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Wiley, Rein & Fielding

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FEDERAL COMMUNICATIONS COMMISSION
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September 1, 2000

BY HAND

Ms. Magalie Roman Salas, Secretary
Federal Communications Commission
445 12th Street, SW; Room TW-B204F
Washington, D.C. 20554

Re: Notification of Ex Parte Contact in WT Docket No. 00-130

Dear Ms. Roman Salas:

This letter notifies the Commission of ex parte contacts in WT Docket No. 00-130. On August 31, 2000, Messrs. Pettit and DeSilva of Wiley, Rein & Fielding, Mr. Sullivan of TeleCorp PCS, Inc. and Mr. Gutierrez of Lukas, Nace, Gutierrez & Sachs met with Mr. Sugrue, Chief of the Wireless Telecommunications Bureau and members of the Wireless Telecommunications Bureau staff to discuss the attached presentation. Later the same day, Messrs. Pettit, DeSilva, and Sullivan also met with Mr. Krinsky in the Office of Commissioner Tristani and Mr. Tenhula in the Office of Commissioner Powell, to discuss the same presentation.

Should any questions arise concerning this notification, please do not hesitate to contact the undersigned at (202) 719-3182.

Sincerely,



Eric DeSilva

Enclosure: Presentation

cc: Mr. A. Krinsky, Office of Comm'r Tristani
Mr. P. Tenhula, Office of Comm'r Powell
Mr. T. Sugrue, Chief, WTB
Ms. L. Kravetz, Mergers & Comp. Analysis Div.
Mr. J. Branscome, Mergers & Comp. Analysis Div.
Ms. M. Weiner, Auctions & Industry Analysis Div.

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TELECORP PCS

Member of the AT&T Wireless Network

**Tritel**

Merger Briefing

August 31, 2000

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Subsidiaries

TeleCorp/Tritel Merger

Introduction

- TeleCorp and Tritel
- Competitive Benefits of the Merger
- Structure of the Merger
- Regulatory Status of the Merger
- Designated Entity Issues

TeleCorp/Tritel Merger

TeleCorp PCS, Inc.

- TeleCorp Holding Corp., Inc. (“THC”) was formed in 1996 by Gerald Vento & Thomas Sullivan to participate in the PCS D, E & F Block auction
- THC became a subsidiary of TeleCorp PCS, Inc. (“TeleCorp”) when the company was capitalized in July of 1998
- TeleCorp also was able to acquire a number of non-designated entity licenses at the same time
- In order to preserve THC’s designated entity status and effectively integrate (and finance) both DE and non-DE licenses, THC’s economic ownership is maintained through tracking stock
- TeleCorp and THC are both controlled by G. Vento & T. Sullivan through the use of a class of voting preference stock

