

Before the
Federal Communications Commission
Washington, DC 20554

In re)	
)	WT Docket 05-63
Applications for the Transfer)	
of Control of Licenses and)	DA 05-502
Authorization from Nextel)	
Communications, Inc. to)	File No. 0002031766
Sprint Corporation)	

REPLY

United States Cellular Corporation ("USCC") hereby replies to the "Joint Opposition to Petition to Deny and Reply to Comments" ("Opposition") filed by Sprint Corporation ("Sprint") and Nextel Corporation ("Nextel") in the above-captioned proceeding.

I. The FCC Should Enunciate A Policy in Favor of Voice and Data Roaming In This Proceeding.

In our comments on the above-captioned applications, USCC asked that the FCC use the opportunity their consideration provides to establish a policy which will require "national" wireless carriers to agree to voice and data roaming agreements with small, mid-sized and regional carriers on reasonable terms. USCC also requested that the FCC require the national carriers to allow "interoperability" of their "push-to-talk" technologies with those of regional carriers.

USCC noted that the captioned applications, if granted, will create the nation's third largest wireless carrier and will reduce the number of national carriers by one. The competitive justification for the merger rests, in part, on the continued existence of small, mid-sized and regional wireless carriers as competitors for the shrinking number of national carriers. And, as discussed in our Comments, the continuing availability of voice and data roaming on the

networks of national carriers, as well as interoperability for all data based features, including push-to-talk, will be essential to the survival of such regional carriers in the future.

USCC also pointed out that in contrast to the relevant exhibit in the pending applications to merge Alltel and Western Wireless, the Sprint/Nextel lead application's public interest exhibit does not refer to an enhanced ability to offer roaming as a justification for the merger. Indeed, it does not refer to roaming at all, which is a legitimate source of concern in light of roaming's crucial importance to wireless customers.

In response to USCC's comments and the similar comments of Southern LINC, which raised the roaming issue, Sprint and Nextel's discussion of that issue in their Opposition is, to put it mildly, inadequate. They maintain that: (a) roaming issues can and should be considered only in the "industry-wide" proceedings now underway at the FCC; (b) they currently offer roaming services to other carriers; and (c) the FCC has previously found "roaming" to be "competitive" on a national basis (Opposition, pp. 8-12).

In response to those contentions, we would note the following. First, it is entirely appropriate for the FCC to establish important policies in ruling on transfer applications, and not only in rulemaking proceedings. For example, the FCC, in evaluating the Cingular-AT&T Wireless merger, established criteria for evaluating wireless mergers,¹ which all merger candidates, including Sprint and Nextel, now purport to meet.² Indeed, Sprint and Nextel not only state that they meet the criteria, but refer to the criteria approvingly and rely on them in demonstrating that their transaction is not anti-competitive.³

¹ AT&T Wireless Services, Inc. and Cingular Wireless Corporation, Memorandum Opinion and Order, 19 FCC Rcd 21522, 21542-21546 (2004) ("Cingular-AWS Order").

² Sprint Nextel Transfer of Control Application, Exhibit 1, pp. 18-21; 23, 29-31, 32-34, 39, 52-54, 64-65, 67-85.

³ Ibid., pp. 67-85.

The statement of policy we request does not require the gathering of additional data in an industry wide rulemaking. Sprint and Nextel argue in various portions of their public interest showing that their merger will enhance competition, rather than reduce it.⁴ One would think it axiomatic that effective competition requires competitors, and that if Sprint Nextel's regional wireless competitors need access to voice and data roaming on Sprint Nextel's network and interoperability for all data based features to survive, they ought to have it. Otherwise, CMRS competition will be confined to three or four national carriers. But Sprint and Nextel conspicuously fail, both in their application and their Opposition, to provide any reassurance on those points. Perhaps this omission can be partly explained by an argument in the Opposition, made in response to competition concerns raised by 2.5 GHz licensees. Sprint and Nextel argue that critics of the transaction "confuse the effects of the merger on competition with its effects on competitors."⁵ Admittedly, a competitive market does not and should not guarantee the survival of all competitors. But there still has to be a sufficient number of competitors to have effective competition. USCC submits that the availability of voice and data roaming on reasonable terms and interoperability for all data based features, including push-to-talk, will determine whether voice and data wireless services will be offered in a competitive environment.

Second, in response to concerns so fundamental to the competitive future of the CMRS industry, it is not sufficient to state that Sprint and Nextel currently offer (voice) roaming and that the FCC, in past "competition" reports, has found roaming to be "competitive."⁶ We agree that Sprint currently permits USCC and other carriers to roam on its networks, and that currently roaming is a competitive sector of the CMRS market. It is the future that USCC and other regional wireless carriers are concerned about.

⁴ Ibid, pp. 28-40, 64-86.

⁵ Opposition, p. 28.

⁶ Opposition, pp. 9-10.

To reiterate, voice and data roaming and interoperability of all data based features, including push-to-talk, will be increasingly integral to the survival of small, mid-sized and regional carriers, and thus to serving the Communications Act's pro-competitive purposes. The FCC should act now to assure that the national carriers do not use their dominance of the market to thwart competition from small mid-sized and regional carriers by denying such carriers' customers access to the networks of the national carriers on reasonable, non-discriminatory terms. The FCC should not merely accept the assurances of these or other merging parties that their merger will be pro-competitive. All parties say that. The FCC has to make a predictive judgment, based on the facts before it, as to whether that is the case, and if there is doubt, condition the grant of the application on certain criteria being satisfied to ensure that the transaction will in fact be pro-competitive. We submit that without a clearly enunciated policy which requires that voice and data roaming and interoperability of all data based features, including push-to-talk, will be available to non-national carriers, the competitive justification for this merger, and comparable mergers, collapses. Further, it will be too late for the FCC to rectify any mistake if it does not act at this time. Once the non-national carriers are injured by anti-competitive behavior by the national carriers with regard to voice and data roaming and interoperability, it will not be possible for the non-national carriers to be saved by government intervention.

