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Susan Singer
Assistant Division Chief
Secondary Market Transactions
Spectrum and Competition Policy Division
Wireless Telecommunications Bureau
Federal Communications Commission
445 Twelfth St., SW
Washington, DC 20554

**Re: REDACTED – FOR PUBLIC INSPECTION
WT DOCKET NO. 05-50**

**RESPONSE TO INFORMATION REQUEST
EX PARTE PRESENTATION**

Dear Ms. Singer:

Submitted herewith on behalf of ALLTEL Corporation (“ALLTEL”) and Western Wireless Corporation (“WWC,” collectively “Applicants”) are responses to the March 1, 2005 Information Request (“Information Request”)¹ issued by the Federal Communication Commission’s Spectrum and Competition Policy Division. Much of the information contained in this response and in the exhibits attached hereto is both commercially and financially sensitive and concerns proprietary information that ALLTEL and WWC would not reveal in the normal course of business to its competitors or to the public.² Accordingly, such information is being submitted on a confidential basis pursuant to the Protective Order in WT Docket No. 05-50.³ A

¹ See Letter to Doane F. Kiechel, Counsel for Western Wireless Corporation, and Kathryn A. Zachem, Counsel for ALLTEL Corporation from William W. Kunze, Chief, Spectrum and Competition Policy Division, Wireless Telecommunications Bureau, in WT Docket No. 05-50 (Mar. 1, 2005).

² The document production consists of some documents that will be tendered to the United States Department of Justice (“DoJ”) under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (as amended) (the “HSR Act”), which grants blanket confidentiality protection. See 15 U.S.C. § 18a(h). If additional documents relevant to the FCC’s Information Request are discovered in responding to requests for information issued by the DoJ on February 23, 2005, they will be supplied via a supplemental filing.

³ See *Applications for the Transfer of Control of Licenses and Authorizations from Western Wireless Corporation and Its Subsidiaries to ALLTEL Corporation, Order Adopting Protective Order*, WT Docket No. 05-50, Order, DA 05-373 (WTB rel. Feb. 11, 2005) (“Protective Order”); see also 47 C.F.R. § 0.457(d)(1).

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public, redacted version of this filing is being filed electronically. Applicants expect prompt notification of any "Acknowledgment of Confidentiality" seeking access to the documents attached hereto, consistent with the Protective Order.

Applicants' responses to the Information Request are set forth below and in the referenced attachments. Relevant documents have been provided separately for ALLTEL and Western via diskettes. Each diskette is clearly labeled "ALLTEL" or "Western" and has folders that correspond to the relevant question. ALLTEL's responses to the FCC's General Information Request are qualified as follows:

1. With the exception of ALLTEL's responses to questions 1(a), 10(a), 10(b), 10(f), 10(h), and 16, ALLTEL's responses encompass ALLTEL-managed markets only. ALLTEL does not maintain the systems for non-managed markets, and therefore does not have access to the requested information in sufficient detail to provide responses for markets in which ALLTEL owns a minority interest and does not manage the market. Information for non-managed markets must be obtained from the manager of the respective markets.
2. ALLTEL has completed the following market acquisitions since January 1, 2003:

Wisconsin RSA #3	04/04/03: Acquired 42.9% interest, resulting in 85.8% controlling interest 02/20/04: Assumed management from third-party manager
Arizona RSA #6	08/29/03: Acquired 100% of market from Western Wireless in a cash-for-assets transaction
Mississippi RSAs #10&11	02/28/03: Acquired 100% of markets from Cellular XL in a cash-for-assets transaction
Houma-Thibodaux, LA MSA & Thibodaux BTA #195	10/31/04: Acquired 100% of the stock of MobileTel, LLC
Ft. Pierce, FL	11/30/04: Acquired 100% of the stock of Central Florida Cellular Telephone Company
OH RSA #9	11/30/04: Acquired 100% of the stock of Minford Cellular Telephone Company
Columbus, GA-AL MSA; AL RSAs #5&8; GA RSAs #6,5&9; BTAs: Anderson, SC; Anniston, AL; and Columbus, GA &	02/28/05: Acquired certain assets and operations from Public Service Cellular, Inc.

Data for periods prior to the consummation of each acquisition is not available.