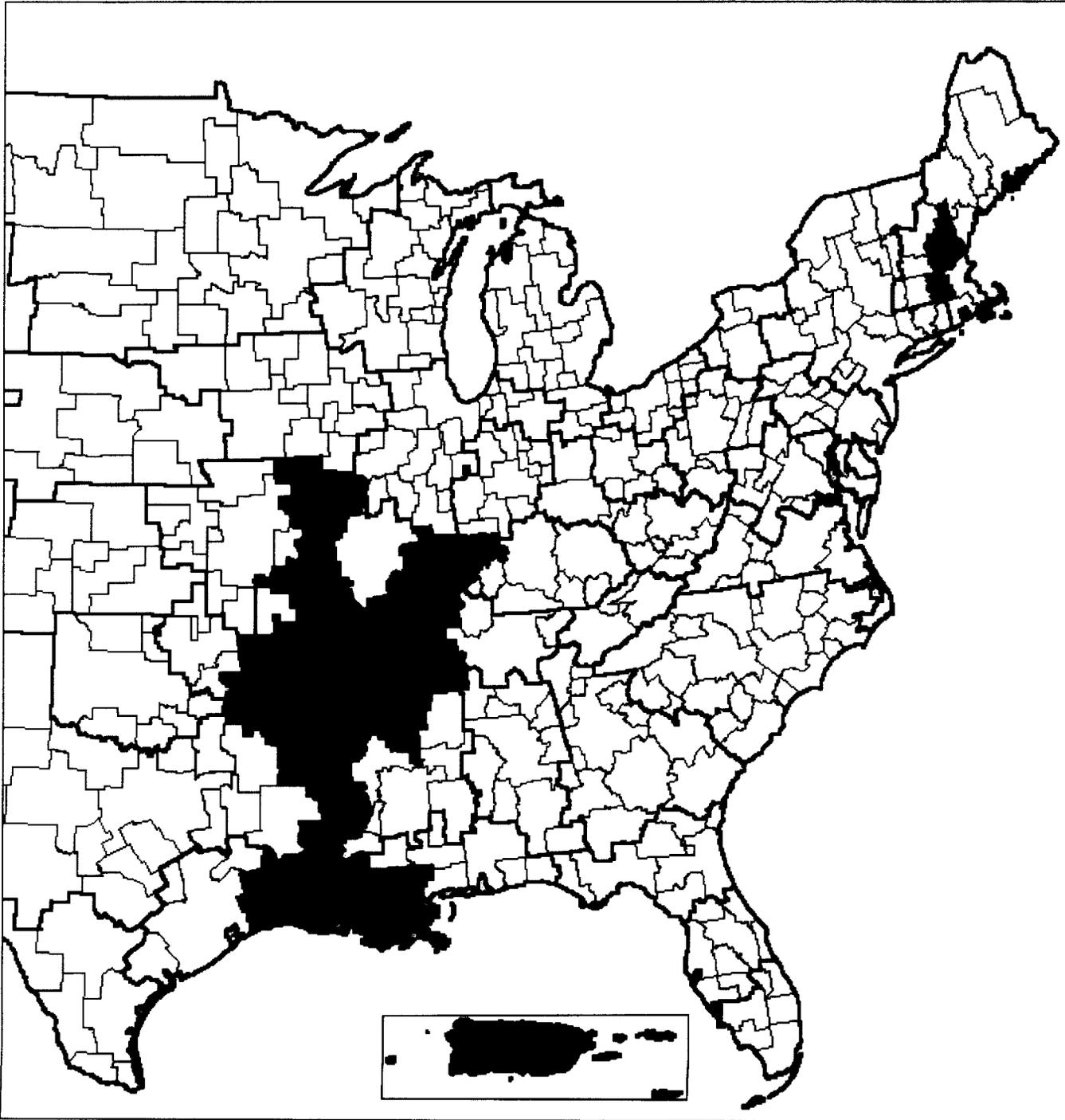
TeleCorp/Tritel Merger

TeleCorp PCS, Inc.

(cont'd)

- TeleCorp initiated service in its first market, New Orleans, LA in February of 1999, and launched an additional 26 markets that year
- As shown in the TLCP footprint map, TeleCorp mainly serves secondary and rural markets
- TeleCorp also has an exemplary record of hiring minorities (50% of TeleCorp's workforce is minority) and women (50% of TeleCorp's workforce is female, including TeleCorp Chief Operating Officer)

TLCP Pre-Merger Footprint



TeleCorp/Tritel Merger

Tritel, Inc.

- Tritel, Inc. (Tritel) was capitalized slightly after TeleCorp along the same principles, having consolidated both designated entity and non-designated entity licenses under a common holding company
- Tritel launched its first market, Jackson, MS, in September of 1999, and initiated service in seven other markets in the remainder of the fourth quarter
- As shown in the TTEL map, Tritel also serves mainly secondary and rural markets in south central United States
- Like TeleCorp, Tritel also has an exemplary record in minority and female hiring

