingular Wireless Ownership:³

AT&T Mobility II LLC 1025 Lenox Park Blvd. NE

Atlanta, GA 30319 Citizenship: Delaware

Principal Business: Holding Company

Direct Ownership Interest: 100% percent of New Cingular Wireless PCS, LLC

AT&T Mobility LLC

1025 Lenox Park Blvd NE Atlanta, GA 30319

Citizenship: Delaware

Principal Business: Provision of CMRS Services

Direct Ownership Interest: 54% of AT&T Mobility II LLC

AT&T Mobility Corporation 1025 Lenox Park Blvd NE

Atlanta, GA 30319 Citizenship: Delaware

Principal Business: Management Company

Direct Ownership Interest: manager of and controls AT&T Mobility LLC

AT&T Teleholdings, Inc.

208 S. Akard Street Dallas, TX 75202 Citizenship: Delaware

Principal Business: Holding Company

Direct Ownership Interest: 100% of SBC Telecom, Inc.

BellSouth Mobile Data, Inc. 675 W. Peachtree St. NW

Room 4319

Atlanta, GA 30375 Citizenship: Georgia

Principal Business: Holding Company

Direct Ownership Interest: 40% of AT&T Mobility LLC, 100% of AT&T Mobility Corporation, 4% of AT&T Mobility II LLC, and 40% of AT&T NCWS Holdings Inc.

The ownership interests provided herein are the actual direct ownership interests held in the next disclosed subsidiary in the vertical ownership chain rounded to the nearest one percent.

International Section 214
Assignment Application
Attachment 1
Page 4 of 8

AT&T NCWS Holdings Inc. 1025 Lenox Park Blvd. NE Atlanta. GA 30319

Citizenship: Delaware

Principal Business: Holding Company

Direct Ownership Interest: 100% of New Cingular Wireless Services, Inc.

New Cingular Wireless Services, Inc.

2200 N. Greenville Ave, 1W

Richardson, TX 75082 Citizenship: Delaware

Principal Business: Provision of CMRS Services

Direct Ownership Interest: 42% of AT&T Mobility II LLC

SBC Long Distance, LLC

208 S. Akard Street Dallas, TX 75202 Citizenship: Delaware

Principal Business: Holding Company

Direct Ownership Interest: 50% of AT&T Mobility LLC

SBC Telecom, Inc. 208 S. Akard Street Dallas, TX 75202 Citizenship: Delaware

Direct Principal Business: Holding Company

Direct Ownership Interest: 100% of SBC Long Distance, LLC, 60% of AT&T NCWS

Holdings Inc., and 9% of AT&T Mobility LLC

AT&T Inc.

208 S. Akard Street Dallas, TX 75202 Citizenship: Delaware

Principal Business: Holding Company

Direct Ownership Interest: 100% of AT&T Teleholdings, Inc. and 100% of BellSouth

Mobile Data, Inc.

AT&T is a publicly traded corporation whose stock is widely held by the public with no person or entity holding a ten percent or greater ownership interest in AT&T.

Answer to Question 12 – Section 63.18(h)

Lake Mobility does not have any interlocking directorates.

The following persons are officers or directors of AT&T and are also officers or directors of one or more foreign carriers:

Jeff McElfresh, President-Mexico of AT&T Mexico, LLC, and Michael J. Viola, Senior Vice President - Finance of AT&T Inc., are directors of both América Móvil, S.A.B. de C.V. ("América Móvil") and Teléfonos de México, S.A.B. de C.V. ("Telmex"). América Móvil is a carrier or controls carriers in Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, México, Nicaragua, Panama, Paraguay, Peru, the United States, and Uruguay. Telmex is a carrier or controls carriers in Mexico and the United States.

