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SUNTRUST BANK

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ARNOLD & PORTER

555 Twelfth Street, N.W.
Washington, D.C. 20004-1202

Streamlined ITC-T/C-20000731-00448
SBC COMMUNICATIONS INC.

PAY SEVEN HUNDRED EIGHTY & NO/100

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THE
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ARNOLD & PORTER

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Invoice: 072700a 07/27/2000 Amount: 780.00
Transfer of control to Radiofone Filing Fees

101605

ARNOLD & PORTER

555 TWELFTH STREET, N.W.
WASHINGTON, D.C. 20004-1206

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NEW YORK

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LOS ANGELES

LONDON

PHILIP W. HORTON
(202) 942-5787
INTERNET: Philip_Horton@aporter.com

July 31, 2000

RECEIVED

Federal Communications Commission
International Bureau - Telecommunications

AUG 03 2000

P.O. Box 358115
Pittsburgh, PA 15251-5115

Telecom Division
International Bureau

Re: Application of SBC Communications Inc. and ALLTEL
Communications, Inc. for Authority, Pursuant to Section 214
of the Communications Act of 1934, as Amended, to Transfer Control
of the International Section 214 Authorizations Applied for by
Radiofone, Inc. and Baton Rouge Cellular Telephone Company

Dear Sir/Madam:

Enclosed for filing please find an original and five copies of the application of
SBC Communications Inc, ALLTEL Communications, Inc., Radiofone, Inc. and Baton
Rouge Cellular Telephone Company for authority pursuant to Section 214 of the
Communications Act, 47 U.S.C. § 214, and Section 63.18 of the Commission's Rules, 47
C.F.R. § 63.18, to transfer control of certain applications for international Section 214
authorization. Also enclosed is a check payable to the Federal Communications
Commission in the amount of \$780.00 for the prescribed filing fee.

Please note that the applicants are requesting streamlined processing of this
Section 214 application, pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R.
§ 63.12.

As indicated in the application, please direct questions or correspondence
concerning SBC Communications Inc., Radiofone, Inc. and Baton Rouge Cellular
Telephone Company's portions of this application to:

ARNOLD & PORTER
Federal Communications Commission
July 31, 2000
Page 2

Wayne Watts
Vice President and Assistant General Counsel
SBC Communications Inc.
175 E. Houston
San Antonio, TX 78205
210-351-3476 (voice)
210-351-3257 (facsimile)

Please direct questions or correspondence concerning ALLTEL Communications,
Inc.'s portion of this application to:

Glenn S. Rabin
Assistant Vice President – Federal Regulatory Affairs
ALLTEL Corporation
601 Pennsylvania Avenue, N.W., Suite 720
Washington, DC 200004
202-783-3976 (voice)
202-783-3982 (facsimile)

Thank you for your assistance.

Sincerely,

A handwritten signature in cursive script that reads "Philip W. Horton" followed by a large, stylized flourish that resembles the letters "PHO".

Philip W. Horton

Enclosures

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589
Page No 1 of 1

(1) LOCKBOX # 385115

SPECIAL USE
FCC USE ONLY

SECTION A - PAYER INFORMATION

| | | | |
|--|--|---|--|
| (2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card) | | (3) TOTAL AMOUNT PAID (U.S. Dollars and cents) | |
| ARNOLD & PRIORITY | | 718101.0101 | |
| (4) STREET ADDRESS LINE NO. 1 | | (7) STATE | |
| 5555 TWENTYFIFTH STREET REEFTNW | | DC | |
| (5) STREET ADDRESS LINE NO. 2 | | (8) ZIP CODE | |
| | | 2010104 | |
| (6) CITY | | (9) DAYTIME TELEPHONE NUMBER (include area code) | |
| WASHINGTON | | 202942-5520 | |
| (10) COUNTRY CODE (if not in U.S.A.) | | FCC REGISTRATION NUMBER (FERN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED | |
| | | (11) PAYER (FERN) | |
| | | (12) PAYER (TIN) | |
| | | 530208605 | |

IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)

| | |
|---|--------------------------------------|
| (13) APPLICANT NAME | |
| SBCI COMMUNICATIONS INC | |
| (14) STREET ADDRESS LINE NO. 1 | (17) STATE |
| 175 EAST HOUSTON | TX |
| (15) STREET ADDRESS LINE NO. 2 | (18) ZIP CODE |
| | 78205 |
| (19) DAYTIME TELEPHONE NUMBER (include area code) | (20) COUNTRY CODE (if not in U.S.A.) |
| 210351-3476 | 111 |
| FCC REGISTRATION NUMBER (FERN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED | |
| (21) APPLICANT (FERN) | (22) APPLICANT (TIN) |
| | 431301833 |

