

Private Networks, Inc

Marlene H. Dortch
Secretary
Federal Communication Commission
445 12th St. SW
Room TW-A325
Washington, DC 20554

RE: Sprint – Nextel merger, docket no. 05-63

Dear Ms. Dortch:

Private Networks, Inc. (PNI) is a small minority-owned business with a long history in the 2.5 GHz band, dating back to the early 1970's. We applaud the steps the Commission has finally taken to ensure that the 2.5 GHz Band can be put to much broader and better uses with advanced technologies. Emerging from years of suffering due to regulatory constraints, the spectrum now holds much greater promise for the public good. PNI is also encouraged by and supportive of the proposed merger of Sprint and Nextel. We are convinced that it will pump new life into the band and accelerate the delivery of a wide range of new, innovative broadband services to the public.

However, we are deeply concerned that the Commission might, God forbid, rule favorably regarding the various petitions calling for a forced diversification of their collective spectrum holdings. Such a ruling would fragment the band and derail its now bright future. We believe a national footprint is necessary to warrant the huge investments that will be required to transition the spectrum, develop the infrastructure and execute a viable business plan.

Since Sprint and Nextel have access to spectrum for the most part in different sections of the country, their holdings are complementary rather than monopolistic. We believe the joining of the two companies' assets, coupled with their willingness to commit their financial resources and technology development skills, will provide both a nationwide footprint and an opportunity to drive new applications in the spectrum much faster than would otherwise occur. And we think this can happen without in any way putting potential competitors at an unfair disadvantage. We hasten to point out that the Commission plans further auctions of spectrum, such as AWS, which will enable other entities to offer the broadband services.

In our relationship with Sprint, we have found the company to be a good partner in developing uses for the spectrum. Sprint has time after time put its money where its mouth is and has invested heavily in the spectrum development. By contrast, other major companies have had numerous opportunities to acquire

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MMDS spectrum via secondary markets and have elected not to do so. In fact, the WorldCom bankruptcy auction of its MMDS holdings generated a rather feeble response from the major players, except Nextel. Verizon at one point did acquire access to the spectrum and decided to relinquish those rights.

Finally, as a small minority-owned business, Private Networks is particularly pleased to acknowledge and appreciate the strong commitment of both Sprint and Nextel to diversity in their business operations. We believe the merger will lead to an even stronger commitment in

this area and provide perhaps the only viable avenue for small minority owned business such as Private Networks to continue to participate in the growth of the industry.

For these reasons, PNI strongly encourages the Commission to approve the merger of Sprint and Nextel as expeditiously as possible.

Yours truly,

Billy J. Parrott,
President/CEO