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PATRICK J. GRANT
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MAY 17 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

May 17, 1999

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals, Room TWB204
445 Twelfth Street, S.W.
Washington, D.C. 20554

98-141

Re: Ex Parte; SBC-Ameritech Merger – CC Docket No. 98-41
SBC's Response to May 10, 1999 Letter from Sprint's Counsel

Dear Ms. Salas:

Please find enclosed two copies of a letter being hand-delivered today to Chairman Kennard, the Commissioners, and the additional persons appearing on the accompanying certificate of service, for inclusion in the above-referenced docket.

Sincerely yours,



Patrick J. Grant
Counsel for SBC Communications Inc.

Enclosures

No. of Copies rec'd
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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

The Honorable William E. Kennard
Chairman
Federal Communications Commission
The Portals
445 Twelfth Street, N.W.
Washington, D.C. 20554

Re: **Ex Parte; SBC/Ameritech Merger – CC Docket No. 98-141;
SBC's Response to May 10, 1999 Letter from Sprint's Counsel**

Dear Chairman Kennard:

On May 13, 1999, counsel for Ameritech Corporation ("Ameritech") delivered to you a letter responding to unfounded allegations concerning Ameritech's production of documents to the FCC, that were contained in a May 10, 1999 letter to you from Philip L. Verveer of Willkie, Farr & Gallagher, counsel for Sprint.

On behalf of SBC Communications Inc. ("SBC"), I am writing to respond to the similarly unfounded allegation, made at the end of Mr. Verveer's May 10th letter, that SBC withheld from production to the FCC a "directly relevant" document. That allegation is wrong, as explained below.

While I will not repeat the detailed explanations contained in Ameritech's May 13th letter as to why Mr. Verveer's allegations are untrue, I believe it is important to reiterate the basic point – which is: had Mr. Verveer and his colleagues actually engaged in anything close to a diligent review of the documents that SBC and Ameritech actually produced to the FCC – all of which have been available to all of the parties to this proceeding, and which have actually been reviewed by counsel for Sprint – they could have avoided this side-show.

Mr. Verveer has asserted that SBC did not produce to the FCC "a customer survey regarding one-stop shopping" that he said was cited in the Attorneys General's Report. He is apparently referring to a chart that was produced to the DOJ, bearing the DOJ production legend "SBCAMUS026497." That chart was contained in a draft of an SBC report regarding a survey that had been conducted to determine which factors (e.g., price, geography, etc.) customers had considered in deciding to switch carriers. Just for the record, this was not, as Mr. Verveer stated, a survey regarding "one-stop shopping."

Both the draft and a final version of this report were produced to DOJ. Those documents, as well as the thousands of other documents produced to DOJ, were available

ARNOLD & PORTER

The Honorable William E. Kennard
May 17, 1999
Page 2

to the FCC and numerous state attorneys general pursuant to a waiver by SBC. Thus, Mr. Verveer's suggestion that "[a]bsent remedial action, the Commission will not have a full record" upon which to act on the pending transfer applications, is flatly wrong. The information in this report, and this chart, are part of the record before the Commission.

Indeed, in addition to having a draft and a final version of this report available through the Hart-Scott-Rodino process, a final version of this report was also, in fact, produced to the FCC by SBC; and the chart containing the identical information that was in the draft of this report was also contained in that final version of the report. The chart produced to the FCC bears the FCC production legend "SBCAMFCC01a-000762." Redacted copies of both of these charts are attached to this letter. Thus, a final version of this report – including the chart that engendered Mr. Verveer's unfounded suggestion – have been made available to all parties to this proceeding and, as noted above, have been available for inspection by Sprint's counsel, including Mr. Verveer's colleagues.

Like Ameritech, SBC expended enormous time and resources to carefully and fully comply with the Commission's request for supplemental information. It is regrettable that Mr. Verveer and his colleagues did not devote similar care to their review of what SBC and Ameritech actually produced. Had they done so, this current exercise, which we hope is now at an end, would not have been necessary.

Please do not hesitate to contact me at your convenience if you or any member of your staff would like to discuss this matter further.

Sincerely yours,



Patrick J. Grant
Counsel for SBC Communications Inc.

