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March 2, 2005

BY ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: *Ex Parte* Presentation, *Applications of Nextel Communications, Inc., Transferor, and Sprint Corporation, Transferee, for Consent to the Transfer of Control of Entities Holding Commission Licenses and Authorizations Pursuant to Sections 214 and 310(d) of the Communications Act*, WT Docket No. 05-63

Dear Ms. Dortch:

On March 1, 2005, Todd Rowley, Vice President, Spectrum Management, Paul McCarthy, Director, Spectrum Management, and Luisa Lancetti, Vice President, Wireless Regulatory Affairs, Sprint Corporation ("Sprint"); Michael G. Jones and Megan Anne Stull, Willkie Farr & Gallagher LLP, outside counsel to Sprint; Robert Finch, Vice President, Spectrum Development, and Trey Hanbury, Senior Counsel, Nextel Communications, Inc. ("Nextel"); and A. Richard Metzger, Jr. and the undersigned, Lawler, Metzger, Milkman & Keeney, LLC, outside counsel to Nextel, met with Dennis Johnson, Sara Mechanic, Uzoma Onyeije, Louis Peraertz, John Schauble, Ziad Sleem, Walter Strack, and Joel Taubenblatt of the Wireless Telecommunications Bureau.

In their Application for Transfer of Control, Sprint and Nextel demonstrated that their merger will expand the geographic breadth that the combined company can theoretically serve without significantly adding to the depth of the combined company's 2.5 GHz holdings. In support of their Application, Sprint and Nextel submitted a detailed analysis accounting for every MHz-pop in the 2.5 GHz band nationwide, which was presented in Attachment 1 to the Joint Declaration of Todd Rowley and Robert Finch ("Rowley/Finch Declaration").¹ During yesterday's meeting, representatives for Sprint and

¹ See Joint Declaration of Todd Rowley and Robert Finch, Attachment E to the Application for Transfer of Control, *Applications of Nextel Communications, Inc., Transferor, and Sprint Corporation, Transferee, for Consent to the Transfer of Control of*

Nextel explained the methodology used to calculate the MHz-pop analysis. In particular, Sprint and Nextel explained that the analysis was performed by an independent third-party, CelPlan Technologies (“CelPlan”). CelPlan is one of the leading network design software developers and provides a large number of wireless telecommunications carriers with state-of-the-art system design and integration products. To develop the MHz-pop analysis, CelPlan relied on objective data sources, including population data from the United States 2000 Census and licensing information obtained from the FCC’s Universal Licensing System, as well as lease information supplied by the applicants.²

Sprint and Nextel also explained that the first step in the analysis was to plot the geographic service area of all Broadband Radio Service (“BRS”) and Educational Broadband Service (“EBS”) licenses for each of the thirty-three BRS and EBS channels in the 2.5 GHz band nationwide. Second, the licenses and leases held by Sprint and Nextel were identified. Using the geographic composite data for each company, the total MHz-pops covered by the 2.5 GHz licenses or leases held by Sprint, Nextel, and the combined company were tallied separately. To determine the total percentage of MHz-pops covered by Sprint and Nextel in a given Basic Trading Area (“BTA”), the analysis then identified those portions of the BTA that are licensed or leased to third parties as well as any areas that are not yet licensed, including the so-called EBS white space. In addition, the analysis accounted for geographic service areas that cross multiple BTAs to define the precise licensed or leased territory of each BRS and EBS licensee in a particular BTA. Furthermore, because the coverage area for each of the thirty-three channels can differ due to the legacy site-by-site regime, the analysis separately calculated the holdings for each of those channels in a given BTA. The results of this highly granular analysis appear in Attachment 1 to the Rowley/Finch Declaration.³

As Sprint and Nextel explained in their public interest statement, this analysis overestimates the number of MHz-pops available to Sprint Nextel to provide service in a given

Entities Holding Commission Licenses and Authorizations Pursuant to Sections 214 and 310(d) of the Communications Act, WT Docket No. 05-63 (filed Feb. 8, 2005).

² For information concerning CelPlan’s software analysis tools, *see generally* CelPlan, CelPlanner Suite, *available at* <<http://www.celplan.com/Products/Products.htm>> (describing software tools and services for wireless services data collection and measurement).

³ The total number of megahertz licensed or leased to Sprint Nextel in a given BTA may be estimated by multiplying the total percentage of licensed or leased BRS/EBS spectrum held by Sprint Nextel by the total spectrum available under the current band plan (198 MHz). For example, on a MHz-pops basis, Sprint Nextel would lease 11% of the BRS/EBS spectrum in Savannah, or roughly 20 MHz ($198 \times 0.11 = 21.78$ MHz). Significantly, this value is a *composite* number because the number of total megahertz does not necessarily mean that a combined Sprint Nextel can serve the same point-of-presence in a geographic area across every channel.

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BTA. For example, the analysis does not exclude short-term leases. Similarly, the analysis fully attributes leases to Sprint Nextel, even though lessees cannot access all of the MHz-pops that an EBS licensee can due to Commission-mandated minimum educational programming requirements. In addition, some of the EBS leases to which Sprint or Nextel are parties prohibit the lessee from providing anything other than one-way or video delivery service. Moreover, the majority of the spectrum that a combined Sprint Nextel would hold in the 2.5 GHz band is leased, not owned. For purposes of the analysis presented in Attachment 1 to the Rowley/Finch Declaration, however, these leases – and all of the MHz-pops they cover – are fully attributed to each company and to the combined Sprint Nextel.

In addition, the 2.5 GHz interests held by Sprint and Nextel often do not cover an entire BTA. Thus, even where both carriers have a joint presence in a BTA, the individual carriers frequently are unable to provide service to the same areas within the BTA, nor do they necessarily have rights that permit them to serve all or even most of the area or population in the BTA. Despite employing a methodology that in this and other ways overstates the combined company's license and leasehold interest in 2.5 GHz spectrum, the results of this highly granular MHz-pop-by-MHz-pop analysis demonstrate that, after the merger, the combined company generally will not hold appreciably more 2.5 GHz spectrum in any given BTA than did one or the other of the companies prior to the merger, and that, even in the BTAs where both companies have rights to use BRS/EBS spectrum, the total MHz-pops of the combined company set forth in Attachment 1 to the Rowley/Finch Declaration tends to overstate the actual amount of geographic overlap in the licensed and leased service area within the BTA.

Pursuant to section 1.1206(b)(2) of the Commission's rules, this letter is being filed electronically in the record of the above-referenced proceeding. Please do not hesitate to contact me if you have any questions.

Sincerely,

/s/ A. Renee Callahan

A. Renee Callahan

Attachment

cc: Dennis Johnson
Uzoma Onyeije
John Schauble
Walter Strack

Sara Mechanic
Louis Peraertz
Ziad Sleem
Joel Taubenblatt