probable supply.[27] The supply responses of these firms to a "small but significant and nontransitory" price increase must be likely to occur within one year and without the expenditure of significant sunk costs of entry and exit.

Competitive Analysis of Trunked Dispatch Markets

Market Definition

25. In this proceeding, we adopt the product market definition that was set forth by the FCC in the *Geotek* Order. The FCC defined markets for trunked dispatch services including firms offering on a commercial basis both one-to-one and one-to-many calling service on trunked systems employing either analog or digital network architectures.

26. In its Comments, Motorola has indicated that the 900 MHz licenses at issue in this case are now used to furnish dispatch services in urban markets. Specifically, Motorola states that these licenses are used to provide "traditional, non-interconnected analog dispatch service in urban areas."[28] It is our understanding that Motorola provides trunked analog services in at least some, if not all, of the market areas involved in this transaction.

27. In the *Geotek* Order, the FCC defined the term "traditional" dispatch to refer to "non-interconnected, non-CMRS, commercial dispatch services (typically non-trunked), analog systems."[29] Nevertheless, the calculations that we set forth conservatively add all auction license holders in the 800 MHz, 900 MHz and 220 MHz bands including those who may now offer non-trunked analog dispatch services.[30]

28. By this convention, we do not intend to suggest that non-trunked analog dispatch service providers could restrain anti-competitive behavior in trunked dispatch markets in all cases. These license holders are included solely for ease of calculation.

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[27] See *Merger Guidelines*, § 1.32.

[28] Reply Comments of Motorola, page 3.

[29] *Geotek* Order, Par. 32.

[30] If the services that Motorola now provides using the licenses at issue in this case are non-trunked in some markets, these assets are not now in the relevant market for trunked dispatch that we propose. Nevertheless, Motorola clearly has the technology and capability to replace non-trunked service with trunked service.

Moreover, since "traditional" providers are likely to include very small firms, the inclusion of these entities serves only to reduce market concentration levels below what they other wise would be.

220 MHz

29. The product market defined by the Commission in the *Geotek* case included services provided by carriers operating at 800 MHz, 900 MHz and 220 MHz. The ownership shares that we calculate on the basis of license awards include all such carriers. Nevertheless, we have substantial doubt that the firms that we identify as holding licenses in the 220MHz range currently represent any significant competitive presence in these markets. For this reason, all of the share calculations that we present using 220 MHz carriers must be regarded as conservative, low-end estimates of the market concentration that actually exists in the trunked dispatch markets that we analyze.

30. As part of its reasoning in the Geotek proceeding, the Commission agreed with the conclusion of DOJ that "entry of competitive dispatch providers in the 220 MHz band will likely occur in the relatively near term."[31]

31. DOJ's analysis in turn referenced a company known as Datamarine International, Inc. According to DOJ, Datamarine's backlog in 220 MHz equipment orders due to post-auction construction of 220 MHz dispatch systems was claimed to exceed $1,000,000.[32] However, for the year ended September 30, 2000, Datamarine International's operating loss in its land mobile communications division alone was ($1,344,361). Moreover, the company's financial auditors have "raised substantial doubt about the Company's ability to continue as a going concern."[33] (emphasis added) For these reasons, reliance on the future production and sale of 220MHz radios, at least by Datamarine, does not seem reasonable, even in the near term.

32. Intek Global was another supplier in 220 MHz that was cited by DOJ.[34] In 1999, Securicor PLC of the UK became the parent

[31] *Geotek* Order, Par. 39.
[32] Response of the United States to Public Comments on the Proposed Modified Consent Decree, Case 1:94 CV2331 (TFH), fn. 11.
[33] Datamarine International, Inc. Form 10-KSB, Consolidated Financial Statements, September 30, 2000.
[34] Id.

company of Intek and branded Intek's products as Securicor Wireless. Securicor Wireless subsequently acquired a 220 MHz nationwide license from Global Cellular Communications that it added to licenses previously obtained in partnership with the National Rural Telecommunications Cooperative (NRTC).[35]

33. The company's strategy seems to reflect a desire to create a nationwide network in order to promote the sale of radio equipment that makes use of Securicor's patented linear modulation process. On January 21, 2001, the chairman of Securicor Wireless stated that the company expects to offer commercial service in the top 60 domestic markets in the US "within five years."[36]

34. Despite its 220 MHz spectrum holdings, however, security analysts have grown "skeptical" as to the prospects that Securicor Wireless will actually deliver on its promises.[37] As part of his recommendation to "reduce" holdings of Securicor, one analyst stated that "...product substitutes to standard two-way radio, such as cellular-like service of competitor Nextel, are becoming cheaper by the day."[38]

35. We reiterate that for all of these reasons, the trunked dispatch market share calculations that we present that include 220 MHz carriers must be regarded as conservative, low-end estimates of the market concentration that actually exists.

Private Dispatch Services

36. Consistent with the FCC's findings in the *Geotek* proceeding, our trunked dispatch markets also exclude so-called "private dispatch."[39] Private radio dispatch systems are not offered for use in the commercial market place.[40] While there are many such systems in the United States, such systems face increasing

[35] Securicor Wireless.com, "Securicor Wireless Acquires Nationwide 220 MHz License from Global Cellular Reinforcing Dominance of Valuable Spectrum," August 20, 2000.
[36] RCR Wireless News, "Securicor Takes 200 MHz path," January 22, 2001, page 6.
[37] See for example, Merrill Lynch, "Securicor," December 18, 2000, page 3.
[38] HSBC, "Securicor" Insecure Rating, March 23, 2000, page 5.
[39] See *Geotek* Order, Par. 34.
[40] We distinguish privately owned and used radio dispatch services from any commercial dispatch services offered by qualified private land mobile operators. However, commercial dispatch services offered by private land mobile operators are conspicuously ignored in the trade press and in the industry reports that we have reviewed. We conclude that commercial dispatch services offered by qualified private land mobile operators would not affect concentration in trunked dispatch markets in any meaningful way.

spectrum congestion. Indeed, as noted by the Strategis Group, "More significantly, spectrum congestion is preventing potential new users from obtaining spectrum licenses, forcing them to use commercial wireless services instead."[41]

Concentration Levels in Major Trunked Dispatch Markets

37. Even by the most approximate measures, Nextel is the dominant supplier of trunked dispatch services in the United States. One such measure of Nextel's relative dominance is shown in Table EI-1. In this table, we adjust the FCC's 1999 estimate of Nextel total subscribers to reflect a rough estimate of Nextel's dispatch service based on minutes of use. By this measure, Nextel's dispatch subscriber count is nearly eleven times greater than that of the second ranked operator, Southern LINC, even ignoring Nextel's ongoing acquisitions of the dispatch assets of Mobex and Chadmoore Wireless Group.