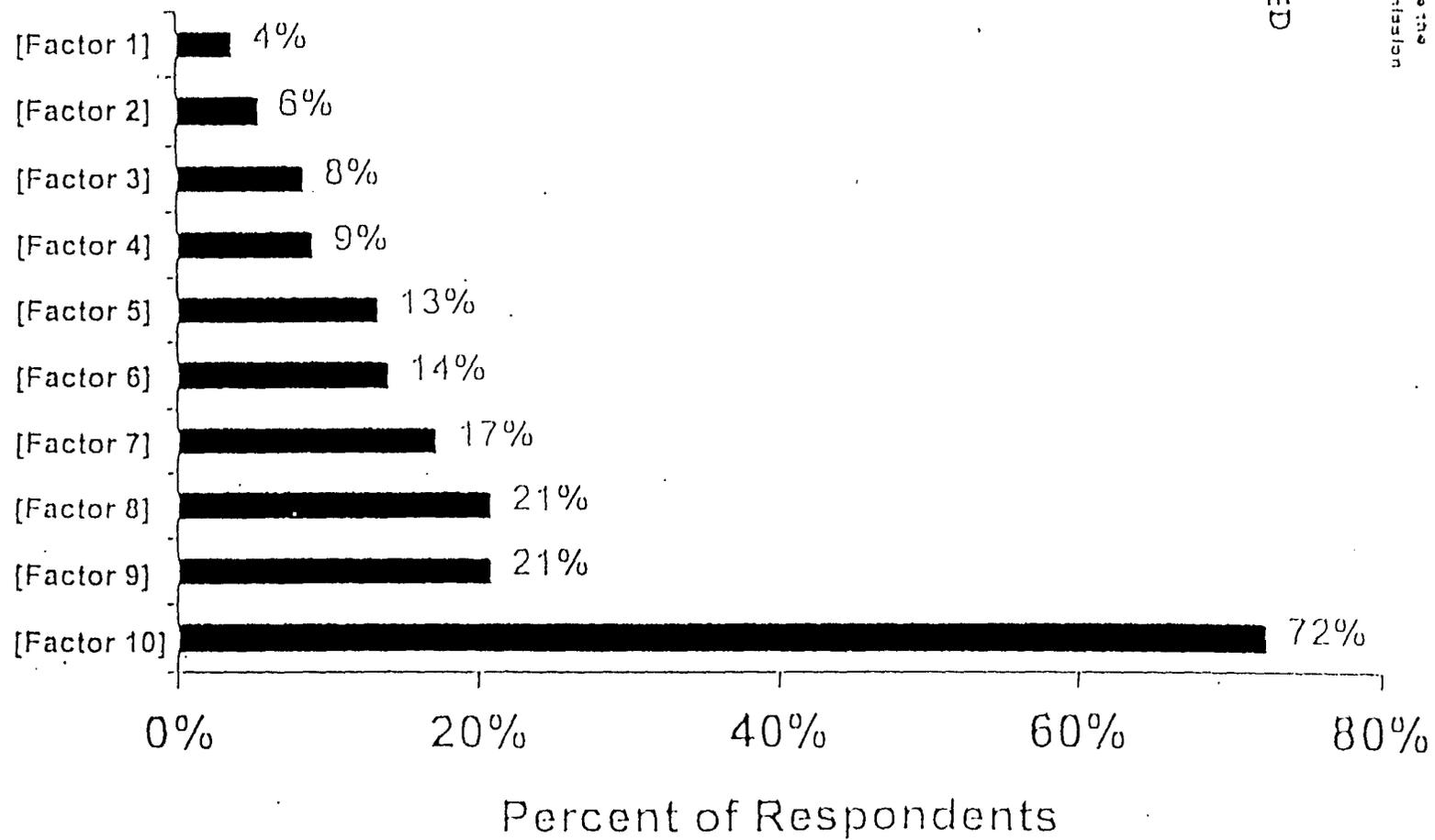
Attachments

cc: Commissioner Susan Ness
Commissioner Harold Furchtgott-Roth
Commissioner Michael Powell
Commissioner Gloria Tristani
Attached Service List

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[Factors Affecting Why Customers Switched Carriers]

