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WILLIAM M. BARNARD  
CHRISTINE M. CROWE  
LEONARD W. DOOREN, III\*  
NANCY L. KILLIEN\*\*  
R. BRADLEY KOERNER

ATTORNEYS AT LAW  
1627 EYE STREET, N.W.  
SUITE 810  
WASHINGTON, D.C. 20006  
TELEPHONE (202) 293-0700  
TELECOPIER (202) 659-5409

FEDERAL COMMUNICATIONS COMMISSION  
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September 6, 1994

DOCKET FILE COPY ORIGINAL

Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

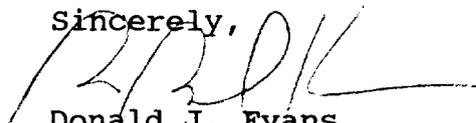
Re: CC Docket No. 94-11  
File No. 10209-CL-P-715-B 88  
In re Application of Telephone and Data Systems, Inc. for  
Facilities in the Domestic Public Cellular  
Telecommunications Radio Service on Frequency Block B in  
Market 715, Wisconsin 8 (Vernon), Rural Service Area  
Submission of Transcripts of Depositions

Dear Mr. Caton:

Attached herewith are an original and two copies of transcripts of depositions, taken in the above referenced matter, of the following individuals: Allison T. Compeaux, James P. Brady, John A. Brady, Jr., and Sinclair H. Crenshaw.

Please do not hesitate to contact the undersigned counsel should you have any questions in this regard.

Sincerely,



Donald J. Evans  
R. Bradley Koerner  
Counsel for GTE Mobilnet Incorporated

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BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D. C. 20554

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SEP - 6 1994

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

\* \* \* \* \*

IN RE: APPLICATION OF  
TELEPHONE AND DATA  
SYSTEMS, INC.

\* Cc DOCKET NUMBER  
\* 94-11

FOR FACILITIES IN THE  
DOMESTIC PUBLIC CELLULAR  
TELECOMMUNICATIONS RADIO  
SERVICE ON FREQUENCY  
BLOCK B, IN MARKET 715,  
WISCONSIN 8 (VERNON),  
RURAL SERVICE AREA

\* FILE NUMBER  
\* 10209-cl-p-715-b-88

\* \* \* \* \*

# EXHIBITS

Deposition of **JOHN A. BRADY, JR.**,  
taken on Tuesday, July 19, 1994, in the offices  
of Lafourche Telephone Company, 112 West 10th  
Street, Larose, Louisiana.



RECYCLED

ALL-STATE LEGAL SUPPLY CO 1-800-222-0510 ED11



LAW OFFICES  
SMITHWICK & BELENDIUK, P.C.

TELECOPIER  
(202) 785-2804

2033 M STREET, N.W.  
SUITE 207  
WASHINGTON, D.C. 20036

TELEPHONE  
(202) 785-2800

March 2, 1990

**BY FEDERAL EXPRESS**

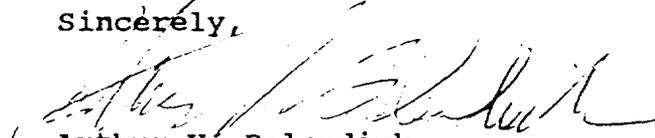
Mr. John Brady  
LaFourche Telephone  
Company, Inc.  
112 West Tenth Street  
P.O. Box 188  
LaRose, LA 70373

Dear Mr. Brady:

Enclosed are copies of the FCC and BellSouth's Final Briefs  
you requested from my office.

If you have any question, please call.