38. In Table EI-2.1, 2.2 and 2.3, we compare the counts of Nextel and Motorola's "usable" channels in the 800 MHz and 900 MHz SMR bands with the total channels allocated for commercial SMR use in each of these bands and for both bands combined. The "usable" channel counts that appear in Table EI-2 were prepared and filed by Nextel and Motorola as part of their application in this case and we did not adjust these counts in any way. These channel counts are reported for the top 50 markets in the United States.

39. As shown in Table EI-2.1, in the 800 MHz SMR band, Nextel itself admits to having achieved "usable" shares in excess of 50% in forty-two of the top fifty markets in the United States. Nextel's "usable" share of allocated 800 MHz SMR spectrum was in excess of 80% in 28 of the top fifty markets in the United States.

40. In Table EI-2.2, we provide similar "usable" shares of allocated channels in the 900 MHz SMR band for Nextel, for Motorola and for Nextel and Motorola combined. This table shows Nextel alone with usable shares of allocated spectrum in excess of 50%

[41] The Strategis Group, "The State of the SMR Industry:Nextel and Dispatch Communications," September 2000, Par. 1.4.1. p. 7, 64.

in 25 of the top fifty markets and in 27 of the top fifty markets when combined with Motorola.

41. In Table EI-2.3, we combine the usable channel count shares for both companies in both the 800 MHz and 900 MHz SMR bands.[42] As shown in this table, Nextel/Motorola's usable shares of the total channels allocated in the combined 800 MHz/900MHz SMR bands exceeded 50% in 43 of the top fifty markets in the US. The companies' usable shares of allocated channels in the combined 800MHz/900MHz SMR bands exceeded 75% in 23 of the top fifty markets in the US.

42. In Table EI-3, we provide general information on the fifty-eight license transfers at issue in this case. In Table EI-3.1, we array the fifty-eight licenses at issue in this case by call letter and by MTA market. In Table EI-3.2, we adjust the license transfers in order to derive estimates of the actual channel counts that are being transferred.[43] By our analysis, the licenses at issue represent a total transfer of 410 channels in 21 markets.

43. In Table EI-4, we reproduce certain results from Table EI-2.3 in order to highlight the Nextel and Motorola "usable" channel shares in the nine top urban markets of New York, Los Angeles, Chicago, San Francisco, Detroit, Dallas, Philadelphia, Washington and Atlanta. As shown in Table EI-3.2, in this proceeding, Nextel and Motorola are proposing to transfer 900MHz SMR licenses in each of these markets.

44. Our calculations of market share begin with Table EI-5. For nine top urban markets, this table compares the counts of Nextel and Motorola's "usable" channels in the 800 MHz and 900 MHz SMR bands with the total number of channels in the 220 MHz, 800 MHz and 900 MHz bands that are allocated for trunked dispatch service.[44] The table shows Nextel and Motorola's share of allocated channels and the combined Nextel/Motorola share.

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[42] When combining 800 MHz and 900 MHz channels, each 900 MHz channel was counted as one-half of an 800 MHz channel based on channel bandwidth.

[43] Some of the licenses cover the same frequencies in a given market.

[44] As before, the "usable" channel counts are based on Exhibit B prepared and filed by Nextel and Motorola as part of their application in this case. Total channels are expressed as effective 800 MHz channels and are calculated as follows: 430 channels in the 800 MHz band, 100 effective 800 MHz channels in the 900 MHz band since each of the 200 channels in the 900 MHz band has one-half the bandwidth of an 800 MHz channel, and 31 effective 800 MHz channels in the 220 MHz band since each of the 155 channels in the 220 MHz band has one-fifth the bandwidth of a 800 MHz channel.

45. Table EI-5 also presents an HHI calculation for each of the nine markets.[45] The table shows the minimum pre- and post-merger HHI and the change in the HHI resulting from the merger. It is a minimum HHI in that it only considers the shares of Nextel and Motorola and does not include the contribution to the HHI attributable to other firms that have usable channels. In effect, the minimum HHI assumes that allocated channels not usable by Nextel or Motorola are owned by a large number of different firms and the contribution to the HII from those firms' shares is zero. To the extent that these channels are actually controlled by only a few firms, the actual HHI will be higher than the reported minimum HHI.

46. As Table EI-5 indicates, the HHI is at least 2,000 points in all nine markets and exceeds 3,000 points in all but one market. Hence, all of these markets are highly concentrated as defined by the *Merger Guidelines*. The change in the HHI resulting from the proposed transfer of licenses exceeds 100 points in all but two markets. Hence, the transfer of licenses in these markets presumptively raise antitrust concerns under the *Merger Guidelines*.

47. Tables EI-6.1 through 6.9 present an HHI calculation for each of the nine markets based on the holders of licenses from the 800 MHz SMR, 900 MHz SMR and 220 MHz spectrum auctions. These tables do not adjust for incumbent license holders, and therefore the auctioned channel counts are not the same as the number of usable channels. However, as the spectrum auction winners clear frequencies, the distribution of channels across auction license holders is likely to be a good predictor of the long-run distribution of usable channels.

48. Each Table EI-6.1 through 6.9 lists the carriers that hold a license from the 800 MHz SMR, 900 MHz SMR and 220 MHz spectrum auctions and indicates the number of channels

[45] The Herfindahl-Hirschman Index ("HHI") is a commonly accepted measure of market concentration. It is calculated by squaring the market share of each firm competing in the market and then summing the resulting numbers. The HHI takes into account the relative size and distribution of the firms in a market and approaches zero when a market consists of a large number of firms of relatively equal size. The HHI increases both as the number of firms in the market decreases and as the disparity in size between those firms increases. The HHI in a monopoly market is 10,000 points. Markets in which the HHI is between 1,000 and 1,800 points are considered to be moderately concentrated, and those in which the HHI is in excess of 1,800 points are considered to be highly concentrated. Transactions that increase the HHI by more than 100 points in concentrated markets presumptively raise antitrust concerns under the Horizontal Merger Guidelines issued by the U.S. Department of Justice and the Federal Trade Commission. See *Merger Guidelines § 1.51.*

licensed to that carrier.[46] The numbers of licenses are aggregated across the spectrum bands and the sum is reported in the column Total Effective 800 MHz Channels.[47] Each carrier's share is reported as well as the carrier's contribution to the pre-merger HHI.

