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May 16, 2005

**VIA ELECTRONIC FILING**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

Re: Notice of *Ex Parte* Presentation – DA 05-656, WC Docket No. 05-65/  
DA 05-672, WC Docket No. 05-75

Dear Ms. Dortch:

Pursuant to Section 1.1206 of the Commission's rules, the undersigned counsel hereby provides notice of a May 13, 2005 *ex parte* meeting with Michelle Carey, Legal Advisor to Chairman Martin, in the proceedings identified above. In attendance at the meeting were: Joseph Gillan, representing the California Association of Competitive Telecommunications Companies ("CALTEL"), and Genevieve Morelli of Kelley Drye & Warren LLP.

The attendees discussed the competitive impact of the proposed AT&T and MCI mergers. More specifically, the attendees discussed how the proposed mergers would result in the acquisition by SBC and Verizon of their principal wholesale services regulators. The attached materials were distributed during the meeting.

KELLEY DRYE & WARREN LLP

Ms. Marlene H. Dortch  
May 16, 2005  
Page 2

In accordance with Section 1.1206(b), one copy of this notice is being provided for inclusion in each of the above-captioned dockets.

Sincerely,

A handwritten signature in black ink that reads "Genevieve Morelli". The signature is written in a cursive style with a large initial "G".

Genevieve Morelli

cc: Michelle Carey

**The Incumbent-Competitor Resource Balance at Act Passage<sup>1</sup>**  
**(\$ millions)**

<b>Incumbent LEC Sector</b>			<b>Competitive Sector<sup>2</sup></b>		
<b>Company</b>	<b>Revenues</b>	<b>Employees</b>	<b>Company</b>	<b>Revenues</b>	<b>Employees</b>
GTE <sup>3</sup>	\$19,957	85,000	AT&T	\$79,609	299,300
BellSouth	\$17,886	87,571	MCI	\$15,265	50,367
Bell Atlantic	\$13,430	61,800	WorldCom	\$3,639	7,500
Ameritech	\$13,427	65,345			
NYNEX	\$13,407	65,800			
SBC	\$12,670	59,300			
US West	\$9,284	n/a			
Pacific Telesis	\$9,042	48,889			
Total	\$109,103	473,705	Total	\$98,699	357,167

<sup>1</sup> Source: 1995 10K Reports.

<sup>2</sup> In addition to these large competitors, there were a handful of much smaller entrants with comparatively modest revenues and numbers of employees.

<sup>3</sup> Table includes only GTE's domestic employees.

**The Incumbent-Competitor Resource Balance – Pre-Mergers<sup>4</sup>**  
(\$ millions)

<b>Incumbent LEC Sector</b>			<b>Competitive Sector<sup>5</sup></b>		
<b>Company</b>	<b>Revenues</b>	<b>Employees</b>	<b>Company</b>	<b>Revenues</b>	<b>Employees</b>
Verizon	\$71,283	210,000	AT&T	\$30,537	47,600
SBC <sup>6</sup>	\$52,308	162,700	MCI	\$20,690	40,400
BellSouth	\$20,300	62,564	Level 3	\$3,712	4,500
Qwest	\$13,809	41,000	XO	\$1,300	5,000
			McLeod	\$716	2,400
			Broadwing	\$672	1,661
			Time Warner	\$653	1,986
			ITC^DeltaCom	\$583	2,050
			Talk	\$471	1,200
			Covad	\$429	1,141
			US LEC	\$356	1,065
			Trinsic	\$251	765
			Eschelon	\$158	1,139
			PacWest	\$124	373
<b>Total</b>	<b>\$157,700</b>	<b>476,264</b>	<b>Total</b>	<b>\$60,653</b>	<b>111,280</b>

<sup>4</sup> Source: 2004 10K Reports.

<sup>5</sup> Listing includes competitive carriers that have reached sufficient size to (at least, at one time) attract public capital.

<sup>6</sup> SBC revenues include 60% of Cingular's revenues for 2004.

**The Incumbent-Competitor Resource Imbalance – Post-Mergers**  
(\$ millions)

<b>Incumbent LEC Sector</b>			<b>Competitive Sector</b>		
<b>Company</b>	<b>Revenues</b>	<b>Employees</b>	<b>Company</b>	<b>Revenues</b>	<b>Employees</b>
Verizon	\$71,283	210,000	Level 3	\$3,712	4,500
SBC	\$52,308	162,700	XO	\$1,300	5,000
Qwest	\$13,809	41,000	McLeod	\$716	2,400
BellSouth	\$20,300	62,564	Broadwing	\$672	1,661
			Time Warner	\$653	1,986
AT&T	\$30,537	47,600	ITC^DeltaCom	\$583	2,050
MCI	\$20,690	40,400	Talk	\$471	1,200
			Covad	\$429	1,141
			US LEC	\$356	1,065
			Trinsic	\$251	765
			Eschelon	\$158	1,139
			PacWest	\$124	373
Total	\$208,927	564,264	Total	\$9,426	23,280