Sincerely,



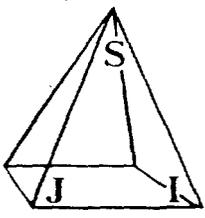
Arthur V. Belendiuk

Enc.  
AVB/lmv.D0302



EXHIBIT  
J. Brady 23

RECEIVED APR 10 1990



**SJI, Inc.**

**COPY**

112 West 10th Street  
Post Office Box 188  
Larose, Louisiana 70373  
(504) 693-4567

April 10, 1990

Leroy T. Carlson, Chairman  
Telephone and Data Systems, Inc.  
79 West Monroe Street  
Chicago, Illinois 60603

Dear Mr. Carlson:

Attached please find copies of internal memorandums concerning the meeting of August 18 - 19, 1987, in Chicago and the telephone conference of June 28, 1989 concerning LaStar.

Would it not be appropriate, utilizing these memorandums and your own, to have official minutes of the joint venture drawn and agreed upon.

Please review and let me have your comments.

Sincerely,

John Brady, Jr.  
Chairman, Management Committee  
LaStar Cellular, Inc.

bc  
Enclosures  
cc Donald Nelson  
Art Belendiuk

The SJI Family:

Lafourche Telephone Company, Inc. • SJI Cellular, Inc.  
SOLA Communications, Inc. • Control Systematologists, Inc.  
Lafourche Telecommunications Financial Co., Inc. • MobileTel, Inc.

AB01396

MEMO: Friday, August 21, 1987

TO: John Brady  
Pat Brady

FROM: Kit Crenshaw

re: Chicago trip

Per John's request to document our trip, I am submitting to you this memo for your approval.

We met most of TDS's top management as new partners in La Star Cellular's joint venture. We were shown their corporate offices.

Mr. Carlson discussed with us the future of the cellular business and the need for companies like ours to be involved. It was agreed by all that we would have the final say so over management and major decisions faced by La Star in the future. Basically the meeting was an affirmation by TDS to live up to the Joint Venture agreement that we had with Maxcell.

John was felt out by Mr. Carlson as to any interest in selling our MSA.

AB01397

MEMORANDUM

TO: John & Pat

FROM: Kit

RE: Conference Call - June 28, 1989

Participants: John Brady, Kit Crenshaw, Mike Rhone, &  
Lee Roy Carlson

We discussed the relative value of St. Tammany Parish as compared to the rest of the New Orleans MSA. It was the consensus of all that St. Tammany was more valuable per pop than any other parish in the state of Louisiana. This led to overall agreement that St. Tammany is worth at least 21.6% of the New Orleans MSA.

Because of the impending meeting with the FCC and the necessity of developing a Counter-Proposal, it was proposed by Kit and agreed to by all that the following proposal be made to BellSouth Mobility:

St. Tammany should be treated as an RSA with LaStar owning 50% and BMI owning the remaining 50%. LaStar would operate the St. Tammany Parish area under a contract identical to the one proposed and operated under by BellSouth Mobility in several other RSA's. In effect, offer their contract to them as a minority company. that they have offered to other as "fair"

It was discussed that BellSouth had expressed interest in settling this case with some RSA's. John Brady explained that because MobileTel was a SJI company and is one of three applicants in RSA 8 and one of two in RSA 9 there could be a problem vis-a-vis LaStar. John went on to further explain that since La Star was formed to only operate in the New Orleans MSA that there should be no problem here. It was agreed to by all that was the case here and that as long as LaStar stuck to the New Orleans market only and that MobileTel stayed out of New Orleans that there was no problem of conflict of interest by either SJI or TDS interest.

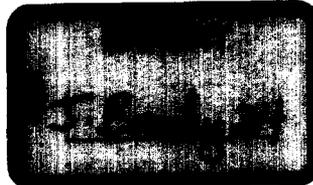
Call adjourned by wishing all good luck.



LAW OFFICES  
SMITHWICK & BELENDIUK, P.C.

