



April 11, 2005

ELECTRONICALLY FILED

Ms. Marlene H. Dortch  
Secretary  
Office of the Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

***Ex Parte Notice***

Re: Merger of SBC Communications Inc. and AT&T Corp. – Docket No.  
05-65.

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Dear Ms. Dortch:

On April 8, 2005, the undersigned and Henry D. Levine of this firm, met with Jim Bird, Senior Counsel, of the Office of the General Counsel; C. Anthony Bush, Industry Economist, of the Office of the General Counsel; Ben Childers, Economist, of the Competition Policy Division of the Wireline Competition Bureau; Gail Cohen, Economist, of the Competition Policy Division of the Wireline Competition Bureau; Kate Collins, Attorney Advisor, of the Policy Division of the International Bureau; Bill Dever, Deputy Chief of the Competition Policy Division of the Wireline Competition Bureau; Michele Ellison, Deputy General Counsel; Kimberly Jackson, Attorney Advisor, of the Competition Policy Division of the Wireline Competition Bureau; David Krech, Senior Legal Advisor and Assistant Chief of the Policy Division of the International Bureau; Jonathan Levy, Deputy Chief Economist of the Office of Strategic Planning; Marcus Maher, Attorney Advisor, of the Competition Policy Division of the Wireline Competition Bureau; Pamela Megna, Economist, of the Competition Policy Division of the Wireline Competition Bureau; Kent Nilsson, Attorney Advisor, of the Office of Engineering and Technology and the Office of the General Counsel; Karen Onyeije, Special Counsel, of the Office of the General Counsel; Joel Rabinovitz, Attorney Advisor, of the Office of the General Counsel; Kimberly Reindl, Attorney Advisor, of the Office of the General Counsel; Mary Shultz, Deputy Chief of the Broadband Division of the Wireless Telecommunications Bureau; Rodger Woock, Chief of the Industry Analysis and Technology Division of the Wireline Competition Bureau; and Paul Zimmerman, Economist, of the Industry Analysis and Technology Division of the Wireline Competition Bureau.



Marlene H. Dortch  
April 11, 2005  
Page 2

The parties discussed the experiences of enterprise customers when they purchase interstate telecommunications services and their perceptions regarding the extent and strength of competitive forces in the market for the services they buy most frequently. In particular, we discussed the interstate telecommunications services (*viz.*, ATM, MPLS, frame relay, call centers, outbound voice, international voice and data, and CMRS) and interstate service providers (*viz.*, AT&T, MCI, and Sprint) used most often by enterprise customers; the providers of international telecommunications services used most often by enterprise customers (*viz.*, Equant and Infonet); and the limited extent to which Bell Operating Companies (“BOCs”) respond to enterprise customer procurement activities. We also discussed enterprise customer perceptions regarding: the suppressing effect of market consolidation upon AT&T’s competitive local exchange carrier (“CLEC”) activities within the footprint of an acquiring BOC and the lack of competitive alternatives to the BOCs’ special access services; the likelihood that existing excessive special access prices or future price increases could weaken the stand-alone interexchange carriers remaining after a merger and incent BOCs to bid more aggressively for in-region enterprise customer business, where the BOC would retain the revenues from any over-priced special access services; the limited extent to which enterprise customer needs for U.S. domestic interstate services are met by non-U.S. carriers, cable companies, and wireless services; the perception among enterprise customers that industry consolidation could produce a gradual degradation in the vigor and variety of IP service deployment; and the infrequency with which enterprise customers can be served by more than one CLEC via CLEC-owned facilities that “pierce” a commercial building.

Pursuant to Section 1.1206(b)(2) of the Commission’s Rules, 47 C.F.R. § 1.1206(b), this letter is being filed electronically with the Office of the Secretary.

Sincerely,

A handwritten signature in cursive script that reads 'Colleen Boothby'. The signature is written in black ink and is positioned above a horizontal line.

Colleen Boothby

Levine, Blaszak, Block & Boothby, LLP