3. On November 24, 2004, ALLTEL entered into a transaction with Cingular Wireless L.L.C. involving the exchange of certain assets, licenses, and partnership interests. Information on the licenses and interests to be acquired is included in ALLTEL's responses to questions 1(a), 7(c), 10(a), 10(b), 10(f), 10(h), and 16. However, ALLTEL does not have operational data for the markets being acquired, and no such data is included in ALLTEL's responses below.

For convenience, the specific FCC requests are reiterated below.

Document and Data Request Regarding Material Contained in the Application

1. **At pages 1 to 2 of Exhibit 1 of the Applications, the Applicants discuss ALLTEL's services and service areas.**

- a. **In which states does ALLTEL provide wireless service?**

ALLTEL holds 10% or greater ownership interests in Cellular and PCS licenses in each of the following 28 states:⁴ Alabama; Arkansas; Arizona; California; Colorado; Florida; Georgia; Illinois; Iowa; Kansas; Kentucky; Louisiana; Massachusetts; Michigan; Mississippi; Missouri; Nebraska; New Mexico; North Carolina; Ohio; Oklahoma; South Carolina; Tennessee; Texas; Utah; Virginia; West Virginia; and Wisconsin. In addition, ALLTEL will begin providing service in Connecticut upon FCC approval and consummation of a deal with Cingular. *See Public Notice, ALLTEL Corporation and Cingular Wireless LLC Seek FCC Consent to Transfer of Control of ALLTEL Newco LLC, DA 05-389, WT Docket No. 05-57 (rel. Feb. 14, 2005) (File Nos. 0001966783, 50004CWTC05).*

- b. **In which states does ALLTEL provide wireline service?**

ALLTEL provides wireline services in each of the following 15 states: Alabama; Arkansas; Florida; Georgia; Kentucky; Mississippi; Missouri; Nebraska; New York; North Carolina; Ohio; Oklahoma; Pennsylvania; South Carolina; and Texas.

- c. **In which states does ALLTEL provide long-distance service?**

ALLTEL provides long-distance service on a resold basis to its wireline and wireless customers in each of the following states: Alabama; Arkansas; Arizona; Colorado; Florida; Georgia; Iowa; Kansas; Kentucky; Louisiana; Michigan; Missouri; Mississippi; North Carolina; Nebraska; New Mexico; New York; Ohio; Oklahoma; Pennsylvania; South Carolina; Tennessee; Texas; Virginia; Wisconsin; and West Virginia.

⁴ This includes interests that ALLTEL is proposing to acquire in other transactions and excludes interests that ALLTEL is proposing to sell in other transactions.

4. **At page 5 of Exhibit 1 of the Applications, the Applicants assert that the transaction will facilitate deployment of advanced services. Provide any analyses that pertain to how this transaction will facilitate deployment of advanced services.**

Although ALLTEL has not quantified how much faster the combined company will be able to deploy advanced services, ALLTEL expects the combined company to have the scale to deploy faster than either company could afford to individually. For example, in 2003 ALLTEL developed a unique product that provides dispatch services called Touch2Talk ("T2T"). This product benefits customers who need a cost-competitive alternative to other dispatch services providers. The T2T product offering resulted from collaborations between ALLTEL, Kyocera, and Kodiak Networks. T2T is designed to operate across ALLTEL's IS-95 CDMA network. As part of this project, ALLTEL provided a significant number of research and development hours

[REDACTED]

With the acquisition of WWC, this type of product development can be applied against a larger customer base and, therefore, more such efforts could be expected from the combined company than by either company individually.

[REDACTED]

[REDACTED] Thus, by combining with WWC, delays associated with rolling out new advanced product offerings will be reduced in the future.

Over the last two years, ALLTEL has deployed a variety of picture messaging products from vendors such as LG, Motorola, and Audiovox. [REDACTED]

[REDACTED]

[REDACTED] In the future, ALLTEL expects that similar offerings could be rolled out much faster as a result of the increased size and scope resulting from the WWC acquisition.

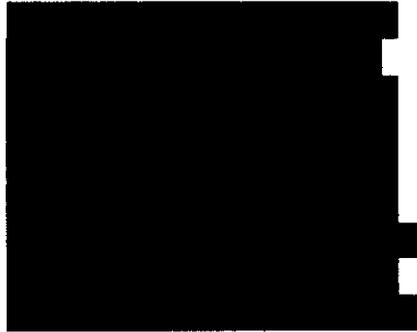
Finally, WWC has not yet announced any specific deployment plans for EV-DO or UMTS. [REDACTED] WWC's consumers thus will benefit from the merger because ALLTEL already has decided to roll out advanced services such as EV-DO

in its larger markets and ALLTEL anticipates incorporating similar markets currently served by WWC into this roll out strategy.