49. There are two HHI summary boxes on each table, each showing the pre-merger HHI, the change in the HHI resulting from the transfer of licenses from Motorola to Nextel, and the post-merger HHI. The top summary box does not take into account Nextel's announced plans to acquire certain spectrum from Arch Wireless, in particular the 800 MHz and 900 MHz spectrum that Arch owns through PageNet. The bottom summary box assigns the PageNet spectrum to Nextel.

50. As Tables EI-6.1 through 6.9 indicate, based on the licensee holdings of the 800 MHz SMR, 900 MHz SMR and 220 MHz auctioned spectrum, each of the nine markets has an HHI in excess of 3,000 points and all but two have an HHI in excess of 5,900 points, even ignoring Nextel's planned acquisition of the PageNet spectrum. Each of these markets is therefore highly concentrated. The change in the HHI resulting from the transfer of licenses from Motorola to Nextel exceeds 100 points in all markets except one, where the change is 97 points.[48]

51. Taking into account Nextel's announced acquisition of the PageNet spectrum, each of the nine markets has an HHI in excess of 4,000 points and a change in the HHI of over 100 points resulting from the proposed license transfer from Motorola to Nextel.

52. Tables EI-7.1 through 7.9 present alternative HHI calculations for each of the nine markets taking into account the holders of Designated Filing Area ("DFA") licenses in the 900 MHz SMR spectrum. Unlike Tables EI-6.1 through 6.9, these tables adjust

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[46] Detailed tables showing license holders from the 220 MHz, 800 MHz SMR, and 900 MHz SMR spectrum auctions are presented in Appendix A. Table A-1 shows the license holders from the 220 MHz spectrum auctions by Economic Area, Economic Area Group, and nationwide. Table A-2 shows the license holders from the 800 MHz SMR spectrum auctions by Economic Area. Table A-3 shows the license holders from the 900 MHz SMR spectrum auction by Major Trading Area.

[47] As before, total channels are expressed as effective 800 MHz channels. Each channel in the 800 MHz band counts as one, each channel in the 900 MHz band counts as one-half, and each channel in the 220 MHz band counts as one-fifth.

[48] Mergers in the highly concentrated range, i.e., above 1,800 points, presumptively raise antitrust concerns if the change in the HHI is over 100 points and raise significant competitive concerns if the change in the HHI is over 50 points. See *Merger Guidelines § 1.51.*

spectrum auction license holdings for incumbent license holders in the 900 MHz spectrum.[49] For this reason, the channel counts in these tables differ from both the auctioned channel counts (Tables EI-6.1 through 6.9) and from the number of usable channels (Table EI-5).

53. As in Tables EI-6.1 through EI-6.9, Tables EI-7.1 through EI-7.9 contain two HHI summary boxes on each table, each showing the pre-merger HHI, the change in the HHI resulting from the transfer of licenses from Motorola to Nextel, and the post-merger HHI. The top summary box does not take into account Nextel's announced plans to acquire certain spectrum from Arch Wireless, in particular the 800 MHz and 900 MHz spectrum that Arch owns through PageNet. The bottom summary box assigns the PageNet spectrum to Nextel.

54. Tables EI-7.1 through 7.9 are based on the licensee holdings of the 800 MHz SMR and 220 MHz auctioned spectrum and on the auctioned holdings in the 900 MHz SMR spectrum as adjusted for DFAs. In these tables, each of the nine markets save one has an HHI in excess of 4,000 points and all but two have an HHI in excess of 5,900 points, even ignoring Nextel's planned acquisition of the PageNet spectrum. Each of these markets is therefore highly concentrated.

55. Taking into account Nextel's announced acqusition of the PageNet spectrum, each of the nine markets has an HHI in excess of 4,000 points and a change in the HHI of over 100 points resulting from the proposed license transfer from Motorola to Nextel.

56. The foregoing analyses of usable licenses, auctioned licenses and auctioned licenses as adjusted for DFA holdings in the 900 MHZ SMR band, all indicate that the nine major urban markets where Nextel proposes to acquire licenses from Motorola are highly concentrated. The proposed acquisition will produce substantial increases in the HHI in most of these markets.

[49] DFA license holders in these markets were identified by selecting a centrally located postal zip code in each market and finding all DFA licenses within twenty-five miles of that zip code.

Interconnected Mobile Voice and Dispatch Markets

57. In addition to the trunked dispatch product market, it is clear that Nextel also makes use of its SMR licenses and radio technology to compete in a separate relevant product market for interconnected mobile voice services. This separate product market includes traditional cellular and PCS carriers. However, it is also abundantly clear from the trade press and from security analyst reports that Nextel's competitors in the separate product market for interconnected mobile voice service provide no real competitive alternative to Nextel's *Direct Connect* service in the trunked dispatch product market. The fact that cellular and PCS carriers provide no real competitive alternative to *Direct Connect* in trunked dispatch markets has been obvious for years and it remains true today. [50]

58. For example, in September 2000, Elliot Hamilton, Director of Global Wireless at The Strategis Group decribed Nextel's service advantage stating that "it is Nextel's dispatch service that differentiates Nextel from other cellular/PCS carriers and which the cellular/PCS carriers have not been able to duplicate." [51] (emphasis added)

59. In their August 24, 2000 Update on Nextel, Frederick Moran and Ben Abramovitz of Jefferies & Company, Inc. also stated that "Nextel provides a unique service to the business user at a premium price." [52] (emphasis added)

60. Perhaps most tellingly of all, Smith Barney analyst Rollins described Nextel as the "AOL Instant Messenger of Wireless," and stated that "Nextel's service differentiation with *Direct Connect*, which we liken to the AOL Instant Messenger phenomenon, has truly worked to rope-in and retain Nextel's professional customer base."[53] (emphasis added)

61. The specific advantages that Nextel derives from its *Direct Connect* service have also been documented in the trade press and in security analyst reports. These include shorter call set-up

[50] For example, in the *Geotek* Order, the Commission cited the Department of Justice' "expectation" that improved group-calling functionality would be implemented by cellular and PCS providers "within the next 12-18 months." Group calling functionality that competes effectively with *Direct Connect* has not been implemented at this writing.

[51] The Strategis Group, Inc, *Nextel's Success Attracts Takeover Interest,* Press release, September 18, 2000.

[52] Jefferies & Company, Inc., *Nextel Communications, Inc.,* August 24, 2000.

[53] Salomon Smith Barney, (Rollins) *The AOL Instant Messenger of Wireless,* April 14, 2000.

times, shorter call-holding times and one-to-many calling at the push of a button. These advantages cannot be simply overcome through the use of discount call pricing plans.