The following persons are officers or directors of one or more of the following: AT&T NCWS Holdings Inc., New Cingular Wireless Services, Inc., New Cingular Wireless PCS, LLC, AT&T Mobility II LLC, AT&T Mobility LLC, AT&T Mobility Corporation, AT&T Teleholdings, Inc., SBC Long Distance, LLC, SBC Telecom, Inc., BellSouth Mobile Data, Inc., and AT&T Inc. and are also officers or directors of one or more of the following foreign carriers: BellSouth Long Distance, Inc., which is a carrier in Canada; AT&T Global Network Services International, Inc., which is a carrier in Israel, New Zealand, and Pakistan; AT&T Global Network Services Norge LLC, which is a carrier in Norway; and AT&T Global Network Services Venezuela LLC, which is a carrier in Venezuela. Charlie Bolton is President and Manager of SBC Long Distance, LLC, President and a Director of SBC Telecom, Inc., and President of BellSouth Long Distance, Inc. George Goeke, Assistant Treasurer of AT&T Inc., is Vice President and Treasurer of BellSouth Long Distance, Inc. and is a Director and Treasurer of AT&T Global Network Services International, Inc., AT&T Global Network Services Norge LLC, and AT&T Global Network Services Venezuela LLC. Elaine Lou is Assistant Treasurer of SBC Long Distance, LLC, SBC Telecom, Inc., BellSouth Long Distance, Inc., AT&T Global Network Services International, Inc., AT&T Global Network Services Norge LLC, and AT&T Global Network Services Venezuela LLC. Jeston Dumas is Treasurer of SBC Long Distance, LLC and SBC Telecom, Inc. and Assistant Treasurer of BellSouth Long Distance, Inc., AT&T Global Network Services International, Inc., AT&T Global Network Services Norge LLC, and AT&T Global Network Services Venezuela LLC. Teresa G. Blizzard is Assistant Secretary of AT&T Mobility Corporation, BellSouth Mobile Data, Inc., New Cingular Wireless Services, Inc. and AT&T NCWS Holdings, Inc., Director-Taxes of SBC Long Distance, LLC and SBC

⁴ América Móvil, S.A.B. de C.V., Annual Report (Form 20-F) at 15 (Apr., 30, 2013).

Teléfonos de México, S.A.B. de C.V., Annual Report (Form 20-F) at 13 (Apr. 26, 2012). AT&T has relied upon América Móvil's and Telmex's SEC filings to identify the countries where América Móvil or Telmex is a carrier or controls carriers. There may be subsequent developments not reflected in those SEC filings.

Telecom, Inc., and is Vice President - Taxes of BellSouth Long Distance, Inc. Tod A. Clarno is Assistant Vice President-Tax of AT&T Mobility Corp., AT&T NCWS Holdings, Inc., New Cingular Wireless Services, Inc. and AT&T Teleholdings Inc. and a Director of AT&T Global Network Services International, Inc., AT&T Global Network Services Norge LLC, and AT&T Global Network Services Venezuela LLC. Karen M. Diorio is Assistant Secretary of AT&T Global Network Services International, Inc., AT&T Global Network Services Norge LLC, and AT&T Global Network Services Venezuela LLC, Director of Tax of SBC Long Distance, LLC, SBC Telecom, Inc., and AT&T Teleholdings, Inc. Jeffrey Tutnauer is Assistant Secretary of AT&T Global Network Services International, Inc., AT&T Global Network Services Norge LLC, and AT&T Global Network Services Venezuela LLC, Assistant Vice President – Taxes of BellSouth Long Distance, Inc.

Answer to Question 13 – Narrative of Assignment and Public Interest Statement

Please see Exhibit 1 hereto for the description of the transaction and public interest statement.

Answer to Question 14 - Section 63.18(i)

Lake Mobility certifies that it is not a foreign carrier, as that term is defined by Section 63.09 of the Commission's rules, 47 C.F.R. § 63.09. Lake Mobility certifies that, through AT&T's controlling interest in Lake Mobility, it will be affiliated with the following foreign carriers:

ATOTO ' ' C ' A ' CDI	A
AT&T Communications Services Argentina S.R.L.	Argentina
AT&T Global Network Services Australia Pty. Ltd.	Australia
AT&T Global Network Services Austria GmbH	Austria
AT&T Global Network Services Belgium	Belgium
Luxembourg S.P.R.L.	
AT&T Global Network Services Brazil Ltda.	Brazil
AT&T Global Network Services Bulgaria Ltd.	Bulgaria
AT&T Global Services Canada Co.	Canada
AT&T Enterprises Canada Co.	Canada
BellSouth Long Distance, Inc.	Canada
AT&T Chile SA	Chile
AT&T Global Network Services Colombia (Ltda.)	Colombia
AT&T Global Network Services Hrvatska d.o.o.	Croatia
AT&T Global Network Services Czech Republic s.r.o.	Czech Republic
AT&T Global Network Services Ltd.	Cyprus
AT&T Global Network Services Danmark ApS	Denmark
AT&T Global Network Services Ecuador Cia. Ltda.	Ecuador
AT&T Global Network Services Estonia Ou	Estonia
AT&T Global Network Services Finland Oy	Finland
AT&T Global Network Services France SAS	France

AT&T Global Network Services Deutschland GmbH	Cormony
	Germany
AT&T Global Network Services (Hellas) E.P.E. (Limited) AT&T Servicios de Comunicaciones de Guatemala SA	Greece Guatemala
AT&T Global Network Services Hong Kong Limited	Hong Kong
AT&T Global Network Services Hungary Kft AT&T Global Network Services Private Limited	Hungary India
AT&T Global Network Services Frivate Limited AT&T Global Network Services Ireland Limited	Ireland
PT AT&T Global network Services Indonesia	
AT&T Global Network Services International Inc.	Indonesia Israel
AT&T Global Network Services Italia S.p.A.	Italy
AT&T Japan KK	Japan
AT&T Japan LLC	Japan
AT&T GNS Korea Limited (Yuhan Hoesa)	Korea
AT&T Global Network Services Latvia SIA	Latvia
UAB AT&T Lietuva (Lithuania)	Lithuania
AT&T Global Network Services Belgium	Luxembourg
Luxembourg S.P.R.L. (Branch Office)	
AT&T Worldwide Network Services (Malaysia) Sdn. Bhd.	Malaysia
AT&T Global Network Services Mexico S. de R.L. de C.V.	Mexico
AT&T Global Network Services Morocco sarl au	Morocco
AT&T Global Network Services Nederland B.V.	Netherlands
AT&T Global Network Services International Inc.	New Zealand
AT&T Global Network Services Norge LLC	Norway
AT&T Global Network Services International Inc.	Pakistan
AT&T Communications Services de Panama S. de R.L.	Panama
AT&T Global Network Services del Peru S.R.L.	Peru
AT&T Global Network Services Polska Sp. z.o.o.	Poland
AT&T Serviços de Telecomunicaçues,	Portugal
Sociedade Unipessoal, Lda.	
AT&T Global Network Services Romania S.R.L.	Romania
AT&T Global Network Services OOO	Russia
AT&T Worldwide Telecommunications Services	Singapore
Singapore Pte Ltd.	
AT&T Global Network Services Slovakia s.r.o.	Slovakia
AT&T Globalne Omrezne Storitve d.o.o.	Slovenia
AT&T South Africa (Proprietary) Limited	South Africa
AT&T Global Network Services Espana, S.L.	Spain
AT&T Global Network Services Sweden AB	Sweden
AT&T Global Network Services Switzerland GmbH	Switzerland
AT&T Global Network Services Taiwan Ltd.	Taiwan
AT&T Worldwide Services (Thailand) Limited	Thailand
AT&T Global Iletism Servisleri Limited Sirteki Ltd. STI	Turkey
AT&T Global Network Services (UK) B.V.	United Kingdom

Answer to Question 15 - Section 63.18(j)

Pursuant to Section 63.18(j) of the Commission's rules, 47 C.F.R. § 63.18(j), Lake Mobility certifies that it is not a foreign carrier. AT&T holds controlling interests in certain foreign carriers in destination countries where its subsidiaries provide international service. These carriers and the countries where they provide service are described above in the answer to Question 14.

Answer to Question 16 - Section 63.10

Pursuant to Section 63.10 of the Commission's rules, 47 C.F.R. § 63.10, Lake Mobility qualifies for non-dominant classification on the routes between the United States and all the above-listed countries because the affiliates in these countries have no market power on the foreign end of any of these routes. All of the above-listed affiliates have market shares under 50 percent in any relevant market on the foreign end of U.S. routes to these countries. Therefore, because all these companies lack 50 percent market share in the international transport and the local access markets in their respective foreign markets, and none is listed on the Commission's List of Foreign Telecommunications Carriers that Are Presumed to Possess Market Power in Foreign Telecommunications Markets, Lake Mobility is presumptively classified as non-dominant on these routes.