5. At page 5 of Exhibit 1 of the Applications, the Applicants state that the transaction will result in operational synergies of \$600 million. Provide:

- a. **Detail on the extent to which roaming costs will be eliminated in California, Idaho, Minnesota, Montana, Nevada, North Dakota, South Dakota, Utah, and Wyoming.**

ALLTEL's roaming costs will be eliminated in two ways: (i) ALLTEL customer traffic that can be moved to WWC; and (ii) WWC traffic that will be at internal costs rather than negotiated roaming rates. Based on traffic data from the last three months (December 2004, January 2005 and February 2005), annual roaming costs will be eliminated as follows:



See attached diskette for supporting spreadsheet entitled fccQ5a.xls.

- b. **Detail and explanation regarding the projected cost to integrate Western Wireless's and ALLTEL's systems.**

ALLTEL has not yet received extensive information regarding WWC's IT systems and their contractual vendor commitments. ALLTEL estimates that the cost to convert/migrate WWC's data to ALLTEL's systems will be [REDACTED]. This would include conversion of human resource/payroll records, accounting systems, billing system and ancillary systems to like systems within ALLTEL's IT system portfolio. ALLTEL expects to convert/migrate all employee and customer data to ALLTEL's systems [REDACTED]. Detailed workplans will be constructed after regulatory approval of the transaction.

- c. **An explanation whether the cost to integrate Western Wireless's and ALLTEL's systems is included in the provided savings estimations.**



- d. **Any analyses of cost savings pertaining to the following areas: systems operations, projected cell buildouts, redundant/overlapping cell sites, sharing of antennas and radio locations, core network elements, and transmission systems.**

File FCCQ5D.XLS on the attached diskette provides ALLTEL's planning summary of the anticipated synergies and expenses for this transaction. Cost savings pertaining to network elements have not yet been analyzed in detail.

6. **At page 6 of Exhibit 1 of the Applications, the Applicants assert that the combined company will be able to work with manufacturers to customize device interfaces. Provide all analyses for the time period June 2003 to the present that discuss the minimum number of subscribers necessary for it to be economically justified for a device manufacturer to develop customized items.**

ALLTEL purchases [REDACTED] CDMA phones annually. Based on this volume, ALLTEL has been able to develop direct relationships with six of the major CDMA mobile phone Original Equipment Manufacturers ("OEMs"). The ability to negotiate software customization, lower phone pricing and other incentives, such as, volume incentive rebates, price protection on inventory, product rebates, and co-op marketing funds are some of the tangible benefits of a direct relationship with an OEM, versus purchasing product through a third party [REDACTED]

[REDACTED] The merger will extend these scale and scope benefits into markets currently served by WWC, as well as enhance the scale and scope benefits available to the merged company, thereby improving the merged company's ability to compete against nationwide carriers.

[REDACTED] The merger would enable ALLTEL to extend these scale and scope benefits to current WWC subscribers, as well as enhance the scale and scope benefits available to the merged company, thus providing more competition against nationwide carriers.

Other "manufacturing" benefits associated with the merger include the ability to obtain customized products that offer ALLTEL a competitive advantage in the market place. In 2003, ALLTEL developed a unique product that provides dispatch services called Touch2Talk ("T2T"). This product benefits customers who need a cost-competitive alternative to other dispatch service providers. The T2T product offering was the result of collaboration between ALLTEL, Kyocera, and Kodiak Networks. [REDACTED]

[REDACTED]

Additional details regarding the agreement with Kyocera are set forth on the attached diskette at FCCQ6.PDF.

The combination with WWC will enhance ALLTEL's ability to continue purchasing phones with customizations necessary to provide an optimum experience on ALLTEL's networks. These customizations are primarily in the handsets software and enable user authentication for data networks, more accurate roaming indicators, more efficient BREW and Mobile Web usage and overall infrastructure integration to allow customers the best network experience possible.

Additional information responsive to this question is set forth in files FCCQ6a.ppt and FCCQ6b.ppt on the attached diskette.

