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Federal Communications Commission  
Office of Secretary

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**ARNOLD & PORTER**

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July 29, 1998

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

CC Docket No 98-141

Re: **SBC/Ameritech Merger**

Dear Secretary Salas:

On July 24, 1998, SBC Communications Inc. ("SBC") and Ameritech Corporation ("Ameritech"), (the "Applicants"), filed their joint applications requesting Commission approval of the transfer of control of FCC licenses and authorizations from Ameritech to SBC in connection with the proposed merger of the Applicants. In our pre-filing conversations with Commission staff, we discussed the Commission's requests to review all documents the Applicants have provided (or will subsequently provide) to the Department of Justice ("Department") in connection with its investigation of the proposed merger, and to engage in discussions with representatives of the Department with respect to those documents (the "Protected Materials") and the status of the Department's investigation. We have agreed to the Commission's requests, on the understanding that, except as noted below, the Commission will treat the protected materials as confidential documents pursuant to Section 0.459 of the Commission's rules and that the discussions with the Department will be treated as exempt *ex parte* presentations under Section 1.1204(a)(6) of the Commission's rules.

With respect to the Protected Materials, we have agreed that certain counsel to parties which participate in this proceeding will be allowed to review them under the terms of a protective order to be issued by the Commission. To simplify the process for the adoption of such an order, we have enclosed a draft protective order (which is identical in all material respects to the order issued in the WorldCom/MCI proceeding).

With respect to discussions between representatives of the Commission and the Department, the Applicants have sent a letter to the Department waiving the

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confidentiality provisions of the Hart-Scott-Rodino Act, the Antitrust Civil Process Act, and any applicable confidentiality provisions governing the Protected Materials in order to permit full discussions between representatives of the Department and the Commission with respect to the Protected Materials and the status of the Department's investigation of the merger between the Applicants. A copy of that letter is enclosed. This waiver also permits the Department to share with the Commission the Protected Materials in the Department's possession. As noted above, this waiver is based on the Applicants' understanding that the discussions will be treated as exempt *ex parte* presentations under Section 1.204(a)(6) and will not be disclosed, except as required under that section.

Finally, we would like to confirm that the agreements and waivers set forth above are further based on the Applicants' understanding that if, in connection with its decision in this proceeding the Commission intends to rely upon or otherwise make reference to the contents of any of the Protected Materials or the substance of its discussions with the Department, it will do so in the same manner in which it maintained the confidentiality of similarly protected information in the *Bell Atlantic/NYNEX Order*, 12 FCC Rcd. 19985 (1997). In the case of that Order, the Commission embodied its discussion of confidential information in a separate Exhibit E that was placed under seal and not released publicly as part of the Order.

Please do not hesitate to contact the undersigned persons if you have any questions regarding any of the foregoing or the enclosed documents. Thank you.

Sincerely yours,



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Magalie Roman Salas, Secretary

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Enclosures

cc: Radhika Karmarkar

Carl Willner