TELECOPIER  
(202) 788-2804

2033 M STREET, N.W.  
SUITE 207  
WASHINGTON, D.C. 20028



TELEPHONE  
(202) 788-2800

June 13, 1990

VIA FACSIMILE  
(202) 467-8915  
(804) 692-0210

Alan Y. Naftalin, Esquire  
Koteen & Naftalin  
1150 Connecticut Ave., N.W.  
Washington, DC 20036

Mr. Kit Krenshaw  
La Fourche Telephone Company, Inc.  
112 W Tenth Street  
P.O. Box 188  
La Rose, LA 73073

Gentlemen:

Enclosed is a copy of an Amendment to Joint Venture Agreement of La Star Cellular Telephone Company, incorporating the changes I sent to you by facsimile yesterday. I have scheduled a telephone meeting of the partners on Friday, June 15, 1990 at 11:00 a.m. Eastern Daylight Time.

if you have any questions, please call.

Sincerely,

Arthur V. Belendiuk

Enc.  
AVB/lmv.A0613

*Belendiuk*

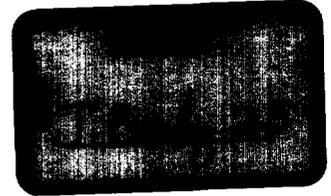
*add'l*



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Telephone: 312-399-8900  
Facsimile: 312-399-8936



UNITED STATES  
**CELLULAR**  
MOBILE TELEPHONE NETWORK

Excellent Communications Services

A TDS Company

June 18, 1990

*Black*

Arthur V. Belendiuk  
Smithwick & Belendiuk, P.C.  
2033 M Street, N.W.  
Suite 207  
Washington, DC 20036

RE: LaStar Cellular Telephone Company  
Amendment

Dear Art:

Enclosed please find executed Amendment to Joint Venture Agreement of LaStar Cellular Telephone Company. Under separate cover, a check made payable to Smithwick & Belendiuk, P.C. escrow account in the amount of \$6,760.00 for the prescribed filing fee for the Notice of Appearance was sent to you.

Sincerely,

*H. Donald Nelson /mkm*

H. Donald Nelson  
President & CEO

HDN:mkm

Enclosure

cc: Michael Hron  
LeRoy T. Carlson  
Atan Naftalin

RECEIVED  
KOTEN & NAFTALIN  
6-21-90

KN00051





MEMORANDUM

TO: Tomy Duet  
FROM: Kit Crenshaw  
SUBJECT: SJI Cellular Inc.  
CC: John Brady  
DATE: July 5, 1990

Effective on May 31, 1990 the Joint Venture Agreement between SJI Cellular Inc. and Star Cellular (US Cellular - TDS) was amended in accordance with legal recommendations to provide that from that date forward, all expenses of proceeding with the LA STAR case would be borne in accordance with the percentage of ownership. SJI owns 51% and Star owns 49%. Furthermore it was agreed that any expenses incurred up to that date would not be chargeable to the joint venture now or in the future.

Attached is the first bill. Before I contact Donald Nelson of Us Cellular for their 49% and to find out what documentation they are looking for would you please let me know how you and your staff would prefer to see this handled now and in the future.

7-5-90

*Kit*

The attached documentation is okay - except that in the future Invoices should be addressed to "LA STAR". In addition an official representing "LA STAR" should appear on the Bill for Payment.

A copy of the joint agreement would be nice for future reference.

A statement of approval to pay the bill by SJI (Approved by SJI to LA STAR) from SJI official.

From a legal standpoint - is it advisable for LA STAR to make payment direct. OR is it ok for SJI to pay Bill for them? Please advise - we have no books set up for LA STAR - no checking acct. to my knowledge.

We can pay Bills in total and Invoice the 49% share for the share.

LET'S TALK ABOUT THIS.

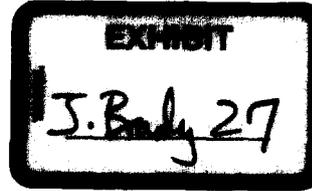
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AB02222



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La Star  
L-26

LAW OFFICES  
SMITHWICK & BELENDIUK, P.C.