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

| | | |
|--------------------------|-------------------------|----------------|
| (23A) CALL SIGN/OTHER ID | (24A) PAYMENT TYPE CODE | (25A) QUANTITY |
| | CTT | 1 |
| (26A) FEE DUE FOR (PTC) | (27A) TOTAL FEE | FCC USE ONLY |
| 7801.00 | 7801.00 | |
| (28A) FCC CODE 1 | (29A) FCC CODE 2 | |
| | | |
| (23B) CALL SIGN/OTHER ID | (24B) PAYMENT TYPE CODE | (25B) QUANTITY |
| | | |
| (26B) FEE DUE FOR (PTC) | (27B) TOTAL FEE | FCC USE ONLY |
| | | |
| (28B) FCC CODE 1 | (29B) FCC CODE 2 | |
| | | |

SECTION D - CERTIFICATION

(30) CERTIFICATION STATEMENT
I, MATY M. DIXON, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.
SIGNATURE *Maty Dixon* DATE 1/31/00

SECTION E - CREDIT CARD PAYMENT INFORMATION

| | | |
|---|--------------------------------|------------|
| (31) <input type="checkbox"/> MASTERCARD | MASTERCARD/VISA ACCOUNT NUMBER | EXPIRATION |
| <input type="checkbox"/> VISA | | |
| I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s)/authorization herein described. SIGNATURE _____ DATE _____ | | |

Telephone Company (“Baton Rouge”). The Applicants seek streamlined processing for this application pursuant to Section 63.12 of the Commission’s Rules.

In support of this application, the Applicants submit the following information.

I. INTRODUCTION AND DESCRIPTION OF THE PARTIES AND TRANSACTION

Radiofone and Baton Rouge applied for international Section 214 authority to provide global international resale services between the contiguous United States, Hawaii, the Commonwealth of Puerto Rico (“Puerto Rico”) and the United States Virgin Islands and all international points.² The authorizations for Section 214 authority applied for by Radiofone and Baton Rouge are pending and are a part of a transaction in which SBC is transferring control of certain CMRS systems, and their corresponding FCC authorizations, to ALLTEL.³ This transaction will allow ALLTEL, one of the nation’s leading CMRS providers, to expand its wireless footprint to better serve its customers. As demonstrated herein, the proposed transfer of control will serve the public interest, convenience and necessity.

A. The Parties

ALLTEL is a Delaware corporation that is an indirect wholly owned subsidiary of ALLTEL Corporation (“ALLTEL Corp.”). ALLTEL’s primary business is the provision of CMRS telecommunications services. ALLTEL Corp., a Delaware corporation, is a diversified telecommunications and information services holding company. ALLTEL Corp.

² These applications for international Section 214 authorization were filed with the Commission on May 16, 2000 and July 21, 2000, respectively.

³ Applications to transfer control of these Title III licenses are being filed concurrently with this application.

subsidiaries specialize in offering a full array of communications services to mid-sized cities and rural areas. Service offerings include CMRS (*i.e.*, paging, cellular, and PCS), local wireline services (including competitive local exchange ("CLEC") services), long distance services, data services, and Internet access services. These services are backed by quality, personalized service, and proven state-of-the-art technologies. ALLTEL Corp., through various subsidiaries and affiliates, serves approximately 5.8 million wireless subscribers, most significantly in the Southeast region of the nation.

SBC's principal businesses consist of local exchange, wireless and directory publishing services provided by operating subsidiaries of SBC. SBC has foreign affiliations within the meaning of Section 63.09(e) of the Commission's Rules⁴ with carriers in South Africa, Switzerland, Hungary, Norway, the Netherlands, Denmark, Germany, Canada, Lithuania and Belgium. SBC's subsidiaries hold a number of international Section 214 authorizations, which are described more fully below.

B. The Transaction

SBC and ALLTEL have entered into an agreement in which SBC will transfer control of Radiofone and Baton Rouge to ALLTEL. Following consummation of the transaction, Radiofone and Baton Rouge will be controlled by ALLTEL. The proposed transaction is described in detail in Exhibit 1 attached hereto.

II. PUBLIC INTEREST CONSIDERATIONS

The proposed transfer of control will serve the public interest, convenience and necessity. As described fully in Exhibit 1, the Commission has previously found ALLTEL

to be qualified to hold Commission authorizations. The proposed transfer of control to ALLTEL will result in public interest benefits and will not trigger anti-competitive effects. Moreover, the transfer of control of the international Section 214 authorizations applied for by Radiofone and Baton Rouge are incidental to this larger transaction. The Commission's grant of the instant application is essential to preserve international calling capabilities in the affected markets. Failure to grant this request would not only deprive customers in these markets of critical calling capabilities on which they have come to rely, but it would also reduce the ability of these systems to fully and fairly compete in the telecommunications marketplace.

Because the proposed transfer of control is in the public interest, convenience and necessity and otherwise complies with applicable law and regulations, the Applicants respectfully request that the Commission grant this Application expeditiously.

III. OTHER INFORMATION PROVIDED PURSUANT TO SECTION 63.18 OF THE COMMISSION'S RULES

The Applicants hereby submit the information required under Section 63.18 of the Commission's Rules, 47 C.F.R. §§ 63.18(a)-(p), and in support of the Applicants' request. The information set forth below is labeled according to the corresponding rule section to which it is responsive.