TeleCorp/Tritel Merger

Competitive Benefits of the Merger

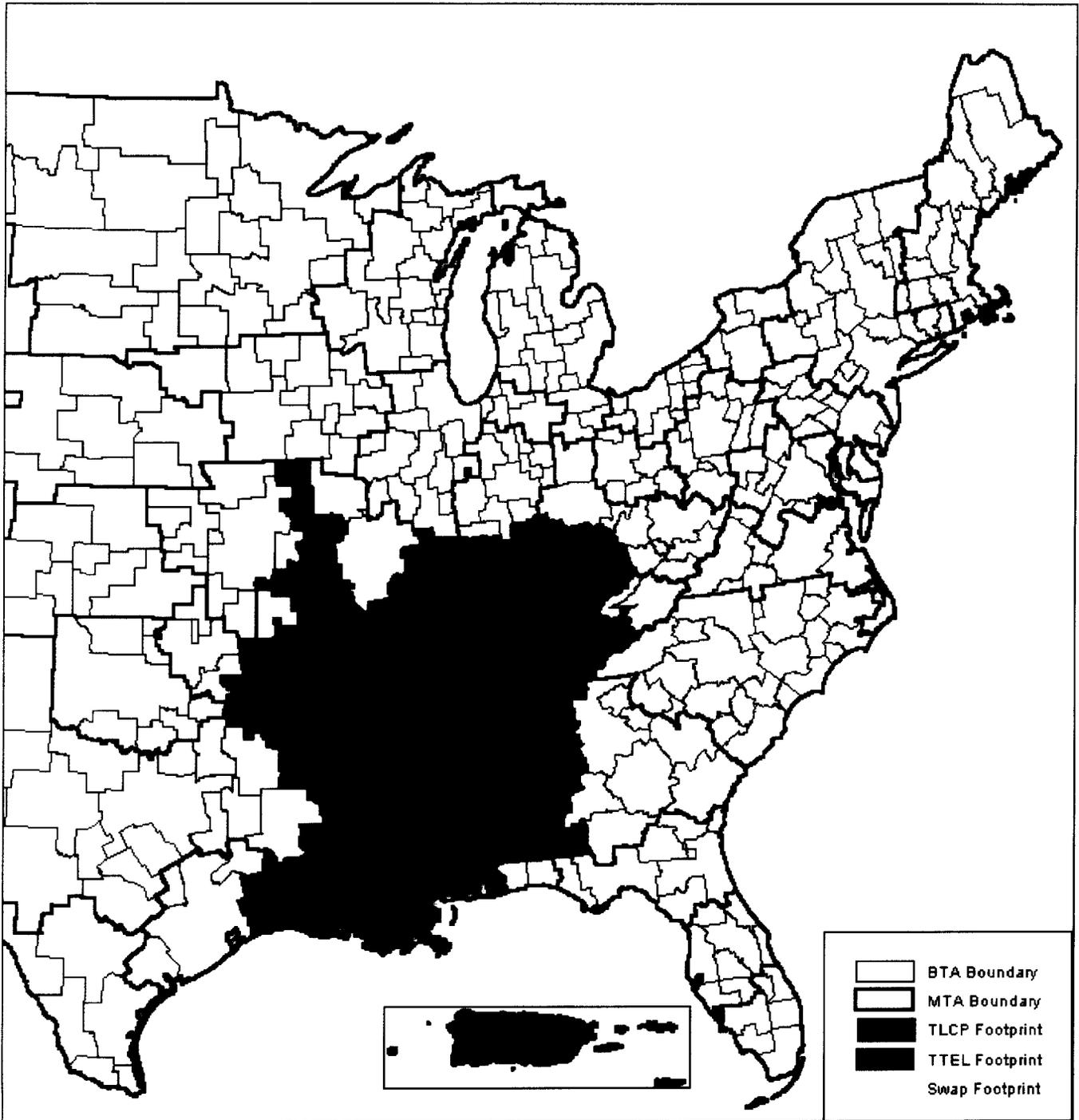
- As shown in the post-merger footprint map, the service areas of TeleCorp and Tritel are complementary, and *overlap by only one county*
- The merger combines the 24th and 25th largest mobile carriers by licensed, unduplicated POPs—a *combined market share in customers of less than one-fifth of one percent* of the U.S. mobile customers
- The merger is *fully consistent with the spectrum cap*, even considering the spectrum holdings of unrelated ventures owned by the controlling principals of TeleCorp and the spectrum holdings of non-controlling investors

