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Magalie Roman Salas, Esq.  
Secretary  
Federal Communications Commission  
445 - 12th Street, SW  
Room TWB204  
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Re: *In the Matter of Applications for Transfer of Control to SBC Communications Inc. of Licenses and Authorizations Held by Ameritech Corporation, CC Docket No. 98-141*

Dear Ms. Salas:

Please accept for the record the enclosed National Association of Commissions for Women's (NACW) ex parte comments regarding SBC and Ameritech pending transfer of control applications and my remarks prepared for oral presentation during Federal Communications Commission public forum, Thursday, May 6, 1999. Unfortunately, my return travel arrangements did not permit me to remain until early evening to present NACW's testimony.

Sincerely,

*Patricia T. Hendel*

Patricia T. Hendel  
President

Enclosures  
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Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

In the Matter of	)	
	)	
<b>AMERITECH CORPORATION</b>	)	
	)	
Transferor,	)	
	)	CC Docket No.
and	)	98-141
	)	
<b>SBC Corporation</b>	)	
	)	
Transferee,	)	
	)	
For Consent to Transfer	)	
Control	)	

**Comments of**

NATIONAL ASSOCIATION OF COMMISSIONS FOR WOMEN

May 6, 1999

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and Pro Consumer

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## I) INTRODUCTION

The National Association of Commissions for Women (NACW) welcomes the opportunity to submit comments in support of the Ameritech and SBC merger. We support this merger due to our view that the proposed merger will be beneficial to consumers. It is within this context that we believe the merger is in the "public interest" and will promote the goals of the Telecommunications Act of 1996 by:

- o engendering new products and services for consumers;
- o enhancing price competition in the market, thereby, driving down the costs to consumers for the provision of telecommunications services; and,
- o providing for new investments, in turn, spurring jobs creation adding to the job vitality of the U.S. economy.

Our comments focus on those issues that must be addressed in determining whether the public interest and competition will not be harmed by the merger and that by approving the merger, U.S. consumers will be better off, particularly, in light of the trend towards the globalization of telecommunications services.

The NACW believes that the public interest benefits of the merger -- increased competition and the resulting benefits to consumers nationwide -- would warrant the FCC's approval of this proposed merger.

II) **STATEMENT OF INTERESTS**

A) Active Stakeholder

The NACW has been active in the debate on telecommunications reform, supporting legislative and regulatory initiatives to enhance competition, thereby creating new options and services for women as consumers and in their businesses. In fact, in July of 1995, leading up to the Congressional vote on the Telecommunications Act of 1996, the NACW hosted a "Women's Leadership Briefing on Telecommunications" for the U.S. Congressional Women's Caucus on Capitol Hill. Recently, in recognition of the three (3) year anniversary of the Telecommunications Act, the NACW's President, Patricia T. Hendel, wrote an Op-Ed in the Monday, February 8, 1999 issue of the Washington Times, **"Little has changed since the telecommunications bill passed"** (a copy of which is enclosed).

The NACW President, Patricia T. Hendel is a former State Representative from Connecticut (1984-90) where she chaired the Government Administration and Elections Committee and was active in consumer protection issues as a member of the General Law Committee.

Since the enactment of the Telecommunications Act of 1996, the NACW has provided comments on a number of FCC proposals affecting consumers, including, among others, proceedings on:

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- \* Pay phone Deregulation;
- \* Reciprocal Compensation;
- \* "Bill and Keep";
- \* High Speed Data (section 706)
- \* GTE-Bell Atlantic Merger.

Among the NACW's priorities are economic and community development programs that promote and enhance the economic well-being of women. The NACW also supports pro consumer initiatives that benefit women as consumers relative to price competition, choice, and privacy concerns.

It is within this context, that, today the NACW is filing comments to support the Ameritech-SBC merger.

B) The Institution -- NACW

The NACW represents more than 270 state, county and local commissions nationwide, **including commissions in the five Midwestern states in which Ameritech operates, and California, Connecticut and the southwestern states in which SBC operates.** The NACW is a nonpartisan membership organization composed of government sanctioned and supported state, county and local commissions created by government to improve the status of women and to work towards justice and equality for all women. It serves as a national voice for these commissions to facilitate communication and cooperation and provides support, technical assistance and expertise to its members and associate/affiliate

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organizations. The NACW promotes the interests of women in technology, cultural and economic fields.

The NACW provides a national leadership role through its public policy positions on national issues of concern to women. The NACW's goal is to ensure the inclusion of women in all facets of our nation's national policies and international policies, alike.