Section 63.18(a) Identifying Information. The names, addresses and telephone numbers of the Applicants are:

SBC Communications Inc.
175 E. Houston Street
San Antonio, TX 78205
(210) 351-3476

⁴ 47 C.F.R. § 63.09(e).

ALLTEL Communications, Inc.

One Allied Drive
Little Rock, AK 72203
(501) 905-8500

Radiofone, Inc.

17330 Preston Road
Suite 100A
Dallas, TX 75252
(972) 733-2092

Baton Rouge Cellular Telephone Company

17330 Preston Road
Suite 100A
Dallas, TX 75252
(972) 733-2092

Section 63.18 (b) State of Organization. SBC is a corporation organized under the laws of the State of Delaware. ALLTEL is a corporation organized under the laws of the State of Delaware.

Section 63.18 (c) Contact Information. All correspondence concerning this application should be addressed to:

For SBC, Radiofone and Baton Rouge:

Wayne Watts
V.P. & Assistant General Counsel
SBC Communications Inc.
175 E. Houston Street
San Antonio, TX 78205
(210) 351-3476 (voice)
(210) 351-3257 (fax)

with a copy to

Philip Horton
Arnold & Porter
555 12th Street, N.W.
Washington, DC 20004
(202) 942-5787 (voice)
(202) 942-5999 (fax)

For ALLTEL:

Glenn S. Rabin
Assistant Vice President -- Federal Regulatory Affairs
ALLTEL Corporation
601 Pennsylvania Avenue, NW, Suite 720
Washington, DC 20004
(202) 783-3976 (voice)
(202) 783-3982 (fax)

with a copy to

Cheryl A. Tritt, Esq.
Morrison & Foerster LLP
2000 Pennsylvania Avenue, NW, Suite 5500
Washington, DC 20006
(202) 887-1500 (voice)
(202) 887-0763 (fax)

Section 63.18(d) Existing Authorizations.

1. ALLTEL holds a Section 214 authorization to resell international switched telecommunications services. (FCC File No. ITC-95-526) (Public Notice of approval granted November 14, 1995). ALLTEL Corp., ALLTEL's indirect parent company, also holds Section 214 authorizations through the following subsidiaries:
 - a. FCC File No. ITC-214-19960321-00115 (360° Degree Communications Company) (public notice of approval granted May 20, 1996). Individual switched resale service authority.
 - b. FCC File No. ITC-96-222 (360° Long Distance Company) (public notice of approval granted May 31, 1996). Individual switched resale service authority.
 - c. FCC File No. ITC-214-19971117-00711 (Liberty Cellular, Inc.) (Public Notice of approval granted January 15, 1998). Global resale

service authority. In addition, Liberty Cellular, Inc. has two international Section 214 authorizations: (1) ITC-97-743 granted or effective on January 14, 1995; and (2) ITC-95-0006 granted or effective December 3, 1994.

d. FCC File No. ITC--214-19970219-00097 (KIN Network, Inc.) (Public Notice of approval granted April 4, 1997). Global resale service authority. Kin Network, Inc. also has a domestic Section 214 authorization to lease and operate facilities to aggregate traffic for telephone companies in Kansas. It is FCC File No. W-D-C6759 granted or effective June 10, 1992.

e. FCC File No. ITC-95-317 (Alliant Systems, Inc., originally granted in name of Lintel Systems, Inc.) (Public Notice of approval granted June 23, 1995). Resell international switched telecommunications services.

2. SBC's subsidiaries and affiliates currently hold the following international Section 214 authorizations to provide both resold and facilities-based switched (voice and data) and private line international services:

a. Ameritech Mobile Communications, Inc., FCC File No. ITC-214-19960418-00152 (public notice of approval, Report No. 1-8180, DA 96-933, June 13, 1996; effective June 10, 1996).⁵

⁵ This international section 214 authorization is the subject of a pending transfer of control application filed with the Commission on May 4, 2000, to transfer control of this authorization to Alloy LLC, a joint venture between SBC and BellSouth Corporation.

- b. CCPR Services, Inc., FCC File No. ITC-94-100 (public notice of approval, Report No. I-6941, March 16, 1994; effective March 13, 1994).⁶
- c. USVI Cellular Telephone Corporation, FCC File No. ITC-93-128 (public notice of approval, Report No. I-6796, May 12, 1993; effective May 8, 1993).⁷
- d. Southwestern Bell Communications Services-Massachusetts, Inc., FCC File No. ITC-96-496 (Oct. 25, 1996) (public notice of approval, DA 96-1796, Oct. 31, 1996; effective Oct. 25, 1996).
- e. Southwestern Bell Communications Services-Maryland, Inc., FCC File No. ITC-96-498 (public notice of approval, DA 96-1796, Oct. 31, 1996; effective Oct. 25, 1996).
- f. Southwestern Bell Communications Services-New York, Inc., FCC File No. ITC-96-499 (public notice of approval, DA 96-1796, Oct. 31, 1996; effective Oct. 25, 1996).
- g. Southwestern Bell Communications Services-Illinois, Inc., FCC File No. ITC-96-500 (Oct. 25, 1996) (public notice of approval, DA 96-1796, Oct. 31, 1996; effective Oct. 25, 1996).

