

June 28, 2004

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: *Notice of Ex Parte Communication (CC Docket No. 92-237)*

Dear Ms. Salas:

This is to advise you that, on June 22 and 23, representatives of Syniverse Technologies (“Syniverse”) met in separate meetings with: Christopher Libertelli, legal advisor to Chairman Michael Powell; Aaron Goldberger, legal advisor to the Wireless Bureau Chief; Donald Jackson, intern in the Office of the Chairman; Jessica Rosenworcel, legal advisor to Commissioner Michael Copps; Scott Bergmann, legal advisor to Commissioner Jonathan Adelstein; and the following staff of the Wireline Competition Bureau: William Maher, Chief; Diane Griffin, Assistant Chief; Vickie Robinson, legal counsel, Cheryl Callahan, Assistant Chief, Telecommunications Access Policy Division (“TAPD”); and Pam Slipakoff of TAPD. Syniverse was represented by G. Edward Evans, its President and Chief Executive Officer and Jerry Easom, its Vice President, Industry Relations, and by Lawrence Movshin and the undersigned on behalf of this firm. The topic of the meetings was the request by NeuStar, Inc. (“NeuStar”) to be released from certain obligations imposed in the procurement wherein it was named North American Numbering Plan Administrator (“NANPA”), and specifically the obligation to obtain prior Commission approval for changes in its ownership and organizational structure.¹

In the meetings, Syniverse elaborated on matters discussed in its written comments in this proceeding. Specifically, Syniverse explained the important status of the NANPA role in many of the markets in which NeuStar and Syniverse compete, and the intrinsic value that this status

¹ Letter from Richard E. Wiley, Counsel for NeuStar, Inc., to Michael K. Powell, Chairman, FCC, CC Docket No. 92-237, dated April 14, 2004 (“*NeuStar Filing*”). *Comment Sought on NeuStar, Inc. Request to Allow Certain Transactions Without Prior Approval and to Transfer Ownership; Pleading Cycle Established*, CC Docket No. 92-237, Public Notice, DA 04-1041 (rel. April 22, 2004, err. May 7, 2004) (“*Public Notice*”).

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provides to the designated administrator. Syniverse also confirmed that, like others who were not willing to accept the “prior approval” restrictions on ownership changes, Syniverse chose last year not to participate in the solicitation, but clearly would do so if those restrictions were no longer in place.

Syniverse also questioned the timing of NeuStar’s request, coming less than a year after NeuStar accepted the NANPA designation on the basis of a solicitation that clearly imposed these restrictions. Syniverse noted that there has been no material adverse change in the general economy or in the markets in which NeuStar competes that would warrant a different approach to raising capital today than NeuStar should have anticipated last year when it entered the procurement process. Further, NeuStar does not allege that the new capital it seeks to obtain is critical to its ability to function as the NANPA. To the contrary, Syniverse noted that capital budgets and fundraising, and thus the desire for an IPO, are generally planned years in advance, in anticipation either of a long-term need for capital to perform business functions or service debt (which is not the case with NeuStar, which has strong cash flow and a low debt burden), or when existing owners and managers wish to cash out their value and exit the business. Syniverse suggested that the latter possibility should concern the Commission because of the potential for loss of a management team with experience in the numbering arena, and should also raise questions about NeuStar’s expectations when it accepted the designation with these restrictions in place, only months later to ask for relief.

As Syniverse confirmed, consideration of this matter is, in Syniverse’ view, a matter of assuring the integrity of the process, and of providing fairness to potential competitors. The NANPA designation without the “prior approval” restriction on ownership changes has sufficient value to potential bidders that there is a substantial possibility that, on re-bidding it, the cost to the industry would be even less than that bid by NeuStar; this value should not fall into NeuStar’s hands if it can be captured for the public through a re-solicitation.

Syniverse discussed its view that this is not really a matter that the Commission needs to decide, but rather urged that the choice of remedies should be left to NeuStar. If NeuStar prefers the flexibility to make ownership changes without obtaining prior FCC approval, even so far as to engage in an IPO, then the Commission should terminate the NANPA contract at the end of its next one-year term, and re-bid the NANPA designation without these restrictions in place. Alternatively, if that approach would not suit NeuStar’s business purpose, then NeuStar can retain the NANPA designation for the remaining terms left under the current contract and, at the end of the final year, this matter can be re-addressed as an issue in the next solicitation. Syniverse believe that either alternative would appropriately recognize and protect the integrity of the solicitation process and fundamental fairness to other bidders and the industry at large.

Finally, Syniverse also concurred with points raised by other parties commenting in this matter that NeuStar’s proposed post-IPO ownership restrictions may not meet the Commission’s current neutrality requirements. The proposed restrictions would limit stock ownership to 9.9% by any single entity, but would not restrict ownership by a single industry “segment,” in

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violation of section 52.12(a)(1). The Commission previously has recognized that a class of carriers can be treated as a single entity for purposes of section 52.12(a)(1).²

Please direct any questions regarding this filing to the undersigned.

Sincerely,

WILKINSON BARKER KNAUER, LLP

By: _____

L. Charles Keller

cc (by email): Christopher Libertelli
Jessica Rosenworcel
Scott Bergmann
William Maher
Diane Griffin
Aaron Goldberger
Vickie Robinson
Cheryl Callahan
Pam Slipakoff
Donald Jackson

² *Toll-Free Service Access Codes; Database Services Management, Inc. Petition for Declaratory Ruling; Beehive Telephone Co. Petition for Declaratory Ruling*, 15 FCC Rcd 11939, 11948 (2000) (“*DSMI Order*”).