2033 M STREET, N.W.  
SUITE 207  
WASHINGTON, D.C. 20036

TELECOPIER  
(202) 785-2804

TELEPHONE  
(202) 785-2800

August 10, 1990

**FEDERAL EXPRESS**

Mr. Sinclair H. Crenshaw  
LaFourche Telephone Company, Inc.  
112 West Tenth Street  
P.O. Box 188  
LaRose, LA 70373

Dear Kit:

Enclosed are Declarations for the La Star proceeding for yourself, John Brady, Jr., and James P. Brady. Please review your Declaration, and have John and Pat review theirs, then sign and date them where indicated, and return them to me by Federal Express for filing with the Commission on Tuesday, August 14, 1990.

If you have any questions, please call.

Sincerely,

  
Arthur V. Belendiuk

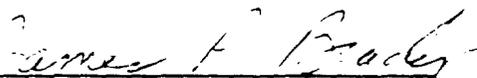
AVB/pn.B0810  
Enc.

**DECLARATION  
OF  
JAMES P. BRADY**

I, James P. Brady, hereby declare under penalty of perjury that the following declaration is true and accurate to the best of my knowledge and belief.

I am a Vice President and a Chairman of the Board of SJI, Inc. ("SJI") I am Vice Chairman of La Star Cellular Telephone Company's ("La Star") Management Committee. I have reviewed La Star's Motion for Summary Decision and I have reviewed the Declaration of John A. Brady, Jr. and find them to be true and correct in every respect.

Executed this 13<sup>th</sup> day of August, 1990.

  
James P. Brady

**DECLARATION  
OF  
SINCLAIR H. CRENSHAW**

I, Sinclair H. Crenshaw, hereby declare under penalty of perjury that the following declaration is true and accurate to the best of my knowledge and belief.

I am house counsel for SJI, Inc. ("SJI") and Vice President of Lafourche Telephone Company ("Lafourche") in charge of planning, legal and regulatory affairs. I am a member of the La Star Cellular Telephone Company ("La Star") Management Committee. I have reviewed La Star's Motion for Summary Decision and I have reviewed the Declaration of John A. Brady, Jr. and find them to be true and correct in every respect.

John A. Brady, Jr. delegated to me the more routine aspects of the La Star proceeding. Thus, I was La Star's counsel's contact point for such matters as cell site renewals and tax returns. In the matter of the tax returns, I would forward the returns to United States Cellular Corporation ("USCC") for processing. La Star, to date, has no income, only expenses. Pursuant to the terms of the Joint Venture Agreement, Star was responsible for paying all of the expenses involved in prosecuting La Star's application. Accordingly, I requested that, USCC, Star's parent Company, prepare La Star's tax returns.

Executed this 13<sup>th</sup> day of August, 1990.

  
Sinclair H. Crenshaw

**DECLARATION  
OF  
JOHN A. BRADY, JR.**

I, John A. Brady, Jr., hereby declare under penalty of perjury that the following declaration is true and accurate to the best of my knowledge and belief.

I am the Chairman of the Management Committee of La Star Cellular Telephone Company ("La Star") and will be the General Manager of the cellular system in St. Tammany Parish. I am President, Secretary, Treasurer and director of SJI, Inc. ("SJI") which is the parent company of SJI Cellular, Inc. ("SJI Cellular"), the 51 percent venturer of La Star.

SJI is also the parent company of Lafourche Telephone Company, Inc. ("Lafourche"). Lafourche is a wireline telephone company formed in 1948 and currently has approximately 11,500 access lines. In addition to basic telephone service, Lafourche also provides IMTS paging and mobile marine services.

I am the son of the founder of Lafourche. I was trained in the company and have worked in the telecommunications industry in Louisiana for over 30 years, and will be the General Manager of La Star's St. Tammany Parish cellular system.