⁶ This international section 214 authorization is the subject of a pending transfer of control application filed with the Commission on May 4, 2000, to transfer control of this authorization to Alloy LLC, a joint venture between SBC and BellSouth Corporation.

⁷ This international section 214 authorization is the subject of a pending transfer of control application filed with the Commission on May 4, 2000, to transfer control of this authorization to Alloy LLC, a joint venture between SBC and BellSouth Corporation.

- h. Southwestern Bell Communications Services, Inc., FCC File No. ITC-96-497 (public notice of approval, DA 96-1796, Oct. 31, 1996; effective Oct. 25, 1996).
- i. Southwestern Bell Communications Services, Inc., FCC File No. ITC-214-19971108-00689 (public notice, DA 99-1613, released August 13, 1999).
- j. Pacific Bell Communications, FCC File No. ITC-96-689 (public notice of approval, DA 97-327, Feb. 13, 1997; effective Feb. 7, 1997).
- k. SBC Global Communications, Inc., FCC File No. ITC-96-692 (order, authorization and certificate, DA 97-1928, Sept. 9, 1997; effective Sept. 5, 1997).
- l. SNET America, Inc., FCC File Nos. ITC-93-256 (public notice of approval, Report No. I-6858, Sept. 15, 1993), ITC-95-145 (public notice of approval, Report No. I-8030, Mar. 22, 1995; effective Mar. 17, 1995) and ITC-96-172 (public notice of approval, Report No. I-8171, DA 96-668, May 2, 1996; effective Apr. 26, 1996).
- m. SNET Diversified Group, Inc., FCC File No. ITC-96-538 (public notice of approval, Report No. I-8218, DA 96-1988, Nov. 27, 1996; effective Nov. 22, 1996).
- n. Ameritech Communications, Inc., FCC File No. ITC-96-272 (order, authorization and certificate, DA 96-1169, 11 FCC Rcd. 8685, July 24, 1996; effective July 19, 1996; memorandum, opinion and order

- removing interim separation safeguards, DA 97-1662, 12 FCC Rcd. 11654, August 4, 1997).
- o. Ameritech Communications, Inc., FCC File No. ITC-96-441 (public notice of approval, Report No. I-8202, DA 96-1551, Sept. 19, 1996; effective Sept. 13, 1996).
- p. Ameritech Communications, Inc., FCC File No. ITC-97-289 (public notice of approval, Report No. I-8251, DA 97-1442, July 10, 1997; effective July 9, 1997).
- q. Southwestern Bell Communications Services, Inc., FCC file No. ITC-214-20000301-00125 (public notice of approval, Report No. TEL-00212, DA 00-768, April 6, 2000; effective March 31, 2000).
- r. Southwestern Bell Communications Services, Inc. FCC file No. ITC-214-20000127-00027 (public notice of approval, DA 00-1474, June 30, 2000, effective June 30, 2000).
- s. Pacific Telesis Mobile Services, FCC file No. ITC-214-20000516-00368 (public notice of approval, DA 00-1614, July 20, 2000; effective July 14, 2000).
- t. SNET Mobility, Inc., FCC file No. ITC-214-20000516-00367 (public notice of approval, DA 00-1614, July 20, 2000; effective July 14, 2000).
3. SBC's subsidiaries and affiliates have applied for the following international Section 214 authorizations to provide global international resale services:

- a. SNET Cellular, Inc. has an application pending before the Commission requesting authority to provide global international resale services. This application was filed on May 16, 2000.
- b. SBC Wireless, Inc. has an application pending before the Commission requesting authority to provide global international resale services. This application was filed on May 16, 2000.
- c. Radiofone, Inc. has an application pending before the Commission requesting authority to provide global international resale services. FCC File No. ITC-214-20000516-00426. This application was filed on May 16, 2000 and is the subject application being transferred in this transaction.
- d. Baton Rouge Cellular Telephone Company has an application pending before the Commission requesting authority to provide global international resale services. FCC File No. ITC-214-20000721-00427. This application was filed on July 21, 2000 and is the subject application being transferred in this transaction.
- e. Houma-Thibodaux Cellular Partnership has an application pending before the Commission requesting authority to provide global international resale services. FCC File No. ITC-214-20000721-00430. This application was filed on July 21, 2000.
- f. Ameritech Wireless Communications, Inc. has an application pending before the Commission requesting authority to provide global

international resale services. FCC File No. ITC-214-2000720-00425.

This application was filed on July 20, 2000.

g. Eclipse PCS of Indianapolis, LLC has an application pending before the Commission requesting authority to provide global international resale services. FCC File No. ITC-214-20000720-00424. This application was filed on July 20, 2000.