TeleCorp/Tritel Merger

Competitive Benefits of the Merger *(cont'd)*

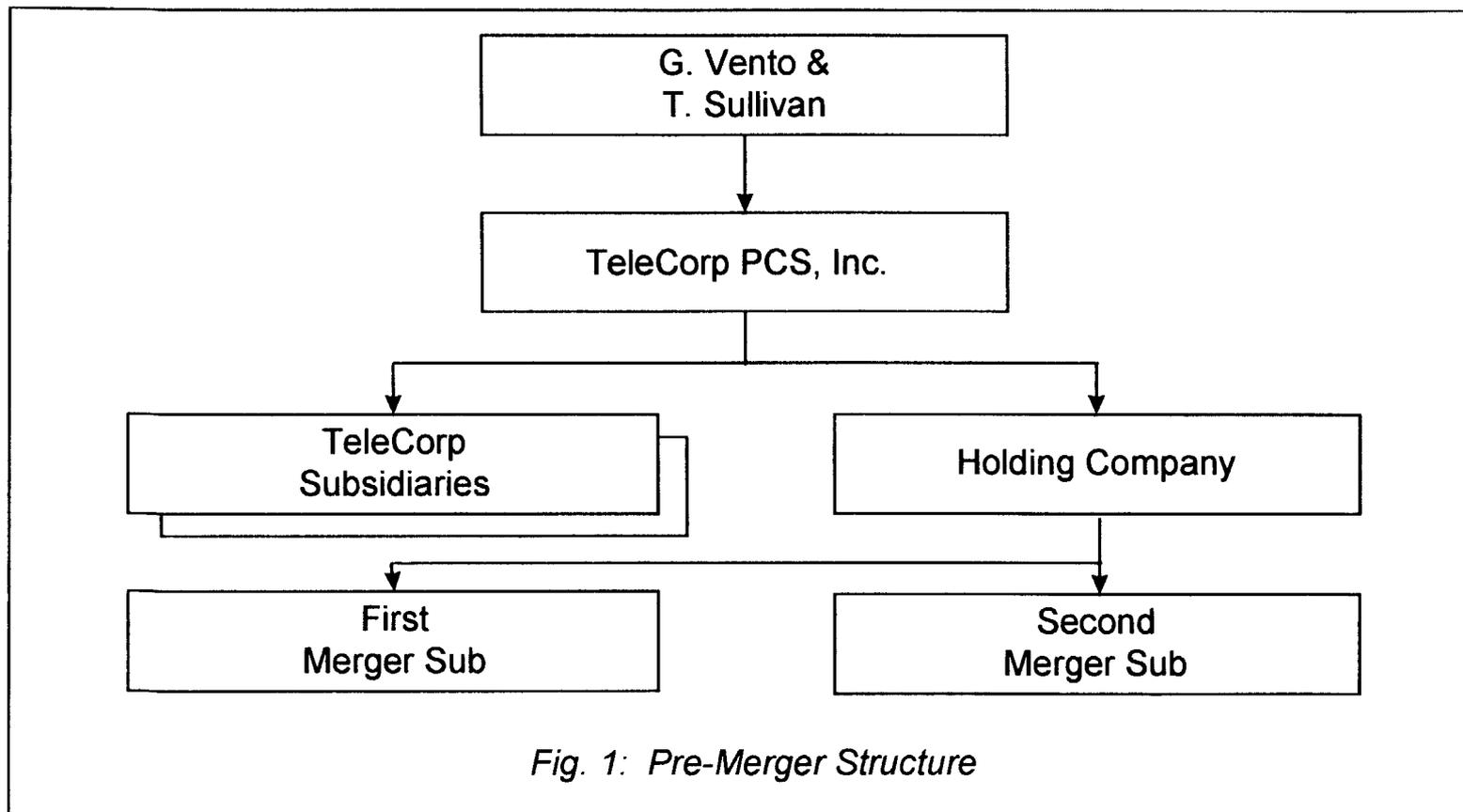
- The merged company will *compete throughout the majority of the combined footprint with significantly larger established national mobile carriers*, including BellSouth, Verizon, and others
- As a merger of two PCS-only companies, *the combined company competes with at least two long-established cellular carriers—and generally several new PCS carriers—in every single market*
- The *Department of Justice granted early termination of the merger Hart-Scott-Rodino review*, effectively determining that the merger on its face raised no competitive issues

TLCP/TTEL Post-Merger Footprint



TeleCorp/Tritel Merger

Merger Structure



TeleCorp/Tritel Merger

Merger Structure

(cont'D)