Answer to Question 18 - Section 63.18(k)

In accordance with Section 63.18(k)(1) of the Commission's rules, 47 C.F.R. § 63.18(k)(1), Lake Mobility certifies that all of the countries listed in its response to Question 15 (therein referencing its response to Question 14) are WTO Member countries.⁷

Answer to Question 20 - Section 63.18(p)

The parties to this Application request streamlined processing of it pursuant to Section 63.12 of the Commission's rules, 47 C.F.R. §63.12. While Lake Mobility will be affiliated with foreign carriers in destination markets, Lake Mobility qualifies for a presumption of non-dominance under Section 63.10(a)(3) of the Commission's rules, 47 C.F.R. §63.10(a)(3), as set forth in the Answer to Question 16. Accordingly, streamlined process is appropriate pursuant to Section 63.12(c)(1)(ii).

⁶ See 47 C.F.R. § 63.10(a)(3).

See http://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm (last visited May 14, 2013).

EXHIBIT 1

DESCRIPTION OF TRANSACTION AND PUBLIC INTEREST STATEMENT

I. Description of Transaction

AT&T Mobility Spectrum LLC ("Mobility Spectrum") and New Cingular Wireless PCS, LLC ("New Cingular"), both indirect wholly-owned subsidiaries of AT&T Inc. (collectively with Mobility Spectrum and New Cingular, "AT&T"), together with Wisconsin RSA #7 Limited Partnership d/b/a Element Mobile ("Wisconsin 7 Partnership"), hereby seek Commission consent to the assignment and/or lease of licenses¹ (the "Contributed Licenses") to a newly-formed entity, Lake Mobility LLC ("Lake Mobility").²

Post-consummation of the instant transaction, Lake Mobility will be directly owned and controlled by New Cingular by virtue of the fact that it will hold 59.9 percent of Lake Mobility's membership interests. No other person or entity will hold a 10 percent or greater interest in Lake Mobility.³ The Contributed Licenses are described in more detail in Exhibit 2. The Contributed Licenses are not subject to unjust enrichment or transfer restrictions. The Parties respectfully submit that Commission approval of the proposed transaction will serve the public interest, convenience and necessity and request that the Commission expeditiously grant this transaction.

II. Commission Approval of the Proposed Transaction is in the Public Interest

Under Section 310(d) of the Communications Act of 1934, as amended, a license may be transferred where the Commission finds "that the public interest, convenience and necessity will be served thereby." This standard involves a balancing process that weighs the potential public

Lake Mobility LLC will lease spectrum from AT&T as described in Exhibit 2 to this application. Question 3 of Schedule E of FCC Form 608 for the *de facto* transfer lease application being filed as part of this transaction requests a lease commencement date on the "FCC Grant Date." It is the intention of the parties to this transaction that each of the leases will actually become effective on the date that the parties consummate the transaction that involves the assignment of the Contributed Licenses and the partial assignments of International Section 214 authorizations.

Because this transaction will involve the transition of customers, AT&T and the Wisconsin 7 Partnership (or affiliates of these companies) will be filing applications for consent to the partial assignment of various international section 214 authorizations.

At the closing of the transaction described herein, 7 individual limited partners of Wisconsin 7 Partnership will obtain membership interests in Lake Mobility that in the aggregate will represent 40.1 percent of Lake Mobility's membership interests. No such individual member will hold 10% or more of the membership interests in Lake Mobility and there are no common ownership interests among those members.