Section 63.18(e) Authority Requested. Applicants are applying for authority under Section 63.18(e)(3), 47 C.F.R. § 63.18(e) of the Commission's Rules, to transfer control of Radiofone and Baton Rouge.

Section 63.18(f) Separate Applications. No response required.

Section 63.18(g) Categorical Exclusion of Facilities-Based Operations. The Applicants are not seeking facilities-based authority under Section 63.18(e)(4) of the Commission's Rules. 47 C.F.R. § 63.18(e)(4). Therefore, and in accord with Section 63.18(e)(3), Section 63.18(g) requires no response from the Applicants.⁸

Section 63.18(h) Transferee Ownership. ALLTEL is an indirect wholly owned subsidiary of ALLTEL Corporation ("ALLTEL Corp."). ALLTEL Corp. is a Delaware corporation with principal place of business of One Allied Drive, Little Rock, Arkansas 72203. ALLTEL Corp.'s phone number is (501) 905-8500. ALLTEL Corp. is a diversified publicly traded corporation with subsidiaries and affiliates providing landline telephone service, CMRS, and information services. The shares of ALLTEL Corp. are publicly traded on the New York Stock Exchange. No single entity or shareholder of ALLTEL Corp. holds a ten percent or greater ownership interest in the corporation. ALLTEL Corp. has no

⁸ See 47 C.F.R. §§ 63.18(e)(3) & 63.18(g).

interlocking directorates.

Section 63.18(i) Foreign Carrier Affiliations. By the attached certification, ALLTEL certifies that it is not affiliated with any foreign carrier.

Section 63.18(j) Destination Markets. By the attached certification, ALLTEL does not seek to provide international telecommunications services to any destination, as defined in 47 C.F.R. § 63.18(j).

Section 63.18(k) WTO Membership/Market Power. Because ALLTEL is not affiliated with any foreign carriers, this section is not applicable.

Section 63.18(l) International Switched Resale Condition. Because ALLTEL is not affiliated with any foreign carriers, this section is not applicable.

Section 63.18(m) Non-Dominant Treatment. Because ALLTEL is not affiliated with any foreign carriers, this section is not applicable.

Section 63.18(n) Special Concessions Certification. ALLTEL hereby certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

Section 63.18(o) Anti-Drug Abuse Act Certification. ALLTEL is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. Attached hereto is a certification, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862), of ALLTEL.

Section 63.18(p) Streamlining. The Applicants request streamlined processing of this application.

IV. CONCLUSION

In view of the foregoing, the Applicants respectfully request the Commission to grant this application.

Respectfully submitted,

ALLTEL Communications, Inc.



Glenn S. Rabin

Assistant Vice President -- Federal Regulatory Affairs
ALLTEL Corporation
601 Pennsylvania Avenue, NW, Suite 720
Washington, DC 20004

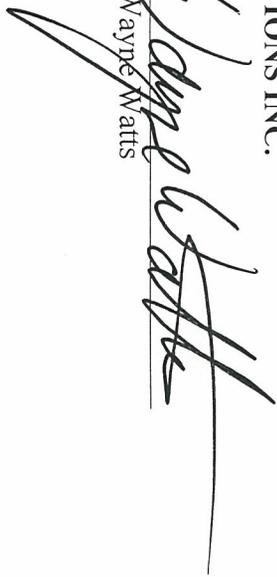
DATE: July 31, 2000

SBC COMMUNICATIONS INC.

By:

Wayne Watts

DATE: 7/31/00

A handwritten signature in black ink, appearing to read "Wayne Watts", written over a horizontal line. The signature is stylized and cursive.

CERTIFICATION

I, Glenn S. Rabin, Assistant Vice President -- Federal Regulatory Affairs, hereby certify that:

1. ALLTEL Communications, Inc. ("ALLTEL") is not affiliated with any foreign carrier, as defined in 47 C.F.R. § 63.18(i). Nor does ALLTEL seek to provide international telecommunications services to any destination country pursuant to 47 C.F.R. § 63.18(j).
2. ALLTEL does not have an affiliation with any U.S. carrier whose facilities it proposes to resell pursuant to 47 C.F.R. § 63.18(l).
3. ALLTEL has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market and will not enter into such agreements in the future.
4. No party to this application is subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.



Glenn S. Rabin
Assistant Vice President -- Federal Regulatory Affairs
ALLTEL Corporation
601 Pennsylvania Avenue, NW, Suite 720
Washington, DC 20004

Dated: July 31, 2000

DESCRIPTION OF TRANSACTION, PUBLIC INTEREST SHOWING AND RELATED DEMONSTRATIONS

I. INTRODUCTION

This and certain other applications described below are being filed to request Commission approval of the transfer of control of certain FCC authorizations held or controlled by SBC Communications Inc. ("SBC") through its affiliate Radiofone, Inc. ("Radiofone")¹ to ALLTEL Communications, Inc. ("ALLTEL"), a wholly owned subsidiary of ALLTEL Corporation. The authorizations grant authority to operate Commercial Mobile Radio Systems ("CMRS") located in Louisiana² and CMRS paging systems in a number of states. The applications cover cellular services, paging services, point-to-point microwave services, satellite earth stations, and international service under Section 214 of the Communications Act. A total of 5 applications are being filed in connection with this transaction.