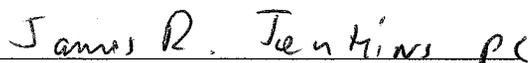
CONCLUSION

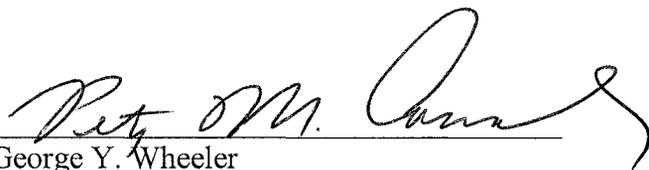
For the foregoing reasons and those given previously, we ask that in acting on these applications, the FCC declare a policy in support of voice and data roaming by small, mid-sized and regional carriers on the networks of the national wireless carriers, and in support of

interoperability for all data based features, including push-to-talk, among all such carriers. In the alternative, we ask the FCC condition its grant of these applications to that effect.

Respectfully submitted,

UNITED STATES CELLULAR CORPORATION


James R. Jenkins, Vice President
Legal and External Affairs
United States Cellular Corporation
8110 West Bryn Mawr
Chicago, IL 60631


George Y. Wheeler
Peter M. Connolly
Holland & Knight LLP
2099 Pennsylvania Avenue, NW Suite 100
Washington, DC 20006

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CERTIFICATE OF SERVICE

I, Laura Ledet, do hereby certify that on this 18th day of April, 2005, copies of the foregoing Reply were delivered by first-class, postage-prepaid mail, or email to the following parties:

Best Copying and Printing, Inc.
Federal Communications Commission
Room CY B402
445 12th Street, NW
Washington, DC 20554
VIA EMAIL: FCC@BCPIWEB.COM

Phillip L. Verveer
Michael G. Jones
David M. Don
Megan Anne Stull
Wilkie Farr & Gallagher LLP
1875 K Street, NW
Washington, DC 20006
Attorneys for Sprint Corporation

Christine M. Gill
David D. Rines
McDermott Will & Emery, LLP
600 Thirteenth Street, NW
Washington, DC 20005-3906
Counsel for SouthernLINC Wireless

Paul C. Besozzi
Nicholas W. Allard
Stephen Diaz Gavin
Patton Boggs LLP
2550 M Street, NW
Washington, DC 20037
Counsel for Preferred Communications Systems, Inc.

Michael K. Kurtis
Kurtis & Associates, PLC
6704 Cedar View Court
Clifton, VA 20124
Counsel for Anderson Communications

Regina M. Keeney
A. Richard Metzger, Jr.
Stephen J. Berman
A. Renee Callahan
Lawler, Metzger, Milkman & Keeney, LLC
20001 K Street, NW, Suite 802
Washington, DC 20006
Attorneys for Nextel Communications, Inc.

Debbie Goldman
George Kohl
501 Third Street, NW
Washington, DC 20001
Counsel for Communications Workers of America

Jack Richards
Kevin G. Rupy
Keller and Heckman, LLP
1001 G Street, NW
Washington, DC 20001
Counsel for National Rural Telecommunications Cooperative

David L. Nace
Pamela L. Gist
Lukas, Nace, Gutierrez & Sachs
1650 Tysons Boulevard, Ste 1500
McLean, VA 22102
Counsel for Rural Cellular Association

Gene Kimmelman
Consumers Union
1666 Connecticut Avenue, NW Ste 310
Washington, DC 20009
Counsel for Consumers Union

Mark Cooper
Director of Research
Consumer Federation of America
Consumers Union
1424 16th Street, NW
Washington, DC 20036

John J. Zoltner
Ryan Turner
Community Technology Center' Network
1436 U Street, NW
Washington, DC 20009
*Counsel for Community Technology
Centers' Network*

Seema M. Singh, Esq.
Christopher J. White, Esq.
State of New Jersey
Division of Ratepayer Advocate
31 Clinton Street, 11th Fl
Newark, NY 07101
*Counsel for New Jersey Division of the
Ratepayer Advocate*

Chuck Canterbury
National President
Grand Lodge Fraternal Order of Police
309 Massachusetts Avenue, NE
Washington, DC 20002

Marc H. Morial, President
National Urban League
120 Wall Street
New York, NY 10005

Larry E. Sevier, President
Nex-Tech Wirless, LLC
2418 Vine Street
Hays, KS 6701

Craig Mock, General Manager
United Telephone and Communications Assoc.
PO Box 117
Dodge City, KS 67801

Bruce D. Jacobs
Tony Lin
Jarret Taubman
Shaw Pitman LLP
2300 N Street, NW
Washington, DC 20037-1128
Counsel for NY3G Partnership

Julian L. Shepard
Mark Blacknell
Williams Mullen, PC
1666 K Street, NW Suite 1200
Washington, DC 20006-1200
*Counsel for Safety and Frequency Equity
Competition Coalition*

James T. Martin, Executive Director
United South Eastern Tribes, Inc.
711 Stewarts Ferry Pike
Suite 100
Nashville, TN 37214

Richard Ruhl, General Manager
Pioneer Telephone Cooperative, Inc.
PO Box 539
108 East Roberts Avenue
Kingfisher, OK 73750

Harry C. Alford, President
National Black Chamber of Commerce
1350 Connecticut Avenue, NW Suite 405
Washington, DC 20036

Sheri A. Farinha, CEO
NorCal Center on Deafness
4708 Roseville Road Suite 112
North Highlands, CA 95660


Laura Ledet# 2767213_v1