⁴⁷ U.S.C. § 310(d); see Applications of AT&T Inc. and Dobson Communications Corporation For Consent to Transfer Control of Licenses and Authorizations, Memorandum Opinion and Order, 22 FCC Rcd 20295, at ¶ 2 (2007) ("AT&T-Dobson Order"); Applications of Midwest Wireless Holdings, L.L.C. and Alltel Communications, Inc. For Consent to Transfer Control of Licenses and Authorizations, Memorandum Opinion and Order, 21 FCC Rcd 11526, 11535 (2006) ("Alltel-Midwest Order"); Applications of Nextel Communications, Inc. and Sprint Corporation For Consent to Transfer Control of Licenses and Authorizations, Memorandum Opinion and Order, 20 FCC Rcd 13967, 13976 (2005) ("Sprint-Nextel Order"); Applications of Western Wireless Corporation and Alltel Corporation For Consent to Transfer Control of Licenses and Authorizations, Memorandum Opinion and Order, 20 FCC Rcd 13053, 13062 (2005) ("Alltel-Western Order"); Applications of AT&T Wireless Services, Inc. and Cingular Wireless Corp. For Consent to Transfer Control of Licenses and Authorizations, Memorandum Opinion and Order, 19 FCC Rcd 21522, 21542 (2004) ("Cingular-AT&T Wireless Order"); Applications for Consent to the

interest benefits of the proposed transaction against any potential harm.⁵ As demonstrated below, this transaction does not pose any harm and will benefit wireless consumers. In particular, by acquiring control of the spectrum described in Exhibit 2 whether by assignment or lease, Lake Mobility will be able to offer superior network capacity to enhance the scope and depth of services offered to customers, something the two separate companies could not do as effectively on their own.⁶

In evaluating assignment applications under Section 310(d), the Commission focuses on whether the proposed assignee is qualified to hold Commission licenses. The qualifications of AT&T, the entity controlling Lake Mobility, to hold and control Commission licenses are matters of public record. The Commission has properly found that the qualifications of AT&T to hold Commission licenses is well-settled and that there is no reason to re-evaluate them in each proposed license assignment. No other entity will have a 10 percent or greater interest in Lake Mobility post-closing. Therefore, there is no question that Lake Mobility possesses the qualifications required to operate and control the Contributed Licenses.

The Commission has determined that applications that demonstrate on their face that a transaction will yield affirmative public interest benefits and will neither violate the Act or Commission rules, nor frustrate or undermine policies and enforcement of the Act by reducing competition or otherwise, ¹⁰ do not require extensive review and expenditure of considerable

Assignment of Licenses Pursuant to Section 310(d) of the Communications Act from NextWave Personal Communications, Inc., Debtor-in-Possession, to Subsidiaries of Cingular Wireless LLC, Memorandum Opinion and Order, 19 FCC Rcd 2570, 2580 ("Cingular-NextWave Order").

- ⁵ AT&T-Dobson Order at ¶ 10; Alltel-Midwest Order, 21 FCC Rcd at 11535; Sprint-Nextel Order, 20 FCC Rcd at 13976; Alltel-Western Order, 20 FCC Rcd at 13062-63; Cingular-AT&T Wireless Order, 19 FCC Rcd at 21543; Cingular-NextWave Order, 19 FCC Rcd at 2580-81.
- See, e.g., AT&T-Dobson Order at ¶ 79; Cingular-AT&T Wireless Order, 19 FCC Rcd at 21602; Cingular-NextWave Order, 19 FCC Rcd at 2585; see also Alltel-Midwest Order, 21 FCC Rcd at 11566-68.
- AT&T-Dobson Order at ¶ 11; Alltel-Midwest Order, 21 FCC Rcd at 11537; Sprint-Nextel Order, 20 FCC Rcd at 13979; Alltel-Western Order, 20 FCC Rcd at 13063; Cingular-AT&T Wireless Order, 19 FCC Rcd at 21546; Cingular-NextWave Order, 19 FCC Rcd at 2581.
- See, e.g., AT&T-Dobson Order at ¶ 11; AT&T Inc. and BellSouth Corporation Application for Transfer of Control, Memorandum Opinion and Order, 22 FCC Rcd 5662, 5758 (2007) ("AT&T-BellSouth Order"); Cingular-AT&T Wireless Order at 21548-51; Cingular-NextWave Order at 2583 & n.112; Applications of SBC Communications, Inc. and BellSouth Corporation (For Consent to Transfer Control or Assignment of Licenses and Authorizations), Memorandum Opinion and Order, 15 FCC Rcd 25459, 25463-66 (WTB/IB 2000) ("SBC-BellSouth Order").
- See, e.g., Application of New Cingular Wireless PCS, LLC and D&E Investments, Inc. For Consent to Assign Lower 700 MHz C Block Licenses, Order, DA 12-232, ¶ 5 (WTB 2012) ("AT&T/D&E Order") ("No issues have been raised in this proceeding with respect to the basic qualifications of the proposed assignee, AT&T, which has previously and repeatedly been found qualified, through its subsidiaries, to hold Commission licenses. We therefore find that there is no reason to re-evaluate the basic qualifications of AT&T.").
- See Applications for Consent to the Transfer of Control of Licenses and Section 214 Authorizations from Telecommunications, Inc., Transferor to AT&T Corp., Transferee, Memorandum Opinion and Order, 14 FCC Rcd 3160, 3170 (1999); Ameritech Corp., Transferor, and SBC Communications Inc., Transferee, For Consent to Transfer Control of Corporations Holding Commission Licenses and Lines Pursuant to Sections 214 and 310(d) of