The Commission repeatedly has found that the expansion of CMRS systems brings benefits to consumers and is pro-competitive. The transfer of control will allow

¹ Radiofone, Inc., which holds most of the authorizations covered by these applications, is currently a direct subsidiary of SBC. Prior to the closing, Radiofone, Inc. will be converted to a limited liability company, and a new intermediate holding company will be inserted between it and SBC. The remaining authorizations are held by Baton Rouge Cellular Telephone Company, a partnership controlled and majority owned by Radiofone, Inc. These licensees will be collectively referred to herein as "Radiofone." Prior to the subject transaction, Southwestern Bell Mobile Systems, Inc., a wholly owned subsidiary of SBC, assigned, in a *pro forma* assignment application, paging authorizations in the 929-931 MHz band to Radiofone. See FCC File No. 0000194795.

² Radiofone also holds cellular licenses in Michigan, but those licenses are not part of this transaction and will be moved to another SBC entity prior to closing.

ALLTEL, a leading CMRS provider, to expand its cellular and paging footprint. The transaction will bring about the same benefits that the Commission has acknowledged in approving similar transactions in the past. Accordingly, the Commission should approve these applications expeditiously.

II. THE PROPOSED TRANSACTIONS

On July 28, 2000, SBC entered into a Stock Purchase Agreement (the “Agreement”) with ALLTEL. The Agreement provides that ALLTEL will acquire the equity of Radiofone. Pursuant to that Agreement, ALLTEL will obtain control over the licenses and authorizations controlled by Radiofone. The identity of the licensees will not change, but ALLTEL will become the ultimate controlling parent company of the licensees.

III. DESCRIPTION OF THE APPLICANTS

A. SBC

SBC is a holding company whose affiliates provide wireline and wireless voice and data communications, paging, high-speed Internet access and messaging, cable and satellite television, security services and telecommunications equipment, as well as directory advertising and publishing services. In the United States, SBC’s affiliates currently serve over 90 million voice grade equivalent lines, and SBC’s CMRS affiliates provide cellular and PCS service to a population of 120 million persons, both within the 13 states where SBC’s affiliates are incumbent local exchange carriers, and elsewhere. SBC’s CMRS affiliates serve approximately 11.2 million cellular and PCS customers.

B. ALLTEL

ALLTEL is a Delaware corporation that is an indirect wholly owned subsidiary of ALLTEL Corporation ("ALLTEL Corp.").³ ALLTEL's primary business is the provision of CMRS telecommunications services. ALLTEL Corp., a Delaware corporation is a diversified telecommunications and information services holding company. ALLTEL Corp. subsidiaries specialize in offering a full array of communications services to mid-sized cities and rural areas. Service offerings include CMRS (*i.e.*, paging, cellular, and PCS), local wireline services (including competitive local exchange ("CLEC") services), long distance services, data services, and Internet access services. These services are backed by quality, personalized service, and proven state-of-the-art technologies. ALLTEL Corp., through various subsidiaries and affiliates, serves approximately 5.8 million wireless subscribers, most significantly in the Southeast region of the nation.

IV. PUBLIC INTEREST STATEMENT

A. The Standard of Review

To approve the transfer to ALLTEL of control of Radiofone's FCC authorizations, the Commission must find that the transfers are consistent with the public interest, convenience and necessity.⁴ In making that finding, the Commission will consider (i) whether the transaction will yield affirmative public interest benefits and (ii)

³ ALLTEL is a wholly owned subsidiary of ALLTEL Mobile Communications, Inc. ("Mobile"). In turn, Mobile is a wholly owned subsidiary of ALLTEL Corporation ("ALLTEL Corp."). The shares of ALLTEL Corp. are publicly traded on the New York Stock Exchange. No single entity or shareholder or ALLTEL Corp. holds a ten percent or more ownership interest in the corporation.

⁴ See 47 U.S.C. § 310(d).

whether the transaction will violate or interfere with the objectives of the Communications Act or the Commission's rules, by reducing competition or otherwise.⁵ In addition, the Commission must determine whether ALLTEL is qualified to control the FCC authorizations in question.⁶

Transfer applications that on their face demonstrate that a transaction will yield affirmative public interest benefits, and will not violate the Communications Act or Commission rules, and will not frustrate or undermine policies and enforcement of the Communications Act by reducing competition,⁷ do not require extensive review and expenditure of considerable resources by the Commission and interested parties.⁸ As detailed below, this transaction qualifies for such abbreviated review, and the Commission should approve the transfer applications expeditiously.⁹

⁵ In re Ameritech Corp. and SBC Communications Inc., CC Dkt No. 98-141, ¶ 48 (rel. Oct. 8, 1999) ("SBC/Ameritech").