7. At page 7 of Exhibit 1 of the Applications, the Applicants discuss that ALLTEL is starting to launch EV-DO.

a. Where is ALLTEL launching EV-DO?

ALLTEL is launching EV-DO in each of the following cities: [REDACTED]

[REDACTED]

b. What advanced services will be offered once EV-DO is launched?

High-speed wireless data services will be provided utilizing a CDMA2000® 1xEV-DO technology with a PCMCIA data card. A customer with a PC and a 1xEV-DO PCMCIA data card will have high-speed Internet access for web browsing or other Internet based services.

c. What is the timeframe for ALLTEL to deploy EV-DO throughout its current service territory?

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- d. **Has Western Wireless announced, or is it considering deploying, GPRS/EDGE, UMTS, or EV-DO on its licensed service area?**

WWC has not announced publicly when it will be deploying these advanced services.

[REDACTED]

- e. **Provide any analyses of cost and spectrum requirements for maintaining multiple technologies, including different CDMA technologies such as IS95 A and B, CDMA2000 1xRTT, CDMA 2000 EV-DO, GSM, GSM/GPRS, and GSM/EDGE.**

IS95-B, CDMA 2000 1xRTT and CDMA 2000 EV-DO are evolution steps of the IS-95A CDMA technology and are treated as one technology. The file FCCQ7E on the attached diskette includes analyses prepared for ALLTEL with respect to deploying a combination of the IS-95 technology family, GSM and/or UMTS. Information for WWC is set forth on the attached WWC diskette under the folder responsive to this question.

8. **At page 8 of Exhibit 1 of the Applications, the Applicants assert that the transaction will benefit customers of other wireless carriers because the combined firm will be a more attractive roaming partner. Provide any analyses regarding how this transaction will affect roaming services, either positively or negatively, including, but not limited to, changes in the cost of roaming to consumers and any changes to competition in the provision of roaming services.**

ALLTEL will be significantly expanding its footprint by acquiring WWC. This larger footprint will make ALLTEL a more attractive roaming partner for all carriers. For example, after the merger, a roaming agreement with ALLTEL will provide other carriers with access to a far more expansive rural network for roaming. Some carriers offer free calling within areas where they offer service or have access to low cost roaming. The combination of ALLTEL and WWC will expand opportunities for carriers to obtain low cost roaming services and potentially justify the expansion of the scope of the free calling areas available to subscribers. Alternatively, the roaming partner may choose to lower rates to customers. [REDACTED]

ALLTEL also will be a more attractive roaming partner because the merger will facilitate the deployment of advanced services. This deployment will expand the area within which the public can access advanced services. Carriers offering advanced services may want to extend the geographic area within which their subscribers can access advanced services and may enter into roaming agreements with ALLTEL to accomplish this objective.

[REDACTED]

ALLTEL has not performed an analysis of the cost of roaming to consumers as there will be no change to ALLTEL customers (that will result in higher roaming fees), and ALLTEL does not have access to WWC customer information at a sufficiently detailed level to estimate roaming savings on individual rate plans. [REDACTED]

9. **At page 8 of Exhibit 1 of the Applications, the Applicants state that ALLTEL may consider a GSM overlay of its system as a result of the transaction. Provide any analyses, including analyses of spectrum requirements, regarding how this transaction will facilitate deployment of a GSM overlay on the ALLTEL system.**

ALLTEL has not conducted any detailed analyses regarding how this transaction will facilitate the deployment of a GSM overlay. Nevertheless, both ALLTEL and WWC derive a

large portion of their revenues from roaming. WWC has been able to increase its roaming revenue stream by deploying a GSM overlay. The merger will facilitate the deployment of a GSM overlay because ALLTEL will benefit from the expertise residing in WWC's engineering and planning personnel responsible for rolling out WWC's GSM overlay. ALLTEL also will have access to WWC's contacts with GSM vendors and the combined company should be able to obtain GSM equipment at volume discounts not available to either company individually.

ALLTEL has not yet been able to thoroughly evaluate the spectrum requirements associated with the deployment of a GSM overlay for roaming purposes, but notes that WWC already has deployed an overlay successfully without encountering spectrum congestion problems. The spectrum usage associated with WWC's network is provided in response to Question 22. ALLTEL's network planning organization has started a first look at the potential of implementing either a GSM or a UMTS network in ALLTEL's legacy markets. See Attached Diskette, File FCCQ9. The analysis will evaluate the potential for inserting one or both of these technologies within ALLTEL's existing spectrum, the capital and expense associated with doing so, the required revenue to support this investment, and the potential for attracting roaming traffic.