Our interests as an institution and in representing the interest of consumers lie in making telecommunications services more affordable, cheaper and more convenient for consumers. We are interested in the broad issues surrounding innovation, including, among others: distance learning, telemedicine applications, telecommuting, and high speed data links to the Internet.

### III) GLOBALIZATION OF TELECOMMUNICATIONS SERVICES AND PRODUCTS

Since the passage of the Telecommunications Act of 1996, the public has witnessed a "globalization" of telecommunications services and products. Cross border link ups between European and American companies, U.S. electric and gas utilities forming strategic partnerships with U.S. telephone companies and mergers between U.S. telephone companies exemplify this globalization.

In reviewing the record, Telecom Italia recently announced a merger with Deutsche Telecom valued at \$177 billion (Business Week/May 3, 1999, page 60). In the U.S. WorldCom has acquired MCI to form MCI WorldCom. The FCC recently approved the AT&T - TCI merger. In

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a move that signals continued industry consolidation, AT&T recently made a successful counter offer to acquire Media One.

The trend that's emerging is one driven by market forces. Therefore, it is imperative that U.S. companies be allowed to combine their assets to compete globally as well as domestically in the U.S. A central view associated with all these mergers is that the marketplace for large and medium businesses is ever more national and global in scope. This trend line was recently underscored in a May 3, 1999, Business Week article on the Deutsche-Italia proposed merger in which the companies enumerated the following benefits of the merger:

- 1) combining networks could create valuable efficiencies
- 2) it would create financial and strategic flexibility
- 3) the merged company would create new businesses in  
Internet, cable communications, wireless, and  
Internet Access.

Similarly, the Ameritech-SBC merger would create comparable efficiencies and benefits to U.S. consumers. This is significant since new technologies promise further acceleration.

Within this context, the NACW believes that a combined Ameritech-SBC will enable SBC to compete globally and will have the concomitant effect of bringing benefits to consumers that will make communications services cheaper and more convenient for them through the provision of bundled services and products and a wider

array of choices and options for consumers in purchasing telecommunications services and products.

**IV) THE MERGER IS PRO-COMPETITIVE AND PRO CONSUMER**

NACW believes the merger of Ameritech and SBC, Inc, will produce substantial pro-competitive and pro consumer benefits. The merger will enable Ameritech and SBC through their expanded scope and scale, to provide a variety of current and new products and services to customers within and outside of their existing service areas. SBC announced its National-Local Strategy to be implemented as soon as the merger is approved. Today SBC and Ameritech serve within their territories 20 of the nation's top 50 communications markets. The National-Local Strategy will jump-start local competition by enabling the new SBC to enter the 30 remaining markets. Boston, Miami and Seattle will be the first markets in which SBC will compete under the new strategy. At least fifteen (15) new markets will be entered within 18 months after the merger closes. The incumbent local providers and long distance companies in these markets will react to this new competition by aggressively competing in SBC's markets. All this competition will benefit customers with more choice, competition in products, services and prices and greater innovation. In addition, on the day of the merger announcement, SBC's Chairman and CEO said that his company plans to attack and become a competitor to Bell Atlantic in its top metropolitan areas. With the acquisition of Southern New Telephone

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Company (SNET), SBC will be uniquely positioned to compete head-to-head with Bell Atlantic in the greater Connecticut metropolitan area including Boston to the south and the states to the North. Through Cellular One, SBC already competes with Bell Atlantic Mobile for wireless customers within Bell Atlantic's thirteen (13) state region -- from Maine to Virginia. Combining the complementary strengths of Ameritech and SBC will result in improved service, better use of resources, and more competitive markets.

Further, this head-to-head competition will intensify facilities-based competition on a broad scale against other RBOCs.

This new competition will benefit consumers by providing them with new choices in services and products at competitive prices. The new company has committed to providing one-stop shopping to customers by providing bundled services. The ability of companies to offer the complete range of telecommunications services empowers consumers and classes of consumers by allowing them to bundle their telecommunications dollars. The merger of the two companies is necessary to accomplish this task. The expanded scope of the new company will enable it to more rapidly deploy the facilities necessary to provide this new and direct local service competition. Focusing on the broader picture, this merger will directly improve competition in the developing national and global markets for a full range of bundled telecommunications products and services by creating a strong new player to compete with large international

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companies such as Sprint/Deutsche Telekom/France Telecom/Telcom Italia, MCI/WorldCom/MFS/UUNet, AT&T/Teleport/TCI/British Telecom/Media One/Time Warner. Indeed, a principal motivation for the merger is to enable the combined company to become a truly global provider of bundled services.