62. The advantages of *Direct Connect* were summarized in a December 14, 2000 report on Nextel by R Hambrecht & Co., analysts Peter C. Friedland and Neil Doshi. These analysts find that "Nextel does not face a directly competitive service. Though other wireless carriers offer plans that allow members of a group to make unlimited calls to other members, we believe *Direct Connect* is a better alternative for mobile business groups because 1) traditional cellular service requires longer call set-up time than *Direct Connect*; 2) traditional cellular service has limited group conference-calling ability versus *Direct Connect*, which enables a user to speak to multiple users at a push of a button; and 3) *Direct Connect* conversations are generally shorter than traditional cellular calls, making employees more efficient." [54] (emphasis added)

63. There is little doubt that the advantages of *Direct Connect* to customers translate into financial gains for Nextel. One of the most obvious financial benefits that Nextel gains from *Direct Connect* is a lower churn rate. Nextel consistently achieves one of the lowest churn rates in the wireless industry. Colette Fleming at Morgan Stanley told investors in October 2000 that Nextel's domestic monthly churn rate "is among the lowest level of the wireless operators across the United States," and that as of 3Q 2000, it "remains at an impressive 2%."[55]

64. As Frederick Moran and Ben Abramowitz of Jefferies & Co. analyst explain, Nextel's low churn rate (at 2%) "not only provides revenue predictabilty but it also allows the company to lower acquisition expenses. The low churn rate provides Nextel with 50 months of lifetime revenue per customer versus 29-33 months for some of its competitors."[56]

65. Michael Rollins of Salomon Smith Barney also noted Nextel's low churn rate and concluded that Nextel's 2% churn "highlights

[54] WR Hambrecht & Co., *Nextel Communications, Inc.*, December 14, 2000, page 2.
[55] Morgan Stanley, (Fleming, Colette M.) *Nextel: Market Jitters Overshadow Strong 3Q Results*, October 30, 2000.
[56] Jefferies & Company, Inc. *Nextel Communications Inc.*, August 24, 2000. Page 4

the stickiness of the company's bundled *Direct Connect* service."[57] (emphasis added)

66. Nextel can also sustain premium prices for its *Direct Connect* service. Moran and Abramowitz explain that Nextel "continues to generate over $70 in average revenue per user (APRU) and should not see any meanignful downward pressure in the foreseeable future. This is in stark contrast to and far exceeds the industry average of $43 in APRU. Unlike its competitors, Nextel provides a unique service (Nextel *Direct Connect*) that cannot be easily substituted, and its customers are willing to pay a significant premium for the service."[58] (emphasis added)

67. In our opinion, the low churn rates and premium prices that Nextel can achieve are clear manifestations of the market power that Nextel possesses in relevant markets for trunked dispatch services.

Recommendation

68. We recommend that the Commission deny the assignment to Nextel of the fifty-eight 900MHz licenses that has been proposed in this proceeding.

[57] Salomon Smith Barney, (Michael Rollins) *NXTL: Strong Business Economics Lost in the Shuffle,* October 27, 2000.
[58] Jefferies & Company, Inc. *Nextel Communications Inc.,* August 24, 2000, page 4.

The foregoing statements are true and correct to the best of our knowledge, information and belief.

Michael G. Baumann

Stephen E. Siwek

Subscribed and sworn to before me, a Notary Public, this 6th day of February, 2001.

City Washington, DC

DAWN J. HIGGINS
A NOTARY PUBLIC OF DISTRICT OF COLUMBIA
MY COMMISSION EXPIRES JUNE 30, 2004

Notary Public

Tables

Major SMR Operators
1999 Subscribership

Operator	Subscribers
Nextel †	2,348,164
Southern Company	200,000
Mobex ††	65,000
Chadmoore Wireless Group, Inc. †††	37,475
Securicor Wireless (former Intek Global Corp.)	N/A
Total	**2,650,639**

† The FCC's Fifth Report on Competition indicates that Nextel has 4,515,700 subscribers. Nextel has stated that direct connect minutes (i.e., dispatch use) was "only 52 percent of the total MOU [minutes of use] in the Second Quarter 1999." (Opposition of Nextel Communications, Inc. to Petition to Deny, In the Matter of Geotek Communications, Inc. Applications of Geotek Communications, Inc. Pursuant to Section 310(d) of the Communications Act of 1934, DA 99-1027, July 15, 1999:23). Thus for purposes of this table we have assumed that only 52 percent of Nextel subscribers are dispatch users.
†† Mobex announced on October 17, 2000 that it agreed to sell its 800 MHz and 900 MHz spectrum to Nextel.
†††Chadmoore announced on August 21, 2000 that it intends to sell substantially all of its assets to Nextel.
Source: FCC's Fifth Report on Competition, Table 1: D-2.

Counts of Usable Channels and Total Channel Allocation in the 800 MHz SMR Range

Market Name	Nextel 800 MHz Usable Channels	Share of Total 800 MHz SMR Channel Allocation
Wichita	421	98%
Louisville	413	96%
Nashville	405	94%
Boston	402	93%
Oklahoma City	401	93%
Dallas	399	93%
Jacksonville	392	91%
Columbus	390	91%
Tulsa	390	91%
Pittsburgh	379	88%
Milwaukee	377	88%
Richmond	377	88%
Tampa	377	88%
Memphis	376	87%
Philadelphia	372	87%
Miami	371	86%
Knoxville	368	86%
San Antonio	368	86%
Cincinnati	367	85%
Spokane	364	85%
Minneapolis	362	84%
Denver	360	84%
Portland	359	83%
Phoenix	357	83%
St. Louis	357	83%
Houston	355	83%
Kansas City	344	80%
Los Angeles	342	80%
Charlotte	338	79%
Chicago	327	76%
Washington	323	75%
New York	320	74%
Indianapolis	318	74%
New Orleans	308	72%
Omaha	308	72%
Salt Lake City	308	72%
Des Moines	307	71%
Little Rock	297	69%
Atlanta	288	67%
Birmingham	286	67%
San Francisco	284	66%
Seattle	257	60%
Detroit	221	51%
Honolulu	210	49%
Cleveland	193	45%
El Paso	165	38%
Buffalo	137	32%
San Diego	113	26%
Puerto Rico	92	21%
Alaska	69	16%
Total Channel Count	**430**	

1 The above markets represent the primary cities of the top 50 MTAs within the US.
2 Channel counts include pending sales to Nextel.
3 These channel counts represent the number of channels that are usable by Nextel in the urbanized area of the referenced market and thus do not include any channels for which there exists a DFA license in the referenced market which is not owned by Nextel.
4 Total Channel Count is the total number of 25.0 kHz channel pairs in the 800 MHz SMR upper band and lower band services licensed within each Economic Area.
Source: Nextel's Attachment 2 to Exhibit B.