[REDACTED]

10. **At pages 10 to 11 of Exhibit 1 of the Applications, the Applicants discuss areas of geographic overlap between ALLTEL and Western Wireless. Provide:**

- a. **Lists of: (1) all the CMAs and CEAs in which ALLTEL (including its affiliates) is licensed to provide service; and (2) all the CMAs and CEAs in which Western Wireless (including its affiliates) is licensed to provide service.**

ALLTEL holds 10% or greater ownership interests in Cellular and PCS in 293 CMAs and 175 CEAs. WWC holds 10% or greater ownership interests in 118 CMAs and 67 CEAs. A complete list of these markets is attached.⁵ See FCCQ10A.XLS.

- b. **For the 27 CMAs and the 39 CEAs where there are spectrum overlaps between ALLTEL and Western Wireless (including both firms' affiliates), individual and aggregate spectrum holdings for both firms, broken down by technology.**

The information for ALLTEL is set forth in file FCCQ10B.XLS on the attached ALLTEL diskette. Additional information regarding the spectrum holdings of ALLTEL and WWC is contained on the attached diskettes for each party under the folder for Question 22.

⁵ This includes interests that ALLTEL and WWC are proposing to acquire in other transactions and excludes interests that ALLTEL proposes to divest in other transactions.

- c. **A list of the CMAs where there are cellular overlaps between ALLTEL and Western Wireless (including both firms' affiliates).**

See file FCC10C.XLS on the attached ALLTEL diskette.

- d. **A list of the CEAs where the combined spectrum aggregation of ALLTEL and Western Wireless, including their affiliates, will be equal to or above 70 MHz in at least one county in the CEA.**

Upon consummation of the proposed transaction, there will be 5 CEAs in which ALLTEL/WWC combined, including their respective affiliates, will hold 70 MHz of spectrum in at least one county. These CEAs are:

Assoc CEA#	Assoc CEA Name	Combined MHz
1920	Dallas, TX-OK	70
4400	Little Rock-North Little Rock, AR	70
7680	Shreveport-Bossier City, LA-AR	70
8360	Texarkana, TX-Texarkana, AR-AR-OK	70
9514	Manhattan, KS	70

There are no CEAs in which the combined spectrum aggregation will exceed 70 MHz.

- e. **Any analyses of quality of service (Telephia network performance reports or equivalent) comparing the performance of ALLTEL, Western Wireless, and other providers, for the time period January 2004 to the present.**

ALLTEL does not have any analyses comparing their performance with that of other carriers. The only analyses obtained by WWC are attached on the WWC disk within the folder that corresponds to this question.

- f. **A map of ALLTEL's licensed service area (including affiliates) in a geo-referenced, mapable format, such as MapInfo table (.tab) or Shapefile (.shp).**

This information is set forth within the folder corresponding to this question on the ALLTEL diskette. This map reflects ALLTEL's licensed service areas after the closing of the pending transaction between ALLTEL and Cingular Wireless LLC.

- g. **A map of Western Wireless's licensed service area (including affiliates) in a geo-referenced, mapable format, such as MapInfo table (.tab) or Shapefile (.shp).**

This information is set forth within the folder corresponding to this question on the WWC diskette.

- h. **A map showing the ALLTEL and Western Wireless overlap areas (including affiliates) in a geo-referenced, mapable format, such as MapInfo table (.tab) or Shapefile (.shp).**

This information is set forth within the folder corresponding to this question on the ALLTEL diskette.

- i. **As in g and h above, coverage maps for a -95dBm signal level or better, distinguishing between ALLTEL and Western Wireless. Maps or plots should also distinguish the technologies used by each firm.**

Separate maps are provided in the folders corresponding to this question on the ALLTEL and WWC diskettes. The ALLTEL map depicts coverage for all markets managed by ALLTEL. This map does not include coverage from licensees in which ALLTEL holds a non-controlling interest. As a non-controlling entity, ALLTEL does not have access to the coverage information for these licensees.