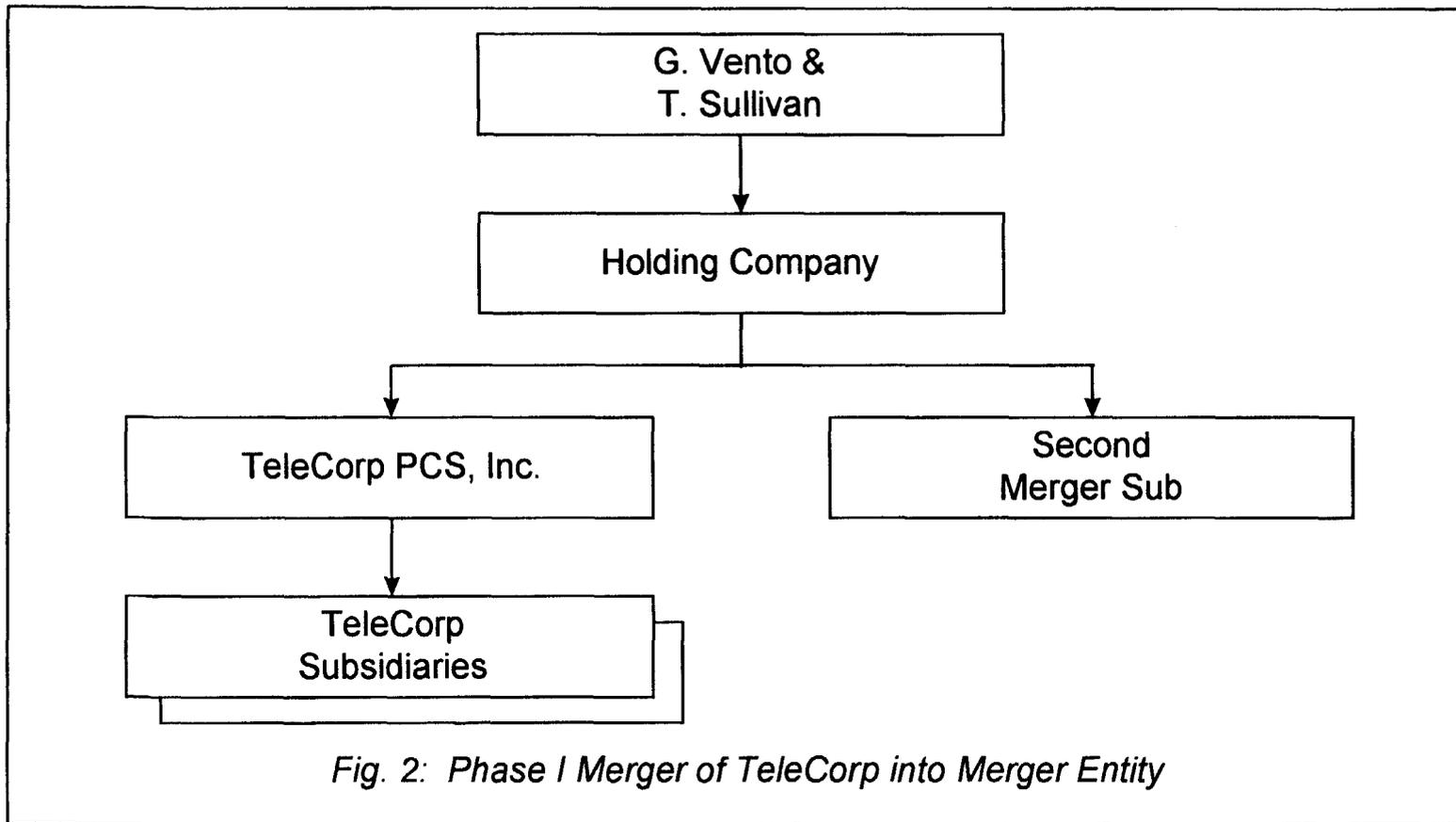