resources by the Commission.¹¹ This transaction meets this standard and should thus be granted promptly.

A. The Proposed Transaction Serves the Public Interest

Commission approval of the proposed transaction will promote the public interest. Through combining the resources of AT&T and the Wisconsin 7 Partnership, Lake Mobility will be able to achieve greater operational efficiencies and offer improved, more robust and advanced services to meet the needs of new and existing subscribers. ¹² Specifically, the spectrum to be licensed to or leased by Lake Mobility, will enable it to offer a higher capacity system than would otherwise be the case if the Contributed Licenses were operated by their respective individual licensees, enhance existing services, better accommodate overall growth, and facilitate the provision of additional products and services to the public in the geographic area encompassed by this proposed transaction. ¹³

B. The Proposed Transaction Creates No Competitive Harm

The proposed transaction will have no adverse competitive effects. It will neither cause an overall aggregation of spectrum that would pose an anticompetitive risk nor reduce actual competition in any meaningful way for a variety of reasons. ¹⁴

the Communications Act and Parts 5, 22, 24, 25, 63, 90, 95 and 101 of the Commission's Rules, Memorandum Opinion and Order, 14 FCC Rcd 14712, at 14740-42 (1999) ("Ameritech/SBC").

- See Ameritech/SBC, 14 FCC Rcd at 14740-42.
- Transactions that give rise to these results have been found by the Commission to be in the public interest. See AT&T-Dobson Order at ¶¶ 79, 83; Cingular-AT&T Wireless Order, 19 FCC Rcd at 21602-04, 21607; Cingular-NextWave Order, 19 FCC Rcd at 2585; Applications of Northcoast Communications, LLC and Cellco Partnership d/b/a Verizon Wireless For Consent to Assignment of Licenses, Memorandum Opinion and Order, 18 FCC Rcd 6490, 6493 (WTB/CWD 2003) ("VZW-Northcoast Order").
- Among other things, the Commission's public interest calculus takes into consideration the extent to which the transaction will accelerate the "deployment of advanced services" and "affect the quality of communications services or will result in the provision of new or additional services to consumers." *AT&T-Dobson Order* at ¶ 12; *Alltel-Western Order*, 20 FCC Rcd at 13064-65; *Cingular-AT&T Wireless Order*, 19 FCC Rcd at 21544.
- In evaluating the competitive effects of proposed transactions, the Commission considers the relevant product market and geographic market. With respect to the domestic wireless markets, the Commission has defined the relevant product market as mobile telephony services. See AT&T-Dobson Order at ¶ 17. Spectrum suitable for mobile telephony includes cellular, PCS, SMR and 700 MHz spectrum. Id. at ¶¶ 17, 30. The Commission has also found that 20 megahertz of WCS spectrum are "suitable and available for the provision of mobile telephony/broadband services and should therefore be added to the spectrum screen." See Applications of AT&T Mobility Spectrum LLC, New Cingular Wireless PCS, LLC, Comcast Corporation, Horizon Wi-Com, LLC, NextWave Wireless, Inc., and San Diego Gas & Electric Company For Consent to Assign and Transfer Licenses, Memorandum Opinion and Order, FCC 12-156, at ¶ 31 (2012) ("AT&T/WCS Licensees Order"). The Commission has further held that, where available, it will include AWS-1 and BRS spectrum in its evaluation of the competitive effects of proposed transactions. Applications of Cellco Partnership d/b/a Verizon Wireless and Atlantis Holdings LLC For Consent to Transfer Control of Licenses, Authorizations, and Spectrum Manager and De Facto Transfer Leasing Arrangements and Petition for Declaratory Ruling that the Transaction is Consistent with Section 310(b)(4) of the Communications Act, Memorandum Opinion and Order and Declaratory Ruling, FCC 08-258, at ¶¶ 62-70 (Nov. 10, 2008) ("Verizon Wireless-ALLTEL Order"). The Commission has defined the relevant geographic market