11. **At page 11 of Exhibit 1 of the Applications, the Applicants assert that nationwide carriers exert pressure on providers in smaller markets. Provide:**

Nationwide carriers exert competitive pressure in all domestic markets regardless of whether the national carrier actually provides service in the market. Consumers are educated about, and demand rate plans and services similar to those offered by the nationwide carriers due to the reach and volume of their national advertising. Because of national advertising and the Internet, the average price of mobile telephone service in rural areas is very similar to the average price in urban areas.⁶ In fact, because of competition from nationwide carriers, and in an effort to simplify operations and gain operational efficiencies, ALLTEL's policy is to utilize a single strategy (one driven by the large carriers) across all ALLTEL markets. Thus, ALLTEL's prices are uniform throughout its market areas.

Typically nationwide carriers take advantage of their greater scale and scope by introducing innovative rate plans, and smaller carriers roll out similar plans in response to the

⁶ See *Annual Report and Analysis of Competitive Market Conditions with Respect to Commercial Mobile Services*, WT Docket No. 02-379, *Eighth Report*, 18 F.C.C.R. 14783, 14791-92 (2003) (citing Econ One study).

consumer demand created by the national advertising of these products. As examples, nationwide carriers were the first to introduce free long distance, free in-network calling, and family share plans, and ALLTEL was compelled to introduce similar plans shortly thereafter.

A prime example of this strategy is seen in ALLTEL's response to Verizon's launch of America's Choice in early 2002. ALLTEL shortly thereafter responded by launching National Freedom (a plan similar to Verizon's network-based America's Choice) in all markets in order to remain competitive despite a significantly smaller footprint and corresponding higher roaming costs.

The rollout of family share plans provides another illustrative case study. In February 2004, AT&T Wireless began offering up to 3 extra lines at \$10 each per month on plans charging at least \$39.95 per month. T-Mobile began offering a similar promotion shortly thereafter. In April 2004, Sprint began offering up to 5 extra lines free on plans charging at least \$100 per month. Cingular introduced a family plan in May 2004 offering up to 3 extra lines on plans charging at least \$59.99 per month. Six months later, ALLTEL began offering up to 4 extra lines at \$10 each on plans charging at least \$59.95 per month in all markets, regardless of whether a national carrier offering a family plan was providing service in the market.

Further evidence of this trend (creating strategies to remain competitive with the large carriers) is evidenced throughout the answers to the questions below.

Please Provide:

- a. **Any analyses, from June 2003 to the present, supporting the above assertion.**

Several different initiatives have been launched directly in response to competition (or anticipated competition) from the larger carriers. This is evidenced by comparisons and references to those carriers in ALLTEL's analyses and write-ups, which are grouped separately and detailed in folders corresponding to this question on the attached diskette:



[REDACTED]

[REDACTED]

- b. **Definitions of national and regional rate plans and service areas, to be used in providing the information requested in parts c. through f. below.**

ALLTEL has different “families” (categories) of rate plans that are distinguished by their rate plan coverage area:

- Total Freedom – a family that gives nationwide coverage regardless of what carrier or network is used. Thus, this family of plans gives coverage everywhere that service can be acquired and allows included rate plan minutes to be used there.
- National Freedom – a family that gives nationwide coverage on the National Freedom network. The National Freedom network is a conglomerate of the ALLTEL CDMA network and the CDMA networks of other ALLTEL strategic roaming partners. This family allows included rate plan minutes to be used anywhere on that network. Roaming is available in the instance that a customer is off of the network.
- Greater Freedom (also at times referred to as Local Freedom) – a family that typically gives a more “local” type of coverage to customers. The coverage for these plans varies from market to market. The geographic coverage for these plans is generally statewide, but can be as large as 3-4 states of coverage.
- Free to Roam – a family that is a hybrid of Total Freedom and Greater Freedom. Customers have the option of adding 100 true nationwide minutes to any Greater Freedom plan for \$10 per month. Based on billing system limitations, this option is built as a separate plan and thus appears to be a different rate family. In essence it combines a “local” type of coverage with more minutes with nationwide plan protection.

Information relevant to WWC is set forth within the folder corresponding to this question on the WWC diskette.

c. The percentages of ALLTEL's and Western Wireless's customers purchasing national and regional plans as of December 31, 2004.

As of December 31, 2004, [REDACTED] of WWC's customers were on a national or regional price plan.

The file FCCQ11c.xls within the folder corresponding to this question on the ALLTEL diskette contains a report on sales mix by family for December 2004. This shows some historical trending of the sales mix as well.

d. Any analyses that discuss the trend toward national plans and consumer preferences for regional versus national plans for the time period January 2003 to the present.