V) **CONCLUSION**

We urge the FCC to approve the proposed merger. The merger of Ameritech and SBC, Inc. is pro-competitive and pro consumer. The NACW believes that this merger is in the public interest and will further fulfill the broad goals of the Telecommunications Act of 1996 by creating a new company that will be able to directly compete on national and international levels to deliver a "bundle" of products and services which are priced competitively.

The approval of this merger is, therefore, "public interest" and is supported by the NACW.

Respectfully Submitted,

Patricia T. Hendel  
President  
NACW  
8630 Fenton Street, #934  
Silver Spring, MD 20910

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## Little has changed since telecommunications bill passed

Today marks the three-year anniversary of the Telecommunications Reform Act of 1996 being signed into law. The bill was passed, in part, to give benefits to consumers through increased competition in the long-distance industry. Local phone companies that met a 14-point checklist and operated in the public interest were supposed to be allowed into the market to compete with the long-distance giants. Prices would fall, consumers were told, when long-distance and local phone companies were allowed to battle each other in their own arenas. What has happened so far? Three long years after adoption of the telecommunications law, local telephone companies are still prohibited from providing long-distance services to customers.

It's not just the telecommunications companies that have lost out because of delays in implementing long-distance competition called for in the act. Consumers have lost out as well. Major declines in telecommunications-service prices and average cable television prices have been lost. Increases in choices of telecommunications products and services and higher quality in those services and products offered have been lost. Increased investment in infrastructure will allow for better use of the public telephone network to deliver high-speed data links via the Internet as well as bundled services such as long-distance, cellular and the Internet.

There must be some small step that the Federal Communications Commission (FCC) and the Justice Department could take that would

help break the logjam and allow consumers to start receiving the benefits they deserve. One small step would be for the Justice Department and the FCC to finally begin allowing local telephone companies to compete with the long-distance companies in the long-distance business once a state public utilities commission determines that a telephone company has met the requirements of the 14-point checklist in the Telecommunications Act.

It is time for the public to fully benefit from the Telecommunications Act of 1996.

PATRICIA T. HENDEL

President  
 National Association of Commissioners for  
 Women  
 Silver Spring

We welcome your opinions on any topic. Letters should be signed originals. Every letter will be considered for publication, but we prefer those of fewer than 250 words, typed double-spaced. All letters may be edited for clarity and length. Please include your name, address and daytime telephone number. Send your opinion to:

Letters to the Editor  
 The Washington Times  
 3000 New York Ave. NE  
 Washington, D.C. 20002

**Remarks of Patricia T. Hendel  
President  
National Association of Commissions for Women (NACW)  
Federal Communications Commission Public Forum: May 6, 1999**

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Good afternoon. We will submit detailed written testimony; but I just want to highlight a few points as we indicate our support for the merger of SBC & Ameritech.

I come before you today as President of the NACW -- an association of commissions for women throughout the United States, Puerto Rico and the Virgin Islands. We represent greater than 270 state, county and local commissions on the status of women including commissions in both the Midwestern states where Ameritech operates and in the areas of operation of SBC, which includes my state of Connecticut. We are united by two features - 1) we are all established by government, by statute, order, and/or executive order; and 2) we are linked by our desire to assure that the United States maximizes the potential of one of their major resources - **its women**. (These have been lifelong goals of mine - especially while I was a member of the Connecticut General Assembly.)

How does our quest for full equality in all phases of life - in technology and economic areas - relate to the matter before you today - the merger of Ameritech and SBC. The workplace has changed dramatically in just the last few years and the changes and growth are due in large part to the development of the information superhighway. NACW supported the Communications Act of 1996 because we saw its potential to improve access for women to the new workplaces of America. We have been on record commenting on other proposals before you relating to consumers. Much of the growth in our economy is in the area of small business; and, women represent a majority of that growth. We believe the opportunity that has been provided by telecommunications is key to this growth. Telecommuting is possible. We can hold flexible job schedules and we can adjust our workday hours to care for our children, grandchildren and families. We need more development of technology and access to this technology that will benefit residential and small business consumers.

Therefore, the potential for still more improvement in telecommunication services is real capital for women to expand their economic opportunities, both domestically and internationally. We welcome better integrated services, opportunities for one-stop shopping and competitive pricing. We believe this merger will benefit women as consumers of these services and help us attain economic equality and move towards the goal envisioned by the Telecommunications Act. We believe the merger of SBC and Ameritech serves the public interest.

Thank you.