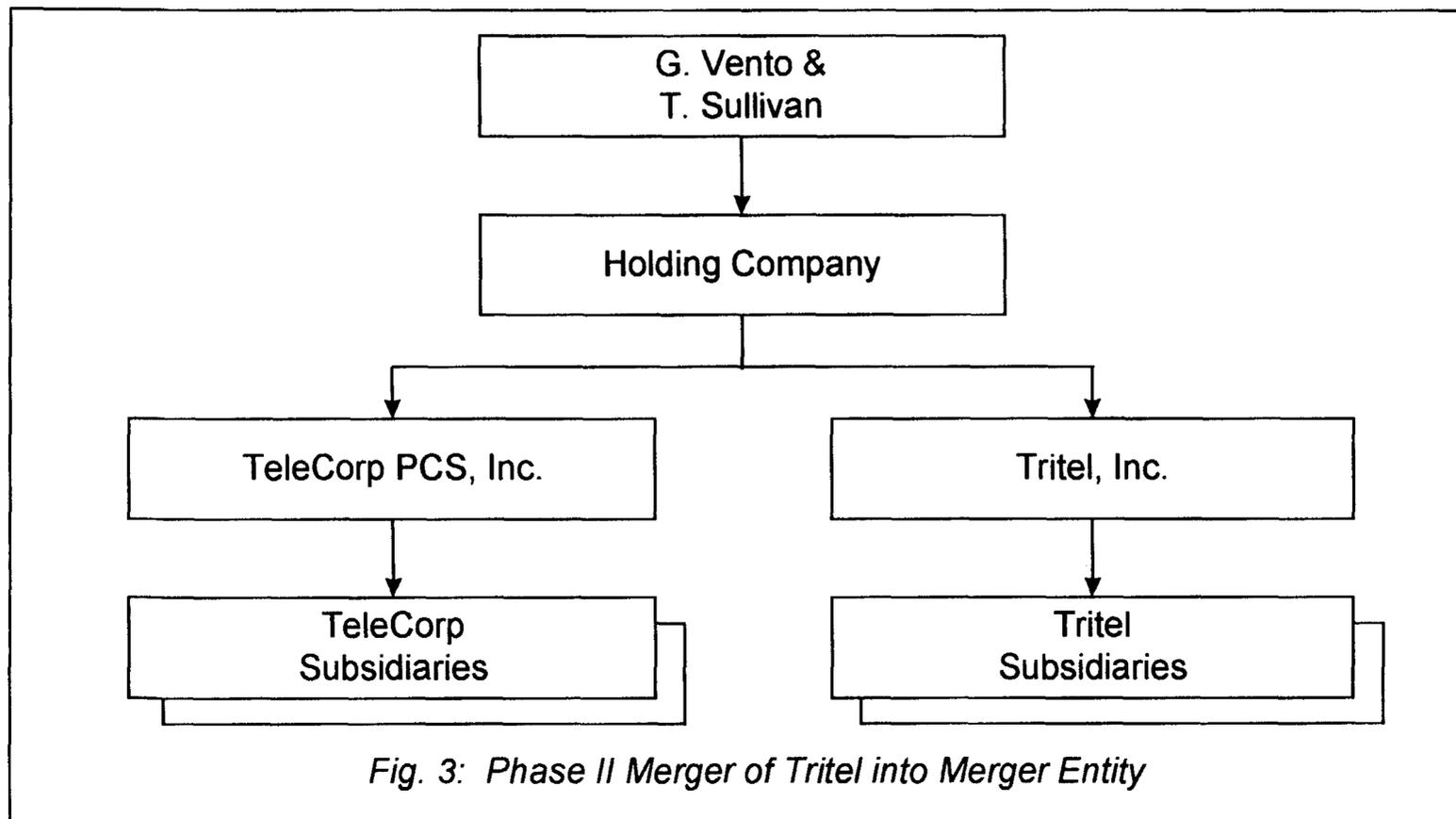