Counts of Usable Channels and Total Channel Allocation in the 900 MHz SMR Range

Market Name	Nextel		Motorola		Nextel and Motorola Combined	
	900 MHz Usable Channels	Share of Total 900 MHz SMR Channel Allocation	900 MHz Usable Channels	Share of Total 900 MHz SMR Channel Allocation	900 MHz Usable Channels	Share of Total 900 MHz SMR Channel Allocation
Tulsa	170	85%	0	0%	170	85%
Minneapolis	160	80%	0	0%	160	80%
New Orleans	160	80%	0	0%	160	80%
Richmond	150	75%	10	5%	160	80%
Birmingham	150	75%	0	0%	150	75%
El Paso	150	75%	0	0%	150	75%
Memphis	140	70%	10	5%	150	75%
Oklahoma City	150	75%	0	0%	150	75%
Portland	150	75%	0	0%	150	75%
Milwaukee	140	70%	0	0%	140	70%
Buffalo	120	60%	10	5%	130	65%
Charlotte	120	60%	10	5%	130	65%
Cincinnati	130	65%	0	0%	130	65%
Columbus	110	55%	20	10%	130	65%
Nashville	130	65%	0	0%	130	65%
Cleveland	110	55%	10	5%	120	60%
Honolulu	120	60%	0	0%	120	60%
Indianapolis	120	60%	0	0%	120	60%
Knoxville	120	60%	0	0%	120	60%
Pittsburgh	120	60%	0	0%	120	60%
Little Rock	110	55%	0	0%	110	55%
Louisville	110	55%	0	0%	110	55%
San Antonio	110	55%	0	0%	110	55%
St. Louis	110	55%	0	0%	110	55%
San Francisco	72	36%	30	15%	102	51%
Jacksonville	90	45%	10	5%	100	50%
Spokane	100	50%	0	0%	100	50%
Omaha	90	45%	0	0%	90	45%
Phoenix	90	45%	0	0%	90	45%
Puerto Rico	90	45%	0	0%	90	45%
Salt Lake City	80	40%	10	5%	90	45%
Seattle	90	45%	0	0%	90	45%
Wichita	90	45%	0	0%	90	45%
Atlanta	70	35%	10	5%	80	40%
Philadelphia	50	25%	30	15%	80	40%
Houston	50	25%	25	13%	75	38%
Alaska	70	35%	0	0%	70	35%
Chicago	60	30%	10	5%	70	35%
Des Moines	70	35%	0	0%	70	35%
Detroit	60	30%	10	5%	70	35%
New York	50	25%	20	10%	70	35%
Kansas City	60	30%	0	0%	60	30%
Washington	40	20%	20	10%	60	30%
Los Angeles	50	25%	0	0%	50	25%
Tampa	30	15%	20	10%	50	25%
Dallas	25	13%	15	8%	40	20%
Denver	40	20%	0	0%	40	20%
San Diego	10	5%	10	5%	20	10%
Boston	10	5%	0	0%	10	5%
Miami	0	0%	0	0%	0	0%
Total Channel Count	**200**		**200**		**200**	

1 The above markets represent the primary cities of the top 50 MTAs within the US.
2 Channel counts include pending sales to Nextel.
3 These channel counts represent the number of channels that are usable by Nextel in the urbanized area of the referenced market and thus do not include any channels for which there exists a DFA license in the referenced market which is not owned by Nextel.
4 These channel counts represent the number of channels that are usable by Motorola in the urbanized area of the referenced market and thus do not include any channels for which there exists a DFA license in the referenced market which is not owned by either Motorola or Nextel.
5 Total Channel Count is the total number of 12.5 kHz channel pairs in the 900 MHz SMR service licensed within each major trading area.
Source: Nextel's Attachment 2 to Exhibit B.

Counts of Usable Channels and Total Channel Allocation in the 800 and 900 MHz SMR Range

TABLE_EI_2.3

Market Name	Nextel 800 MHz	Nextel 900 MHz (effective 800 MHz channels) †	Motorola 900 MHz (effective 800 MHz channels) †	All Nextel/Motorola Combined	Combined Share of the Total Channel Allocation
Wichita	421	45	0	466	88%
Louisville	413	55	0	468	88%
Nashville	405	65	0	470	89%
Boston	402	5	0	407	77%
Oklahoma City	401	75	0	476	90%
Dallas	399	12.5	7.5	419	79%
Jacksonville	392	45	5	442	83%
Columbus	390	55	10	455	86%
Tulsa	390	85	0	475	90%
Pittsburgh	379	60	0	439	83%
Milwaukee	377	70	0	447	84%
Richmond	377	75	5	457	86%
Tampa	377	15	10	402	76%
Memphis	376	70	5	451	85%
Philadelphia	372	25	15	412	78%
Miami	371	0	0	371	70%
Knoxville	368	60	0	428	81%
San Antonio	368	55	0	423	80%
Cincinnati	367	65	0	432	82%
Spokane	364	50	0	414	78%
Minneapolis	362	80	0	442	83%
Denver	360	20	0	380	72%
Portland	359	75	0	434	82%
Phoenix	357	45	0	402	76%
St. Louis	357	55	0	412	78%
Houston	355	25	12.5	392.5	74%
Kansas City	344	30	0	374	71%
Los Angeles	342	25	0	367	69%
Charlotte	338	60	5	403	76%
Chicago	327	30	5	362	68%
Washington	323	20	10	353	67%
New York	320	25	10	355	67%
Indianapolis	318	60	0	378	71%
New Orleans	308	80	0	388	73%
Omaha	308	45	0	353	67%
Salt Lake City	308	40	5	353	67%
Des Moines	307	35	0	342	65%
Little Rock	297	55	0	352	66%
Atlanta	288	35	5	328	62%
Birmingham	286	75	0	361	68%
San Francisco	284	36	15	335	63%
Seattle	257	45	0	302	57%
Detroit	221	30	5	256	48%
Honolulu	210	60	0	270	51%
Cleveland	193	55	5	253	48%
El Paso	165	75	0	240	45%
Buffalo	137	60	5	202	38%
San Diego	113	5	5	123	23%
Puerto Rico	92	45	0	137	26%
Alaska	69	35	0	104	20%
Total Channel Count	**430**	**100**		**530**	

† Conversion Note: One 900 MHz SMR Channel assumed to equal one half of a 800Mhz SMR Channel based on relative size of channel bandwidth.