SJI is also the parent company of MobileTel, Inc. ("MobileTel"). MobileTel is the wireline licensee in the Houma-Thibodaux MSA. (See Attached Table 1) MobileTel is also the tentative selectee in Louisiana RSAs 8 and 9. (See Attached Table 1) BellSouth Mobility ("BellSouth") has filed Petitions to Deny our applications in Louisiana RSAs 8 and 9. These two RSAs

as well as the Houma-Thibodaux MSA, directly border on the New Orleans MSA. SJI, through MobileTel has a strong community of interest with the New Orleans MSA, including St. Tammany Parish. SJI's primary interest and base of operation is southeastern Louisiana. It is in SJI's best financial self-interest that La Star remain under the control and management of SJI Cellular.

Frankly, New Orleans CGSA, Inc.'s ("NOCGSA") accusation that SJI Cellular did or would ever relinquish control of St. Tammany Parish is preposterous. SJI Cellular is no more likely to relinquish control of St. Tammany Parish than NOCGSA is to voluntarily withdraw from this litigation. Both have fought long and hard for the same territory and neither is likely to relinquish its position to anyone.

My initial contact on the La Star project came from William Erdman of Maxcell Telecom Plus, Inc. ("Maxcell"). Maxcell, one of Star Cellular Telephone Company's ("Star") original venturers, had experience preparing cellular applications and therefore, Star offered to pay for the filing and prosecution of the applications in return for a 49 percent interest in the application. At the time, SJI had no cellular experience. SJI did not file for the Houma-Thibodaux MSA and Louisiana RSAs 8 and 9 until several years later. An agreement was reached between SJI and Maxcell. SJI would retain 51 percent of the venture and would appoint three of the five members of a management committee. In return for receiving a 49 percent interest in an application it would otherwise not be authorized to file, Star

agreed to bear the cost of preparing and prosecuting the application. At that time, no one believed that this litigation would go on for seven years. As a minority venturer, Star wanted certain protections and guarantees that its interest would not be squandered. For example, since Star was providing 100 percent of the financing in prosecuting the application, it wanted to have a say in any final settlement of the proceeding.

I reviewed the Joint Venture Agreement before I signed it and had my attorney review it. I was advised that the provisions contained in the Joint Venture Agreement were reasonable and prudent and fully complied with all aspects of FCC Rules and policies. On this basis, I entered into the Joint Venture Agreement.

In negotiating with Star, I had certain requirements regarding the proposed system. Chief among these was the system design. As I stated at my deposition:

"From the very inception of the filing, from the very first filing, I laid out the parameters that the engineers would engineer the system under, and the specs I would want them to meet. The initial system was six cells at my insistence, and I did it for a couple of fundamental reasons. One of which, I wanted a better system than BellSouth Mobility had. The second of which, I wanted to commit the 49 percent partner to what I considered a long range system and not a short range system. The engineers did comply with my request and that is exactly what we filed." (John A. Brady Deposition TR 108)

Had the system not been designed to my specifications I would not have allowed the application to be filed.

From the very inception of the joint venture, SJI Cellular has been in full and complete control of the enterprise. At no

time, either prior to United States Cellular Corporation's ("USCC") purchase of Star or after the purchase, has SJI Cellular given up control of La Star, nor has Star attempted to exert control. There has not been a single instance in which Star has threatened to withhold payment in return for concessions on my part. The St. Tammany Parish application is too important to my company to allow anyone, at any time, to gain control over it.

La Star has independent legal counsel and an independent engineering consultant. Both work for La Star and not for SJI. To my knowledge, neither work for USCC, TDS or their affiliates. Arthur V. Belendiuk was La Star's counsel before USCC purchased its minority interest in La Star. Richard L. Biby was retained as La Star's engineering consultant on the advice of counsel.