The files within the folder corresponding to this question on the ALLTEL diskette contain market share studies from 2004 (a Spring and Fall version). In addition there is an email from the Fall version outlining ALLTEL's research department's attempt to delineate the market of available buyers based on "family" of rate plan that they would likely be purchasing.

The following table sets forth the trend toward national plans for WWC customers between March 2004 and the present.

[REDACTED TABLE]

e. Any analyses that discuss ALLTEL's and Western Wireless's responses to consumer expectations for rate plans similar to those of the national carriers for the time period January 2003 through the present.

The files within the folder corresponding to this question on the ALLTEL diskette contain different versions of maps for each change that has occurred since January 2003 (thus the old and the new are included and labeled as such). Where available, the corresponding analysis that drove the change is included. One notable exception involves the National Freedom plans.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- f. **Any maps and analyses that indicate how the service areas for ALLTEL's and Western Wireless's regional wireless telephony plans have changed over the last two years (January 2003 to the present).**

Information for ALLTEL and WWC are set forth on the attached diskettes under the folders responsive to this question.

- 12. **At paragraph 4 of the Gardner Declaration, Gardner asserts that, in areas where ALLTEL and WWC currently overlap, the combination of both networks will reduce dead spots and improve coverage.**

- a. **How many dead spots will be reduced by this transaction?**

ALLTEL and WWC have not conducted a complete integration analysis. Therefore, the exact number of dead spots that will be eliminated has not been quantified.

ALLTEL and WWC personnel responsible for conducting business in the overlap markets are keenly aware of dead spots that exist in each system. Both carriers operate separate systems and generally do not operate collocated facilities. Thus, the coverage of both systems is not identical. The combination of the different network footprints will eliminate many of the dead spots that existed in each network on a stand-alone basis. The maps provided in response to Question 10(i), when overlaid, should enable the Commission to discern the dead spots that will be eliminated by this transaction.

- b. **Provide any analyses that detail improved market coverage, capacity, and overall improvement in service quality in the overlap areas. Include descriptions of technologies used and subscriber handset capabilities in those areas.**

[REDACTED]

[REDACTED]

[REDACTED]



Because ALLTEL has exclusively issued handsets with both CDMA and analog capabilities, improved service to customers of the combined entity would be expected in these areas, even if the Western Wireless network is analog only. ALLTEL also sells tri-mode handsets, capable of communicating on both 800MHz and 1.9GHz networks. Therefore, if any of WWC's networks operate at 1.9GHz, the combined entity of ALLTEL and WWC would allow customers of the combined entity to utilize the networks of both companies, offering coverage advantages over ALLTEL's existing network.

13. **At paragraph 9 of the Gardner Declaration, Gardner states that the long-term churn rates for the merged company are predicted to be lower than if the companies remained separate. Provide all analyses of whether the churn rate of the combined firm will be lower than the churn rates of ALLTEL and Western Wireless separately.**

Relative measures of churn and retention expense of both companies suggest [REDACTED]

[REDACTED] ALLTEL believes that the combined companies would, in fact, reduce churn by leveraging the retention investment appropriately across the combined customer base. No additional analysis has been performed.

Additionally, offering increased CDMA network availability to the aggregate customer base is expected to create an improved customer experience, which should lead to a lower churn rate of the combined companies.

14. **Provide maps showing Western Wireless's and its affiliates' GSM/GPRS/EDGE, CDMA 95A/B, and 1xRTT coverage with a signal level of -95 dBm or better, in either GIS or MapInfo format. Provide any tests that include accomplished data rates.**

This information is set forth within the folder corresponding to this question on the WWC diskette.

15. **State whether Western Wireless will be transferring to ALLTEL all ownership interests held in licensees in which it holds less than a 50% ownership interest.**

The transaction between ALLTEL and WWC is structured as a merger. All interests held by WWC will transfer to ALLTEL, including those ownership interests held in licensees in which WWC holds less than a 50% ownership interest.

16. **Provide a list of any partnerships in which either ALLTEL or Western Wireless holds less than a 10% interest and the market areas where these partnerships hold licenses.**

This information for ALLTEL is set forth in file FCCQ16.XLS on the attached diskette. WWC does not hold any interests of less than 10 percent.