1 The above markets represent the primary cities of the top 50 MTAs within the US.

2 Channel counts include pending sales to Nextel.

3 These channel counts represent the number of channels that are usable by Nextel in the urbanized area of the referenced market and thus do not include any channels for which there exists a DFA license in the referenced market which is not owned by Nextel.

4 These channel counts represent the number of channels that are usable by Motorola in the urbanized area of the referenced market and thus do not include any channels for which there exists a DFA license in the referenced market which is not owned by either Motorola or Nextel.

5 Total Channel Count is the total number of either 25.0 kHz channel pairs in the 800 MHz SMR upper band and lower band services licensed within each economic area or 12.5 kHz channel pairs in the 900 MHz SMR service licensed within each major trading area.

Source: Nextel's Attachment 2 to Exhibit B.

58 Licenses To Be Transferred from Motorola to Nextel

TABLE_EI_3.1

Call Letter	Market	Market Name	Channel Block	Channel Count	Frequency Range	
KNNX393	MTA001	New York	F	10	936.2625	936.3750
KNNX595	MTA001	New York	I	10	937.0125	937.1250
KNNX597	MTA001	New York	T	10	939.7625	939.8750
KNNX590	MTA002	Los Angeles-San Diego	A	10	935.0125	935.1250
KNNX591	MTA002	Los Angeles-San Diego	D	10	935.7625	935.8750
KNNX592	MTA002	Los Angeles-San Diego	F	10	936.2625	936.3750
KNNX593	MTA002	Los Angeles-San Diego	I	10	937.0125	937.1250
WNJA862	MTA002	Los Angeles-San Diego		10	935.0125	935.1250
WPCS846	MTA002	Los Angeles-San Diego		10	938.7625	938.8750
WPCS847	MTA002	Los Angeles-San Diego		10	939.2625	939.3750
WPDI922	MTA002	Los Angeles-San Diego		10	935.7625	935.8750
KNNT453	MTA003	Chicago		10	935.0125	935.1250
KNNX579	MTA003	Chicago	O	10	938.5125	938.6250
KNNX932	MTA003	Chicago	A	10	935.0125	935.1250
KNNX601	MTA004	San Francisco-Oakland-San Jose	C	10	935.5125	935.6250
KNNX602	MTA004	San Francisco-Oakland-San Jose	F	10	936.2625	936.3750
WNJA868	MTA004	San Francisco-Oakland-San Jose		10	935.2625	935.3750
WNJA879	MTA004	San Francisco-Oakland-San Jose		10	936.0125	936.1250
WNJA880	MTA004	San Francisco-Oakland-San Jose		6	936.2625	936.3750
WNUM200	MTA004	San Francisco-Oakland-San Jose		4	936.2750	936.3125
KNNX585	MTA005	Detroit	G	10	936.5125	936.6250
WNSK695	MTA005	Detroit		10	936.5125	936.6250
KNNX577	MTA006	Charlotte-Greensboro-Greenville-Raleigh	C	10	935.5125	935.6250
KNNX583	MTA007	Dallas-Fort Worth	H	10	936.7625	936.8750
KNNX584	MTA007	Dallas-Fort Worth	N	10	938.2625	938.3750
WNKL321	MTA007	Dallas-Fort Worth		10	938.2625	938.3750
KNNX598	MTA009	Philadelphia	C	10	935.5125	935.6250
KNNX599	MTA009	Philadelphia	J	10	937.2625	937.3750
KNNX600	MTA009	Philadelphia	R	10	939.2625	939.3750
WNIX496	MTA009	Philadelphia		10	935.5125	935.6250
WNIX511	MTA009	Philadelphia		10	937.2625	937.3750
KNNX607	MTA010	Washington-Baltimore	J	10	937.2625	937.3750
KNNX608	MTA010	Washington-Baltimore	M	10	938.0125	938.1250
WNKM913	MTA010	Washington-Baltimore		10	937.2625	937.3750
WNKM916	MTA010	Washington-Baltimore		9	938.0125	938.1250
KNNX610	MTA011	Atlanta	G	10	936.5125	936.6250
WNIX546	MTA011	Atlanta		10	936.5125	936.6250
KNNX605	MTA013	Tampa-St. Petersburg-Orlando	B	10	935.2625	935.3750
KNNX606	MTA013	Tampa-St. Petersburg-Orlando	F	10	936.2625	936.3750
WNLR320	MTA013	Tampa-St. Petersburg-Orlando		10	935.2625	935.3750
WNLR323	MTA013	Tampa-St. Petersburg-Orlando		8	936.2875	936.3750
WPHN384	MTA013	Tampa-St. Petersburg-Orlando		2	936.2625	936.2750
KNNX586	MTA014	Houston	A	10	935.0125	935.1250

58 Licenses To Be Transferred from Motorola to Nextel

TABLE_EI_3.1

Call Letter	Market	Market Name	Channel Block	Channel Count	Frequency Range	
KNNX587	MTA014	Houston	I	10	937.0125	937.1250
KNNX588	MTA014	Houston	R	10	939.2625	939.3750
WNID263	MTA014	Houston		5	935.0750	935.1250
WNKX736	MTA014	Houston		10	939.2625	939.3750
KNNX580	MTA016	Cleveland	L	10	937.7625	937.8750
KNNX301	MTA017	New Orleans-Baton Rouge	T	10	939.7625	939.8750
KNNX203	MTA023	Richmond-Norfolk	O	10	938.5125	938.6250
WNSK730	MTA023	Richmond-Norfolk		10	938.5125	938.6250
KNNX862	MTA028	Memphis-Jackson	S	10	939.5125	939.6250
KNNX870	MTA035	Buffalo-Rochester	T	10	939.7625	939.8750
KNNX383	MTA036	Salt Lake City	H	10	936.7625	936.8750
KNNX589	MTA037	Jacksonville	N	10	938.2625	938.3750
KNNX581	MTA038	Columbus	C	10	935.5125	935.6250
KNNX582	MTA038	Columbus	I	10	937.0125	937.1250
KNNX609	MTA046	Wichita	A	10	935.0125	935.1250

Source: Exhibit A and FCC's Universal License System.