Fig. 2: Phase I Merger of TeleCorp into Merger Entity

TeleCorp/Tritel Merger

Merger Structure

(cont'D)



TeleCorp/Tritel Merger

Merger Structure

(cont'D)

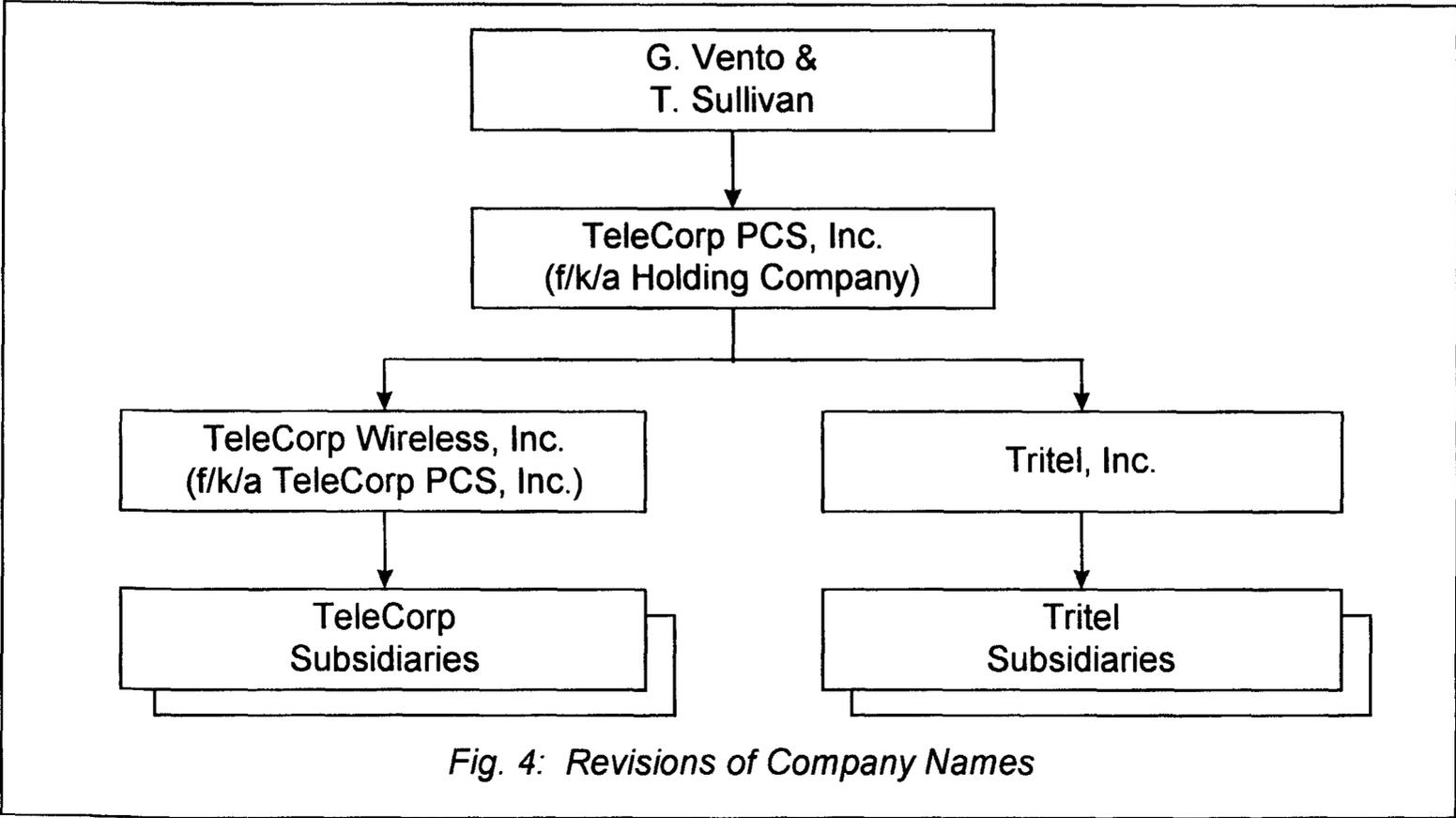


Fig. 4: Revisions of Company Names

TeleCorp/Tritel Merger

Regulatory Status of Merger

- Final merger applications submitted on May 5, 2000
- Supplemental competitive showing submitted on June 21, 2000
- Applications placed on Public Notice on July 17, 2000
- Opposition filed by Nextel Communications, Inc. on August 16, 2000
- Replies filed by TeleCorp PCS, Inc. et al., Tritel, Inc., and PolyCell, Inc. on August 28, 2000
- “Reply” also filed by Alpine PCS, Inc. on August 28, 2000
- Applications are now ripe for action

TeleCorp/Tritel Merger

Designated Entity Issues

- Petitioner's allegations all concern TeleCorp's eligibility to hold and acquire designated entity licenses
- While TeleCorp's assets exceed \$500M threshold for "entrepreneurial" status, under the rules:
 - THC may still hold its designated entity licenses, since the growth was normal growth due to expansion of the business
 - THC may still acquire designated entity licenses, since Section 24.839 permits, regardless of assets, assignments to entities that hold other C/F Block licenses
 - THC may undergo, under Section 24.839, pro forma transfers of control
- While Petitioner attempts to make an issue of THC's use of tracking stock, the FCC was fully briefed, and approved, such use years ago

TeleCorp/Tritel Merger

Designated Entity Issues

- All of the assignments and transfers of control fit within the exemptions of Section 24.839
- Since Messrs. Vento & Sullivan continue to control the post-merger entity, all of the changes to the TeleCorp DE licenses are pro forma
- All of the DE license assignments to TeleCorp (and the transfers of control of Tritel DE licenses) are to affiliates of entities holding designated entity licenses
- None of Petitioner's arguments has any legitimate basis for delaying the proposed merger