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November 24, 2015

Via ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

Re: Application of New Cingular Wireless PCS, LLC and Farmers
Telecommunications Corporation for Consent to Assign a Lower 700
MHz C Block License (WT Docket No. 15-271)

Dear Ms. Dortch:

Farmers Telecommunications Corporation, by its attorney, hereby submits its response to the Commission's November 10, 2015 General Information Request. Kindly direct any questions regarding this matter to the undersigned counsel.

Respectfully submitted,

/s/ Michael R. Bennet

Michael R. Bennet
Counsel for Farmers Telecommunications Corporation

Attachment

cc (via email): Scott Patrick [scott.patrick@fcc.gov]
Kate Matraves [catherine.matraves@fcc.gov]
Jim Bird [TransactionTeam@fcc.gov]

4841-5335-1198, v. 1

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Application of New Cingular Wireless PCS, LLC and Farmers Telecommunications Corporation for Consent to Assign a Lower 700 MHz C Block License)	WT Docket No. 15-271
)	

**RESPONSE OF FARMERS TELECOMMUNICATIONS CORPORATION TO
GENERAL INFORMATION REQUEST DATED NOVEMBER 10, 2015**

November 24, 2015

**Response of Farmers Telecommunications Corporation to General Information Request
Dated November 10, 2015**

1. REQUEST:

Explain in detail the decision made by Farmers to assign the Lower 700 MHz C Block spectrum that is the subject of this application to AT&T, including any attempts made to enter into a sale of this spectrum or alternative arrangements with parties other than AT&T.

RESPONSE:

In 2014, Farmers Telecommunications Corporation (“FTC”) began a multi-year analysis of the best use of its spectrum properties, consisting of two separate bands of spectrum, 12 MHz of 700 MHz C-Block held by FTC and 20 MHz of AWS A-block held by FTC’s parent, Farmers Telecommunications Cooperative, Inc. As a part of that process, on October 16, 2014, FTC engaged a telecommunications-focused investment banking firm, Charlesmead Advisors, LLC (“Charlesmead”). Charlesmead was engaged to prepare an independent valuation of the subject FTC wireless licenses, which was to be compared by FTC’s management and Board of Directors (“BOD”) to the return likely to be produced through continued ownership of the licenses.

Charlesmead provided its valuation of the licenses to FTC and presented the valuation to FTC’s BOD in December, 2014. Charlesmead participated in a follow-up conversation with FTC and its BOD in March, 2015. Among the factors considered by FTC was that it operates in a uniquely competitive area with regard to wireless services, with the three top national wireless providers providing strong facilities-based service throughout the area served by FTC and its parent. The investigation and valuation analysis led FTC to conclude that the most prudent alternative was to explore the potential sale of all or part of the licenses. In March of 2015, Charlesmead was authorized to proceed with a sale process.

Beginning in early April of 2015, Charlesmead initiated a broad marketing process designed to identify and solicit interest from likely purchasers as part of a confidential bidding process. As part of the marketing effort, Charlesmead contacted sixteen parties that were thought to have a potential interest in the FTC wireless spectrum, including all four national wireless carriers and numerous regional carriers/spectrum holders. Charlesmead subsequently inquired with four additional carriers with either wireless operations or spectrum in Georgia or South Carolina to gauge their interest in acquiring the FTC spectrum licenses, bringing the total number of contacted potentially interested parties to twenty. Five of the potential purchasers (including carriers/spectrum holders) indicated an interest and were provided a confidential offering memorandum. In mid-May of 2015, proposals to acquire the licenses were received from two parties. AT&T’s proposal involved an acquisition of solely the FTC 700 MHz license, while the other viable proposal sought to acquire both of the FTC licenses. Negotiations between FTC and

the bidding parties continued until late July, 2015, when the decision was made to sell the 700 MHz license to AT&T and for FTC to retain the AWS license.

AT&T was selected solely on the basis of an economic analysis of the competing offers received by FTC. FTC determined that it would receive superior value by selling the 700 MHz license and retaining the AWS license, versus selling both licenses. The proceeds derived from the sale will be used to reduce debt and provide working capital for FTC's operations, including generating funds for the expansion of broadband to citizens of rural northeast Alabama.

FTC determined that sale of one or more of its licenses would provide greater value than payments under a spectrum lease, and it therefore made no attempts to enter into arrangements to lease its spectrum.