Actual Number of Channels Transfered from Motorola to Nextel

Call Letter	Market	Market Name	Channel Count	Frequency Range	
KNNX393	MTA001	New York	10	936.2625	936.3750
KNNX595	MTA001	New York	10	937.0125	937.1250
KNNX597	MTA001	New York	10	939.7625	939.8750
	MTA001 Total Transferred		**30**		
WNJA862	MTA002	Los Angeles-San Diego	10 †	935.0125	935.1250
KNNX590	MTA002	Los Angeles-San Diego	10	935.0125	935.1250
WPDI922	MTA002	Los Angeles-San Diego	10 †	935.7625	935.8750
KNNX591	MTA002	Los Angeles-San Diego	10	935.7625	935.8750
KNNX592	MTA002	Los Angeles-San Diego	10	936.2625	936.3750
KNNX593	MTA002	Los Angeles-San Diego	10	937.0125	937.1250
WPCS846	MTA002	Los Angeles-San Diego	10	938.7625	938.8750
WPCS847	MTA002	Los Angeles-San Diego	10	939.2625	939.3750
	MTA002 Total Transferred		**60**		
KNNX932	MTA003	Chicago	10	935.0125	935.1250
KNNT453	MTA003	Chicago	10	935.0125	935.1250
KNNX579	MTA003	Chicago	10	938.5125	938.6250
	MTA003 Total Transferred		**30**		
WNJA868	MTA004	San Francisco-Oakland-San Jose	10	935.2625	935.3750
KNNX601	MTA004	San Francisco-Oakland-San Jose	10	935.5125	935.6250
WNJA879	MTA004	San Francisco-Oakland-San Jose	10	936.0125	936.1250
KNNX602	MTA004	San Francisco-Oakland-San Jose	10	936.2625	936.3750
WNJA880	MTA004	San Francisco-Oakland-San Jose	6 †	936.2625	936.3750
WNUM200	MTA004	San Francisco-Oakland-San Jose	4 †	936.2750	936.3125
	MTA004 Total Transferred		**40**		
WNSK695	MTA005	Detroit	10 †	936.5125	936.6250
KNNX585	MTA005	Detroit	10	936.5125	936.6250
	MTA005 Total Transferred		**10**		
KNNX577	MTA006	Charlotte-Greensboro-Greenville-Raleigh	10	935.5125	935.6250
	MTA006 Total Transferred		**10**		
KNNX583	MTA007	Dallas-Fort Worth	10	936.7625	936.8750
WNKL321	MTA007	Dallas-Fort Worth	10 †	938.2625	938.3750
KNNX584	MTA007	Dallas-Fort Worth	10	938.2625	938.3750
	MTA007 Total Transferred		**20**		
WNIX496	MTA009	Philadelphia	10 †	935.5125	935.6250
KNNX598	MTA009	Philadelphia	10	935.5125	935.6250
WNIX511	MTA009	Philadelphia	10 †	937.2625	937.3750
KNNX599	MTA009	Philadelphia	10	937.2625	937.3750
KNNX600	MTA009	Philadelphia	10	939.2625	939.3750
	MTA009 Total Transferred		**30**		
WNKM913	MTA010	Washington-Baltimore	10 †	937.2625	937.3750
KNNX607	MTA010	Washington-Baltimore	10	937.2625	937.3750
WNKM916	MTA010	Washington-Baltimore	9 †	938.0125	938.1250
KNNX608	MTA010	Washington-Baltimore	10	938.0125	938.1250
	MTA010 Total Transferred		**20**		
WNIX546	MTA011	Atlanta	10 †	936.5125	936.6250
KNNX610	MTA011	Atlanta	10	936.5125	936.6250
	MTA011 Total Transferred		**10**		

Actual Number of Channels Transfered from Motorola to Nextel

Call Letter	Market	Market Name	Channel Count	Frequency Range	
WNLR320	MTA013	Tampa-St. Petersburg-Orlando	10 †	935.2625	935.3750
KNNX605	MTA013	Tampa-St. Petersburg-Orlando	10	935.2625	935.3750
WPHN384	MTA013	Tampa-St. Petersburg-Orlando	2 †	936.2625	936.2750
WNLR323	MTA013	Tampa-St. Petersburg-Orlando	8 †	936.2875	936.3750
KNNX606	MTA013	Tampa-St. Petersburg-Orlando	10	936.2625	936.3750
	MTA013 Total Transferred		**20**		
WNID263	MTA014	Houston	5 †	935.0750	935.1250
KNNX586	MTA014	Houston	10	935.0125	935.1250
KNNX587	MTA014	Houston	10	937.0125	937.1250
WNKX736	MTA014	Houston	10 †	939.2625	939.3750
KNNX588	MTA014	Houston	10	939.2625	939.3750
	MTA014 Total Transferred		**30**		
KNNX580	MTA016	Cleveland	10	937.7625	937.8750
	MTA016 Total Transferred		**10**		
KNNX301	MTA017	New Orleans-Baton Rouge	10	939.7625	939.8750
	MTA017 Total Transferred		**10**		
WNSK730	MTA023	Richmond-Norfolk	10 †	938.5125	938.6250
KNNX203	MTA023	Richmond-Norfolk	10	938.5125	938.6250
	MTA023 Total Transferred		**10**		
KNNX862	MTA028	Memphis-Jackson	10	939.5125	939.6250
	MTA028 Total Transferred		**10**		
KNNX870	MTA035	Buffalo-Rochester	10	939.7625	939.8750
	MTA035 Total Transferred		**10**		
KNNX383	MTA036	Salt Lake City	10	936.7625	936.8750
	MTA036 Total Transferred		**10**		
KNNX589	MTA037	Jacksonville	10	938.2625	938.3750
	MTA037 Total Transferred		**10**		
KNNX581	MTA038	Columbus	10	935.5125	935.6250
KNNX582	MTA038	Columbus	10	937.0125	937.1250
	MTA038 Total Transferred		**20**		
KNNX609	MTA046	Wichita	10	935.0125	935.1250
	MTA046 Total Transferred		**10**		
	Total Transferred		**410**		

† Duplicate frequencies not counted in the subtotal since DFA and Auctioned licenses cover the same spectrum.
Source: Exhibit A and FCC's Universal License System.

Count of Usable Channels and Total Channel Allocation in the 800 and 900 MHz SMR Range in Major Markets at Issue

Market Name	Nextel 800 MHz	Nextel 900 MHz (effective 800 MHz channels) †	Motorola 900 MHz (effective 800 MHz channels) †	Nextel/Motorola Combined	Combined Share of the Total Channel Allocation
Dallas	399	12.5	7.5	419	79%
Philadelphia	372	25	15	412	78%
Los Angeles	342	25	0	367	69%
Chicago	327	30	5	362	68%
Washington	323	20	10	353	67%
New York	320	25	10	355	67%
Atlanta	288	35	5	328	62%
San Francisco	284	36	15	335	63%
Detroit	221	30	5	256	48%
Total Channel Count	**430**	**100**		**530**	

† Conversion Note: One 900 MHz SMR Channel assumed to equal one half of a 800 Mhz SMR Channel based on relative size of channel bandwidth.