The proposed transaction will not cause an aggregation of spectrum that would pose an anticompetitive risk because post-closing, AT&T will not exceed the Commission's existing initial spectrum "screen" as a result of this transaction. ¹⁵

The proposed transaction will not reduce actual competition in any meaningful way in this market. To the contrary, the transaction will "preserv[e] and enhance[e] competition." In fact, the proposed transaction will enhance competition by enabling Lake Mobility to be a more effective competitor, while preserving meaningful competition in this market. The transaction will not result in public interest harm in mobile telephony markets "because there will be a continuing presence of multiple other substantial carriers in each overlap market with the capacity to add subscribers and the ability to add capacity." As shown in Exhibit 4, there will continue to be numerous licensed providers in this market. As a result, this transaction "is unlikely to result in collusive behavior or create 'unilateral' market power" on the part of Lake Mobility. ¹⁸

C. Subscriber Transition

As noted above, this transaction involves the transition of subscribers from AT&T and the Wisconsin 7 Partnership to Lake Mobility, an entity controlled by AT&T. Lake Mobility expects to create rate plans that will be substantially similar to the existing rate plans for the vast majority of transitioned postpaid subscribers. Subscribers on rate plans for which Lake Mobility creates substantially similar plans can remain on those substantially similar plans for the duration of their existing contracts. Subscribers on any plans for which Lake Mobility does not create a substantially similar plan can choose another plan offered by Lake Mobility or terminate service with no early termination fee.

III. Conclusion

As demonstrated above, AT&T and the Wisconsin 7 Partnership are well-qualified to form Lake Mobility as described herein and to acquire, control and/or make beneficial public use of the spectrum proposed to be assigned and/or leased in this transaction. In addition, as set forth above, the proposed transaction will not adversely affect competition. Indeed, grant of this

as the area "within which a customer is most likely to shop for mobile telephony service." *Id.* at 25; *see also Cingular-AT&T Wireless Order*, 19 FCC Rcd at 21563 ("[T]he appropriate definition of the relevant geographic market is neither national, on the one hand, nor as small as a county on the other.").

See AT&T/WCS Licensees Order at n. 94 ("Our modified spectrum screen is triggered where the Applicants would have, on a market-by-market basis: 102 megahertz or more of cellular, PCS, SMR, 700 MHz, and WCS spectrum, where neither BRS nor AWS-1 spectrum is available; 121 megahertz or more of spectrum, where BRS spectrum is available, but AWS-1 spectrum is not available; 132 megahertz or more of spectrum, where AWS-1 spectrum is available, but BRS spectrum is not available; or 151 megahertz or more of spectrum where both AWS-1 and BRS spectrum are available.").

AT&T-Dobson Order at ¶ 12; Sprint-Nextel Order, 20 FCC Rcd at 13977; Alltel-Western Order, 20 FCC Rcd at 13064; Cingular-AT&T Wireless Order, 19 FCC Rcd at 21544.

See Sprint-Nextel Order, 20 FCC Rcd at 13969.

¹⁸ See id.

FCC Form 603 Exhibit 1 Page 5

application will promote competition and will otherwise serve the public interest, convenience and necessity. For these reasons, prompt Commission approval of this transaction is warranted.