⁶ SBC/Ameritech, ¶ 568; In re Comcast Cellular Holdings, Co. and SBC Communications Inc., DA 99-1318, ¶ 4 (WTB rel. July 2, 1999) ("SBC/Comcast"); In re Southern New England Telecommunications Corporation and SBC Communications Inc., 13 FCC Rcd. 21292, ¶ 26 (1998) ("SBC/SNET").

⁷ See In re Tele-Communications, Inc. and AT&T Corp., 14 FCC Rcd. 3160, ¶ 16 (1999) (citing In re Bourbouse Tel. Co. and Fidelity Tel. Co., 14 FCC Rcd. 803 (1998)); SBC/Ameritech, ¶ 54.

⁸ See SBC/Ameritech, ¶ 54.

⁹ The Commission has emphasized that a detailed showing of benefits is not required for transactions where there are no anticompetitive effects. The Commission stated in SBC/SNET, ¶ 45, that, in the absence of anticompetitive effects, a detailed showing of benefits is not necessary in seeking approval of a merger. Similarly, as the Commission stated in its approval of the SBC/Telesis merger, where it found that the merger would not reduce competition and that SBC possessed the requisite qualifications to control the licenses in question, "[a] *demonstration that benefits will arise from the transfer is not . . . a prerequisite to our approval*, provided that no foreseeable adverse consequences

B. The Transfer of Control Is Consistent with the Public Interest, Convenience and Necessity

The Commission should approve the transfer of control of FCC authorizations held by Radiofone and ultimately controlled by SBC to ALLTEL because:

- The transfer of control will yield affirmative public interest benefits in the CMRS market – benefits that the Commission has repeatedly recognized in approving similar transactions;
- The transfer of control will not violate the Communications Act or Commission rules, nor frustrate or undermine policies and enforcement of the Communications Act, either by harming competition or otherwise; and
- ALLTEL is clearly qualified to control the authorizations.

1. Public Interest Benefits

FCC approval of the transfer of control applications will enable ALLTEL to expand its CMRS service that it will provide to its customers. ALLTEL will be better able to offer customers the benefits of a wider calling scope, including competitive rate plans, in an effective and coordinated manner. ALLTEL's ability to offer a larger calling scope through the combination of the areas now served separately by ALLTEL and Radiofone is clearly procompetitive, as the Commission has repeatedly recognized in approving other mergers or transfers allowing for larger CMRS systems.¹⁰ Moreover,

will result from the transfer.” In re Pacific Telesis Group and SBC Communications Inc., 12 FCC Rcd. 2624, ¶ 2 (1997) (“SBC/Telesis”) (emphasis added).

¹⁰ SBC/Comcast, ¶ 10; In re Vanguard Cellular Sys., Inc. and Winston, Inc., 14 FCC Rcd. 3844, ¶ 23 (WTB 1999); In re 360 Communications Co. and ALLTEL Corp., 14 FCC Rcd. 2005, ¶ 41 (WTB 1998); SBC/SNET, ¶¶ 44-45; In re Bell Atlantic Mobile Sys., Inc. and Nynex Mobile Communications Co., 10 FCC Rcd. 13368, ¶¶ 44-48 (1995).

consumers will enjoy additional benefits beyond those that flow from a larger calling scope because ALLTEL will be able to offer consistency of advanced features that can be designed and operated to minimize costs and maximize efficiencies.

In addition, the transfer of Radiofone to ALLTEL is necessary to allow the consummation of the CMRS joint venture between SBC and BellSouth Corporation (“BellSouth”).¹¹ For the reasons set forth in the transfer applications for that venture, it will bring about a number of significant public interest benefits. Accordingly, the transaction with ALLTEL will serve the public interest by facilitating the joint venture.

The Commission previously has relied on such public benefits in approving other CMRS transactions.¹² The same public benefits will result from FCC approval of the transfer applications.

2. No Anticompetitive Effects

The proposed transaction would not violate the Communications Act or the Commission’s Rules, nor frustrate or undermine policies and enforcement of the Communications Act. ALLTEL does not currently compete in any market where Radiofone does business,¹³ and, therefore, the transfer of control raises no anti-

¹¹ SBC and BellSouth filed transfer of control applications to transfer certain CMRS entities to a joint venture, Alloy LLC. These applications were filed with the Commission on May 4, 2000.

¹² See e.g., SBC/SNET, ¶¶ 44-45; SBC/Comcast, ¶ 10.

¹³ Radiofone’s paging authorizations slightly overlap ALLTEL’s paging operations in Arkansas and Florida. This de minimis overlap does not cause competitive concerns since there are a number of paging providers operating in these areas, many of whom have significantly larger customer bases than either ALLTEL or Radiofone. The Commission has previously noted that because paging faces growing competition from other services, the risk of excessive concentration in paging is much lower. See In re

competitive issues. Thus, the subject transaction is fully consistent with the pro-competitive and deregulatory policies of the Communications Act.