1 The above markets represent the primary cities of the top 50 MTAs within the US.

2 Channel counts include pending sales to Nextel.

3 These channel counts represent the number of channels that are usable by Nextel in the urbanized area of the referenced market and thus do not include any channels for which there exists a DFA license in the referenced market which is not owned by Nextel.

4 These channel counts represent the number of channels that are usable by Motorola in the urbanized area of the referenced market and thus do not include any channels for which there exists a DFA license in the referenced market which is not owned by either Motorola or Nextel.

5 Total Channel Count [see EI_2.3] is the total number of 12.5 kHz channel pairs in the 900 MHz SMR service licensed within each major trading area.

Source: Nextel's Attachment 2 to Exhibit B.

Combined Useable Channels as Share of 900, 800, 220 MHz Spectrum

Market	Nextel's 800 MHz and 900 MHz Usable Channels Expressed as 800 MHz Effective Channels	Share	Motorola's 900 MHz Usable Channels Expressed as 800 MHz Effective Channels	Share	Combined Nextel and Motorola Share	Δ HHI	Pre-Merger Minimum HHI	Post-Merger Minimum HHI
Dallas	411.5	73.4%	7.5	1.3%	74.7%	196	5,382	5,578
Philadelphia	397	70.8%	15	2.7%	73.4%	378	5,015	5,393
Los Angeles	367	65.4%	0	0.0%	65.4%	0	4,280	4,280
Chicago	357	63.6%	5	0.9%	64.5%	113	4,050	4,164
New York	345	61.5%	10	1.8%	63.3%	219	3,785	4,004
Washington	343	61.1%	10	1.8%	62.9%	218	3,741	3,959
San Francisco	320	57.0%	15	2.7%	59.7%	305	3,261	3,566
Atlanta	323	57.6%	5	0.9%	58.5%	103	3,316	3,418
Detroit	251	44.7%	5	0.9%	45.6%	80	2,003	2,082
Total Channels Available	**561**		**561**					

1 Conversion Note: One 900 MHz SMR Channel assumed to effectively equal one half of an 800 Mhz SMR and that one 220 MHz channel effectively equals one fifth of an 800 MHz channel based on relative size of channel bandwidth.
2 Usable channels are defined as the number of channels that are usable in an urbanized area of a referenced market and do not include any channels for which there exists a DFA license not owned by the same carrier.
3 Total Channels Available is a number of effective 800 MHz channels (200 900MHz channels = 100 effective 800Mhz channels; 430 800MHz channels; 155 220MHz channels = 31 effective 800MHz channels).
4 Minnimum HHI calculation effecitvelly assumes those channels not usable by Nextel or Motorola as if each are held by a different carrier and thus contribute 0 in the HHI calculation.
Source: Attachment 2 to Exhibit B.

Combined Auctioned Spectrum for 900, 800 and 220 MHz HHIs
New York

Table_EI_6.1

Carrier	900 MHz Channels	800 MHz Channels	220 MHz Channels	Total Effective 800 MHz Channels	Share	Pre-Merger HHI
FCI 900, Inc./Nextel	20	425		435	77.5%	6,012
Neoworld License Holdings, Inc.	60			30	5.3%	29
PageNet SMR Sub	60			30	5.3%	29
BellSouth Wireless Data LP	30			15	2.7%	7
Motorola SMR Inc	30			15	2.7%	7
SOPHIA Licensee, Inc.			30	6	1.1%	1
Intellicom Bidding Consortium			25	5	0.9%	1
NextMobile Inc.		5		5	0.9%	1
Two-Twenty Auction Company, Inc.			25	5	0.9%	1
Intek License Acquisition Corporation			17.5	3.5	0.6%	0
NRTC LLC			17.5	3.5	0.6%	0
Havens, Warren C			15	3	0.5%	0
Unassigned			15	3	0.5%	0
Comtran Associates Inc.			10	2	0.4%	0
Grand Total	**200**	**430**	**155**	**561**	**100.0%**	**6,089**

Nextel-Motorola Merger (ignoring Nextel-ARCH merger)	
Pre-Merger HHI	**6,089**
Δ HHI	**415**
Post-Merger HHI	**6,504**

Nextel-Motorola Merger (assuming Nextel-ARCH merger)	
Pre-Merger HHI	**6,918**
Δ HHI	**443**
Post-Merger HHI	**7,362**

† Conversion Note: One 900 MHz SMR Channel assumed to equal one half of an 800 Mhz SMR Channel and one 220 MHz SMR Channel is assumed to equal one fifth of an 800 MHz SMR Channel based on relative size of channel bandwidth.

Source: Appendix A.1.1, A.1.2, A.2.1, A.3.1

Combined Auctioned Spectrum for 900, 800 and 220 MHz HHIs
Los Angeles

Carrier	900 MHz Channels	800 MHz Channels	220 MHz Channels	Total Effective 800 MHz Channels	Share	Pre-Merger HHI
FCI 900, Inc./Nextel	40	430		450	80.2%	6,434
PageNet SMR Sub	50			25	4.5%	20
Motorola SMR Inc	40			20	3.6%	13
BellSouth Wireless Data LP	30			15	2.7%	7
Southern California Edison Company	30			15	2.7%	7
Intek License Acquisition Corporation			52.5	10.5	1.9%	4
Net Radio Group Communications, LLC			30	6	1.1%	1
Two-Twenty Auction Company, Inc.			27.5	5.5	1.0%	1
Paul W Kleine; Robert J Kleine	10			5	0.9%	1
NRTC LLC			17.5	3.5	0.6%	0
SOPHIA Licensee, Inc.			10	2	0.4%	0
Unassigned			10	2	0.4%	0
WPOI of San Francisco Wireless Partners, L.L.P.			7.5	1.5	0.3%	0
Grand Total	**200**	**430**	**155**	**561**	**100.0%**	**6,488**

Nextel-Motorola Merger (ignoring Nextel-ARCH merger)	
Pre-Merger HHI	**6,488**
Δ HHI	**572**
Post-Merger HHI	**7,060**

Nextel-Motorola Merger (assuming Nextel-ARCH merger)	
Pre-Merger HHI	**7,203**
Δ HHI	**604**
Post-Merger HHI	**7,807**

† Conversion Note: One 900 MHz SMR Channel assumed to equal one half of an 800 Mhz SMR Channel and one 220 MHz SMR Channel is assumed to equal one fifth of an 800 MHz SMR Channel based on relative size of channel bandwidth.

Source: Appendix A.1.1, A.1.2, A.2.2, A.3.2