

July 19, 2005

**Ex Parte – Via Electronic Filing**

Ms. Marlene Dortch  
Secretary  
Federal Communications Commission  
The Portals  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

Re: WC Docket Nos. 05-65 and 05-75

Dear Ms. Dortch:

On July 18, 2005, Joanna Lowry and Cathleen Wasilewski of SAVVIS, Larry Strickling of Broadwing, and Bruce Gottlieb and I met with Gail Cohen, Roger Woock, Ben Childers, Jon Minkoff, Paul Zimmerman, Michael Goldstein, Michael Jacobs, and Marcus Maher of the Wireline Competition Bureau; Ann Bushmiller, Jim Bird, Joel Rabinowitz, Karen Onyeije, Neil Dellar, and Anthony Bush of the Office of General Counsel; Marilyn Simon and Jerry Duvall of the International Bureau; and Jonathan Levy of the Office of Strategic Planning and Policy Analysis.

We reiterated that the mergers (a) would remove the two competitors with the most extensive local fiber facilities in the SBC and Verizon regions and (b) that adding substantial interexchange facilities to those companies' local facilities would give them new incentive to discriminate against competitors serving business customers. It is not clear that any conditions or divestitures can eliminate those harms caused by the mergers. But if the Commission determines that it will authorize the mergers, extensive divestitures of the local facilities owned by AT&T and MCI will be required, accompanied by requirements ensuring that the acquiring company can provide substantial competition. In addition, other remedies should be required to try to limit the discrimination likely to be caused by the mergers.

With respect to the harms to the Internet backbone market caused by the mergers, we pointed out that the Applicants had failed to provide 2005 traffic data and projections of how their market shares would increase following their conversion of voice traffic to Voice over Internet Protocol and the development of 3G wireless and other IP technologies. We urged the

Commission to require the Applicants to provide that information and to justify their claims that the use of traffic ratios to “de-peer” competitors is justified.

Sincerely,

/s/

Christopher J. Wright  
*Counsel to Broadwing Communications LLC  
and SAVVIS Communications, Inc.*