3. ALLTEL's Qualifications

The qualifications of ALLTEL to hold cellular and other license authorizations are a matter of public record established and approved in numerous Commission decisions. The transfer of control fully complies with all Commission rules and creates no competitive issues.

V. RELATED GOVERNMENT FILINGS

In addition to this filing, ALLTEL and SBC are taking steps to obtain other government approvals necessary to consummate the transfer of control. Specifically, the Department of Justice will conduct its own review of the competitive aspects of this transaction, pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15 U.S.C. § 18A, and the rules promulgated under the Act. ALLTEL and SBC will each submit to the Department of Justice and the Federal Trade Commission a pre-transfer of control notification form and documentary appendix.

Amendment of the Commission's Rules to Establish New Personal Communications Services, Narrowband PCS, Implementation of Section 309(f) of the Communications Act -- Competitive Bidding, Narrowband PCS, Second Report and Order and Second Further Notice of Proposed Rule Making, 2000 FCC LEXIS 2571 (rel. May 18, 2000); see also In the Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993: Annual Report and Analysis of Competitive Market Conditions with Respect to Commercial Mobile Services, Third Report, 13 FCC Rcd 19746 (1998).

VI. ADDITIONAL AUTHORIZATIONS

In addition to seeking the Commission's approval of the transfers of control of the FCC authorizations covered in these applications, ALLTEL and SBC also request the additional authorizations described below.

A. After-Acquired Authorizations

Although the lists of authorizations specified in the applications for approval of the transfers of control are intended to be complete, Radiofone and its subsidiaries may have on file, and may file for, additional authorizations for new or modified facilities, some of which may be granted during the pendency of these transfer of control applications. Accordingly, ALLTEL and SBC request that the grant of the transfer of control applications include authority for ALLTEL to acquire control of the following items:

- (1) any authorization issued to Radiofone and its subsidiaries during the Commission's consideration of the transfer of control applications and the period required for consummation of the transaction following approval;
- (2) construction permits held by such licenses that mature into licenses after closing and that may not have been included in the transfer of control applications; and
- (3) applications that will have been filed by such licensees and that are pending at the time of consummation of the proposed transfer of control.

Such action would be consistent with prior decisions of the Commission.¹⁴

B. Unconstructed Systems/Antitrafficking Rules

Applicants request authority to the transfer of control of unconstructed paging facilities that are being transferred herein.¹⁵ Because these unconstructed facilities are supplemental to a large, established paging system, and the authorizations are being transferred in the context of a much larger transaction, approval of such a request is in the public interest. Moreover, the Commission relaxed the anti-trafficking restrictions on paging licenses several years ago, in recognition of the competitiveness of this industry and the availability of spectrum.¹⁶ Therefore, approval of Applicants' request does not violate the Commission's anti-trafficking provisions.¹⁷

C. Blanket Exemptions to Cut-Off Rules

The public notice announcing ALLTEL's intention to acquire all of the licenses of Radiofone and its subsidiaries from SBC will provide adequate notice to the public with respect to such licenses, including any for which license modifications are now pending.

¹⁴ See, e.g., SBC/SNET, ¶ 49; SBC/Telesis, ¶ 93; In re Applications of Craig O. McCaw and American Tel. & Tel. Co., 9 FCC Rcd. 5836, ¶ 137 n. 300 (1994), aff'd sub nom. SBC Communications Inc. v. FCC, 56 F.3d 1484 (D.C. Cir. 1995), recons. in part, 10 FCC Rcd. 11786 (1995).

¹⁵ The subject licenses are Part 90 private mobile paging authorizations subject to the licensing procedures of Part 22 of the Commission's Rules. See 47 C.F.R. § 90.493(b).

¹⁶ See In re Revision and Update of Part 22 of the Public Mobile Radio Service Rules, Report and Order, 95 FCC Rcd 769 (1983).

¹⁷ Radiofone also holds paging authorizations that were obtained by competitive bidding within the last three years. Pursuant to 47 C.F.R. § 1.2111(a), Applicants state that there was no separate consideration assigned to these (or any other) licenses that are being transferred to ALLTEL.

Therefore, no waiver needs to be sought from Sections 1.927(h) and 1.929(a)(2) of the Commission's rules to provide a blanket exemption from any applicable cut-off rules in cases where SBC, Radiofone or its subsidiaries file amendments to pending applications to reflect the consummation of the proposed transfer of control.¹⁸

VII. CONCLUSION

For the foregoing reasons, the Commission should conclude that ALLTEL's purchase of Radiofone serves the public interest, convenience and necessity, and should grant the applications to transfer control of Radiofone's FCC authorizations from SBC to ALLTEL.

¹⁸ See In re Ameritech Corp. and GTE Consumer Services Inc., DA 99-1677, n.6 (WTB rel. Aug. 20, 1999); SBC/Comcast, n.3.