To date, La Star's Management Committee has functioned on an informal basis. La Star's primary activity, so far, has been to enforce its right to file and prosecute its application for the construction and operation of a cellular system in St. Tammany Parish. The greatest number of decisions that La Star has had to make have involved the course of action and direction of the litigation. Usually, I or Sinclair H. Crenshaw, an employee of SJI and a member of the Management Committee, receive a telephone call from Mr. Belendiuk. We discuss a particular course of action to follow and then I or Mr. Crenshaw instruct Mr. Belendiuk on how to proceed. Mr. Belendiuk then usually calls someone at USCC, Star's parent company, and advises them of the course of action to be taken. If there is no disagreement (and

there has never been any), there is no need for a meeting between SJI Cellular and Star. In each and every instance that I, or any member of the Management Committee representing SJI Cellular, has instructed Mr. Belendiuk to take a particular course of action, Mr. Belendiuk has proceeded as specifically instructed. No action has been taken by La Star, either directly or indirectly through its counsel or consulting engineer, at any time, that I was not aware of and that I did not approve in advance.

The two venturers, SJI Cellular and Star have rarely had the need to meet to discuss specific business. I am aware of three specific meetings (though there have been numerous telephone calls which were necessary to conduct routine business). The first was held in Chicago, Illinois immediately after USCC purchased its interest in Star. Present at that meeting on behalf of Star were Kenneth R. Meyers, and H. Donald Nelson. Also present were other members of USCC's management team including Telephone and Data Systems, Inc.'s ("TDS") Chairman of the Board, Leroy Carlson, Sr. The primary purpose of the meeting was to assure SJI Cellular that USCC would in no way attempt to change the terms of the Joint Venture Agreement and that the management of La Star would remain with SJI Cellular. Since that time, USCC has faithfully complied with the terms of the Agreement. USCC has never taken any action on behalf of La Star that I was not aware of or that I did not fully approve in advance. Actions taken by USCC have been taken because I,

individually or through counsel, have requested USCC's assistance.

The second meeting, was a telephone conference held June 28, 1989 by the Management Committee. At that time, a meeting was scheduled at the FCC between La Star and NOCGSA to discuss settlement. Because of the wide variety of options and the different perspectives of the two venturers, a telephone conference was held. Several settlement options were discussed and, in the end, the Committee unanimously agreed to follow the settlement plan proposed by Mr. Crenshaw, a member of the Management Committee, appointed by SJI Cellular.

A third meeting of the Management Committee was held (by telephone) in June, 1990 to discuss amendment of the Settlement Agreement. The purpose of the amendment, as drafted by counsel for La Star, was to remove certain supermajority voting provisions which had never been invoked and which were of little consequence to SJI Cellular, and to require SJI Cellular to pay 51 percent of the costs of prosecuting the application. Again, the Management Committee unanimously agreed to the amendment and have been abiding by it since its effective date, May 31, 1990.

Section 4.5 of the Joint Venture Agreement prevents Star, USCC, TDS and their affiliates, directors, officers or employees from entering into any agreement or transaction with La Star for the construction, management, operation, maintenance and marketing of La Star's system and the marketing of La Star's services and products at the wholesale or retail level. Further,

Star, USCC, TDS and their affiliates, directors, officers, or employees shall not construct, manage, operate or maintain La Star's system nor market La Star's services and products. I believe Section 4.5, prior to and after the amendment, fully protects SJI Cellular from any undue influence from Star. Further, even if the Joint Venture Agreement did not contain this provision, for USCC to provide any of these services would require a majority vote of the Management Committee. As I have previously stated, St. Tammany Parish is too important to the development of SJI's cellular service to allow its operation to be delegated to any party. Under no circumstances would I allow anyone other than SJI Cellular to construct, operate or manage the St. Tammany Parish system. In time, it is my plan for St. Tammany Parish to become an integral part the SJI family of cellular systems.

In the three years since USCC purchased its interest in Star, SJI Cellular has requested only limited support and assistance from USCC. In 1987, when La Star amended its application to update information provided in 1983, USCC assisted by preparing a budget which was used in calculating La Star's construction and first year operating costs. At the time, the Houma-Thibodaux cellular system was not yet operational, and USCC had real world operating numbers and agreed to share those with La Star. Any numbers that La Star could have produced without the help of USCC would have been less accurate. I discussed this matter with La Star's counsel and the Management Committee agreed