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July 15, 1998

Magalie Roman Salas, Secretary
Federal Communications Commission
1919 M Street NW, Room 222
Washington, DC 20554

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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

Re: CC Docket No. 97-211
WorldCom, Inc. and MCI Communications Corporation

Dear Secretary Salas:

MCI and WorldCom have been asked by the Commission staff to explain, in greater detail, the manner in which the merger will permit us to more effectively serve multi-location customers. The benefits that the merger will bring to multinational and other multi-location customers have been described in general terms in several previous filings. *See, for example*, pages 35-36 of WorldCom's October 1, 1997 Application, and the July 7, 1998 Declarations of Ronald R. Beaumont (at para. 9) and Frank M. Grillo (at para. 16).

As the result of the merger, the combined companies will be able to offer a multi-location customer (one with locations in cities where either of the two companies has local facilities in place) seamless door-to-door or end-to-end connectivity over our own fiber transport and intelligent network facilities. End-to-end connectivity, in combination with state-of-the-art transmission and switching technologies and operating procedures, will allow MCI WorldCom to provide customers with several benefits that do not exist in today's environment, where we must rely far too heavily on incumbent carriers for local access.

Several benefits will accrue to multi-location customers as the numbers of cities and buildings served increase as a result of the merger. One key benefit will be the ability to obtain higher quality, more reliable service. MCI WorldCom will be responsible for provisioning, installation, maintenance, restoration, service and repair of all "on-net" locations. The enhanced ability MCI WorldCom will have to monitor and control the customer's network on an end-to-end basis will permit us to more easily and quickly identify, isolate and repair faulty components. This ability to apply advanced network monitoring and management techniques on an end-to-end basis, and to either prevent outages or to restore service more quickly

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when outages do occur, will result in MCI WorldCom being well positioned to provide customers with more reliable service than is currently available.

A second key benefit will be the ability of the customer to deal with a single vendor, MCI WorldCom, when increasing capacity or adding new services at existing locations. This will eliminate the need to coordinate installation schedules for among multiple vendors and will mean that the customer will be able to add capacity or purchase services on a schedule tied to its business needs, not the inflexible installation schedules of the incumbent local exchange carrier.

Once end-to-end connectivity is established, a multi-location customer may determine that its changing business needs require a more advanced service offering, or a more advanced feature set, than can be obtained "off the shelf." As the provider of a wide area (perhaps even global) intelligent network serving a multi-location customer, MCI WorldCom would be well positioned to develop and deploy intelligent network based features (such as uniform company-wide dialing plans or "global Centrex") and other new products and services.

Last, but certainly not least, the merged companies will realize significant savings (especially as compared with the excessive transport and access rates of the ILECs) through self-provisioning of the local fiber and switching systems. MCI WorldCom expects to provide multi-location customers with discounts that will provide a financial incentive for such customers to use these services, effectively sharing a portion of the access and transport savings will realize by self-provisioning the local fiber portion of the network.¹

Pursuant to Section 1.1206(b)(1) of the Commission's Rules, 47 C.F.R. § 1.1206(b)(1)(1997), the original and one copy of this letter are to be included in the above-referenced docket as a written *ex parte* presentation.

Should there be any questions concerning this matter, please contact the undersigned.

Sincerely,


Larry A. Blosser

¹ Although the focus of this discussion is on multi-location customers, the access savings will not be confined to those customers. Other customers who complete calls using end-to-end all distance services from MCI WorldCom can also expect to share in the savings realized by the combined entity.