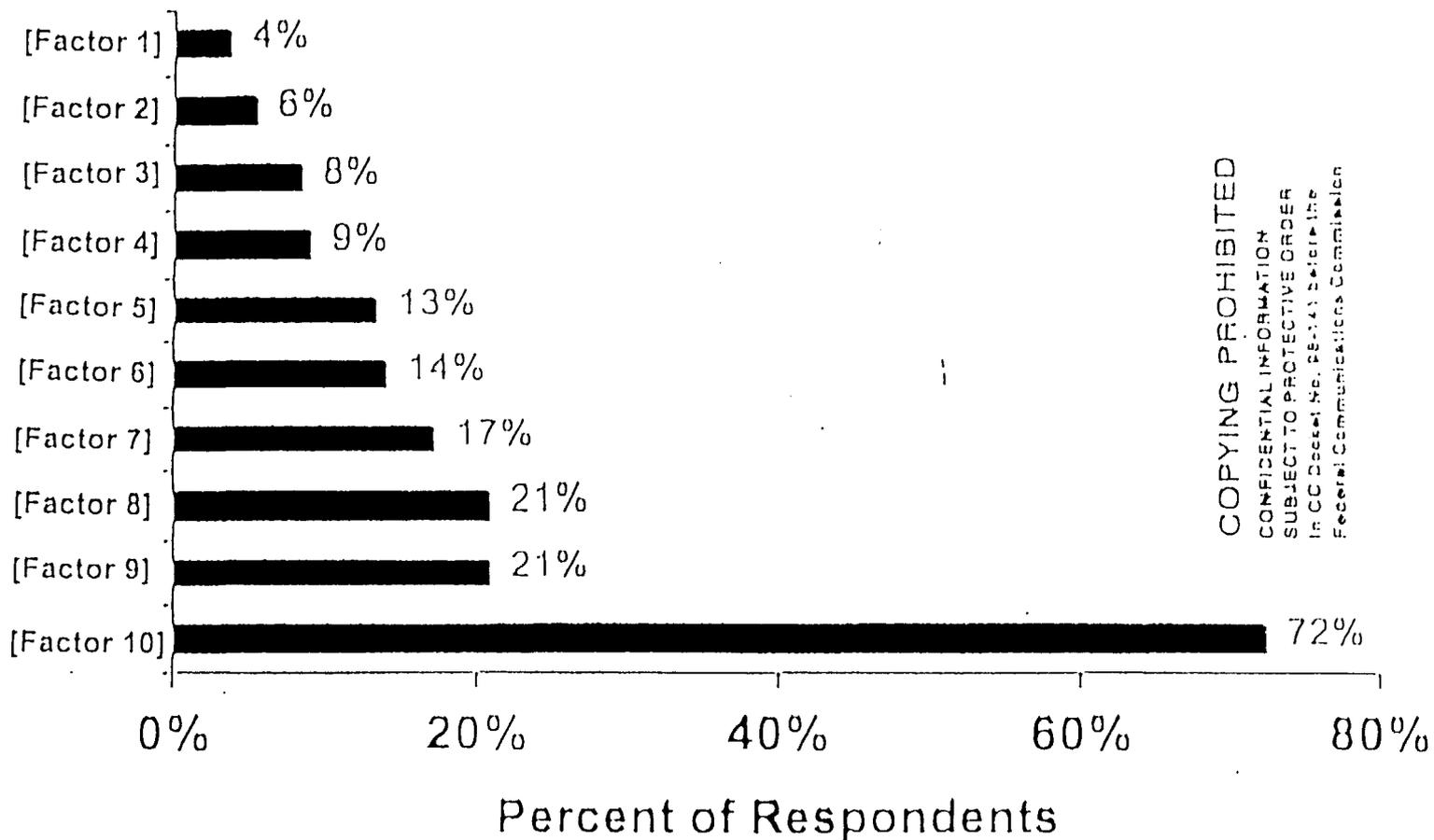


SBCAMUS
025497



[Factors Affecting Why Customers Switched Carriers]

SBCAMFCC01e
000762



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CONFIDENTIAL INFORMATION
SUBJECT TO PROTECTIVE ORDER
In CC Docket No. 95-141 Before the
Federal Communications Commission

CERTIFICATE OF SERVICE

I, Elizabeth Regan, do hereby certify that on this 17th day of May, 1999, copies of the foregoing "Ex Parte; SBC/Ameritech Merger – CC Docket No. 98-141; SBC's Response to May 10, 1999 Letter from Sprint's Counsel" were hand delivered to the FCC Chairman and Commissioners and to the following persons:

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Elizabeth Regan