For requests 17 through 22 listed below, ALLTEL and Western Wireless should provide information for each of the markets listed below. The responses to requests 17 through 22 should include ALLTEL's and Western Wireless's affiliates.

Market Number	Market Name
CMA172	Lincoln, NE
CMA334	Arkansas 11-Hempstead
CMA430	Kansas 3-Jewell
CMA431	Kansas 4-Marshall
CMA435	Kansas 8-Ellsworth
CMA436	Kansas 9-Morris
CMA437	Kansas 10-Franklin
CMA441	Kansas 14-Reno
CMA512	Missouri 9-Bates
CMA534	Nebraska 2-Cherry
CMA535	Nebraska 3-Knox
CMA536	Nebraska 4-Grant
CMA537	Nebraska 5-Boone
CMA538	Nebraska 6-Keith
CMA539	Nebraska 7-Hall
CMA540	Nebraska 8-Chase
CMA541	Nebraska 9-Adams
CMA542	Nebraska 10-Cass
CMA658	Texas 7-Fannin
CEA4360	Lincoln, NE
CEA6660	Rapid City, SD-MT-NE-ND
CEA9040	Wichita, KS-OK
CEA9514	Manhattan, KS
CEA9532	Grand Island, NE
CEA9533	North Platte, NE-CO
CEA9534	Norfolk, NE
CEA9535	Scottsbluff, NE-WY

17. **Describe the current competitive situation in each market. This description should include the likelihood of anticompetitive harms such as unilateral effects and coordinated interaction, given the unique characteristics of the market. These characteristics include, but are not limited to, spectrum aggregation by the combined firm, spectrum aggregation by the other licensees, actual versus potential competitors, any recent entry by a competitor, and the likelihood of entry by a potential competitor.**

ALLTEL and WWC will be responding to this question through a supplemental filing on March 29, 2005.

18. **Provide any Telephia Reports or other external reports in either ALLTEL's or Western Wireless's possession that give subscriber-based market share information for the time period June 2003 to the present.**

Reports for WWC are set forth on the WWC diskette in the folder corresponding to this question number. ALLTEL does not have any reports responsive to this question.

19. **Provide any analyses, covering the above markets either individually or as part of a larger market area, regarding pricing strategies, pricing forecasts, pricing policies, and pricing decisions for the time period June 2003 to the present.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

⁷ [REDACTED]

⁸ [REDACTED]

20. **Provide any analyses, covering the above markets either individually or as part of a larger market area, of the loss of customers to other mobile wireless service providers and any strategies/attempts to win customers from the mobile wireless service providers or to stem the losses to other mobile wireless service providers for the time period June 2003 to the present, including, but not limited to:**
- a. **Churn data and any analyses of churn, including, but not limited to, analyses of the correlation of churn with service quality, length of contract commitments, price, or other factors.**

Data for ALLTEL and WWC are set forth on the disks associated with each party in folders that correspond to question 20.

- b. **Reasons for switching to or from ALLTEL or Western Wireless because of the absence or presence of particular services or service features.**

Data for ALLTEL and WWC are set forth on the disks associated with each party in folders that correspond to question 20.

21. **Provide any analyses of customer acquisition strategies for the time period June 2003 to the present, including, but not limited to, advertising and marketing and promotional offers.**

All information responsive to this question is being provided in response to Question 19 or in the attached diskettes in folders that correspond to this question.

22. **Provide a MapInfo file of overlapping ALLTEL/Western Wireless service areas including the following attributes.**
- a. **Location of each cell site based on NAD 83.**
- b. **Designation of the underlying technologies used by such cell site.**
- c. **Whether ALLTEL or Western Wireless owns the cell site.**
- d. **Total amount spectrum used by the cell site per technology.**

The data for ALLTEL and WWC was prepared separately by each company and was forwarded to outside counsel for submission to the FCC. The ALLTEL data covers all markets managed by ALLTEL, but does not include information from licensees in which ALLTEL holds

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WT DOCKET NO. 05-50**

a non-controlling interest. As a non-controlling entity, ALLTEL does not have access to this information.

Information responsive to this question is set forth for ALLTEL under the folders for Question 10.i and Question 22 on the attached diskette. WWC's information is provided on the WWC diskette under the folder corresponding to this question.

The preceding responses were prepared based on interviews with and data provided by ALLTEL and WWC. If you have any questions, please do not hesitate to contact the undersigned.

Respectfully submitted,



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