

**Before the
Federal Communications Commission
Washington, D.C. 20554**

Applications of)	
)	
Sprint Nextel Corporation)	DA 08-1477
)	WT Docket No. 08-94
And)	
)	
Clearwire Corporation)	
)	
For Approval to Transfer Control)	
)	

To: The Commission

COMMENTS OF IDT SPECTRUM, LLC

IDT Spectrum, LLC (“IDT Spectrum”) hereby submits comments in support of the proposed transfer of control of certain Commission licenses and lease authorizations held by Clearwire Corporation (“Clearwire”) and Sprint Nextel Corporation (“Sprint”) to a new wireless broadband company to be called Clearwire Corporation (“New Clearwire”).¹ IDT Spectrum believes that approval of the transaction will advance the public interest by both enabling substantial funding for wireless broadband services to be rapidly deployed nationwide and reducing build-out costs through volume purchase of network bandwidth and equipment.

Background

IDT Spectrum is a wholly-owned subsidiary of IDT Corporation, a publicly-traded telecommunications company based in Newark, New Jersey. IDT Corporation is a

¹ See *Public Notice*, “Sprint Nextel Corporation and Clearwire Corporation Seek FCC Consent to Transfer Control of Licenses and Authorizations,” DA 08-1477, rel. June 24, 2008; *Erratum*, “Sprint Nextel Corporation and Clearwire Corporation Seek FCC Consent to Transfer Control of Licenses and Authorizations,” WT Docket No. 08-94, rel. July 11, 2008.

leader in technology and product innovation, providing financial and communications services to millions of people every day. Through its experience with markets worldwide, IDT Corporation has demonstrated an ability to tailor products to fit any given market or demographic segment. Recently, IDT Corporation has brought a number of new pre-paid products to the U.S. Hispanic immigrant community offering new levels of value and convenience. At the same time, IDT Corporation continues to grow its worldwide communication network through investments in international fiber networks and IDT Spectrum.

IDT Spectrum holds upper microwave licenses that blanket every inch of the United States. These licenses include 931 39 GHz licenses authorized to Economic Areas (“EAs”) that cover the United States, 310 other 39 GHz licenses authorized in various urban areas, and 16 LMDS licenses authorized in major-market Basic Trading Areas.² All told, IDT Spectrum holds more than 1,250 licenses in the 28 GHz and 39 GHz bands.

IDT Spectrum leases its upper microwave spectrum to government users, broadband providers and mobile carriers. IDT Spectrum is continuing to pursue leasing opportunities to provide backhaul and connectivity for advanced wireless, WiMAX and WiFi services, rural healthcare facilities, public safety/first responder networks, campus communications, and satellite earth stations.³

² The map attached at Exhibit 1 shows the license areas for the 39 GHz EA licenses and the 16 LMDS licenses.

³ Additional information about IDT Spectrum’s leasing program can be found at www.idtspectrum.com.

Discussion

In April 2008, the Wireless Telecommunications Bureau (“Bureau”) released an order extending the construction requirements for 678 LMDS licenses, including the 16 licenses held by IDT Spectrum.⁴ The Bureau recognized that:

there is potential for *LMDS and other upper microwave frequencies* to be used over time as a high-capacity, broadband access service to consumers or as a backhaul solution for licensees in the 700 MHz Band, the Advanced Wireless Services (AWS-1), and other bands suitable for mobile broadband service. We note that the Commission has issued licenses for the AWS-1 band in the past 18 months and recently has completed an auction for the 700 MHz Band. We anticipate that, in the next several years, services in these bands will develop robustly, along with other mobile and fixed wireless broadband services.⁵

As is evident, the Commission appreciates the critical role that upper microwave spectrum will play in aiding the development and operation of fixed and mobile broadband services, such as those that Clearwire and Sprint are providing today, and that New Clearwire plans to accelerate rapidly following Commission approval of the merger.

In the Merger Application, Clearwire and Sprint state that, following Commission approval of the proposed merger, New Clearwire will receive a “vital” \$3.2 billion investment⁶ to enable build-out of a nationwide WiMAX network offering fixed, portable and mobile broadband Internet access.⁷ Among the “synergies” they cite, Clearwire and Sprint state that “New Clearwire will be able to . . . take advantage of greater volume

⁴ See Memorandum Opinion and Order, DA 08-867, rel. Apr. 11, 2008 (emphasis added).

⁵ *Id.* at ¶25 (citations omitted).

⁶ Merger Application, Description of the Transaction and Public Interest Statement, Exhibit 1, at 1.

⁷ *Id.* at 15-16.

discounts for microwave backhaul . . . and will achieve procurement efficiencies when acquiring network equipment and related assets due to its larger scale.”⁸

As a leading supplier of licensed backhaul spectrum, IDT Spectrum agrees that approval of the Merger Application would enable New Clearwire to realize these claimed benefits. As separate companies and without access to substantial capital, Clearwire and Sprint would face high hurdles to construct their individual systems in an expeditious manner. As a well-funded nationwide WiMAX provider, however, New Clearwire undoubtedly would have the ability to ramp up its capital expenditures and roll out WiMAX services on a more aggressive timetable. Moreover, New Clearwire would be better positioned to create price competition among equipment vendors, installation companies and backhaul providers, and could also reduce its transactional costs. Thus, insofar as access to infrastructure and backhaul spectrum is concerned, there is little doubt that “New Clearwire will be able to realize the promise of volume discounts typically associated with high purchase volumes.”⁹

By obtaining the benefits of lower backhaul, equipment and transactional costs, New Clearwire can offer its WiMAX services at lower costs to consumers, enabling it to better compete in the broadband marketplace. Such a result would be fully consistent with the public interest and the Commission’s objectives to promote broadband deployment and competition.

⁸ *Id.* at 23-24.

⁹ *Id.* at 24.

Conclusion

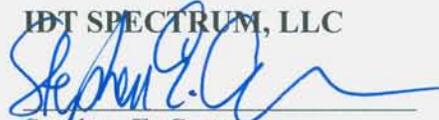
For the foregoing reasons, IDT Spectrum supports Commission approval of the Merger Application.

Respectfully submitted,

IDT SPECTRUM, LLC

July 24, 2008

By:



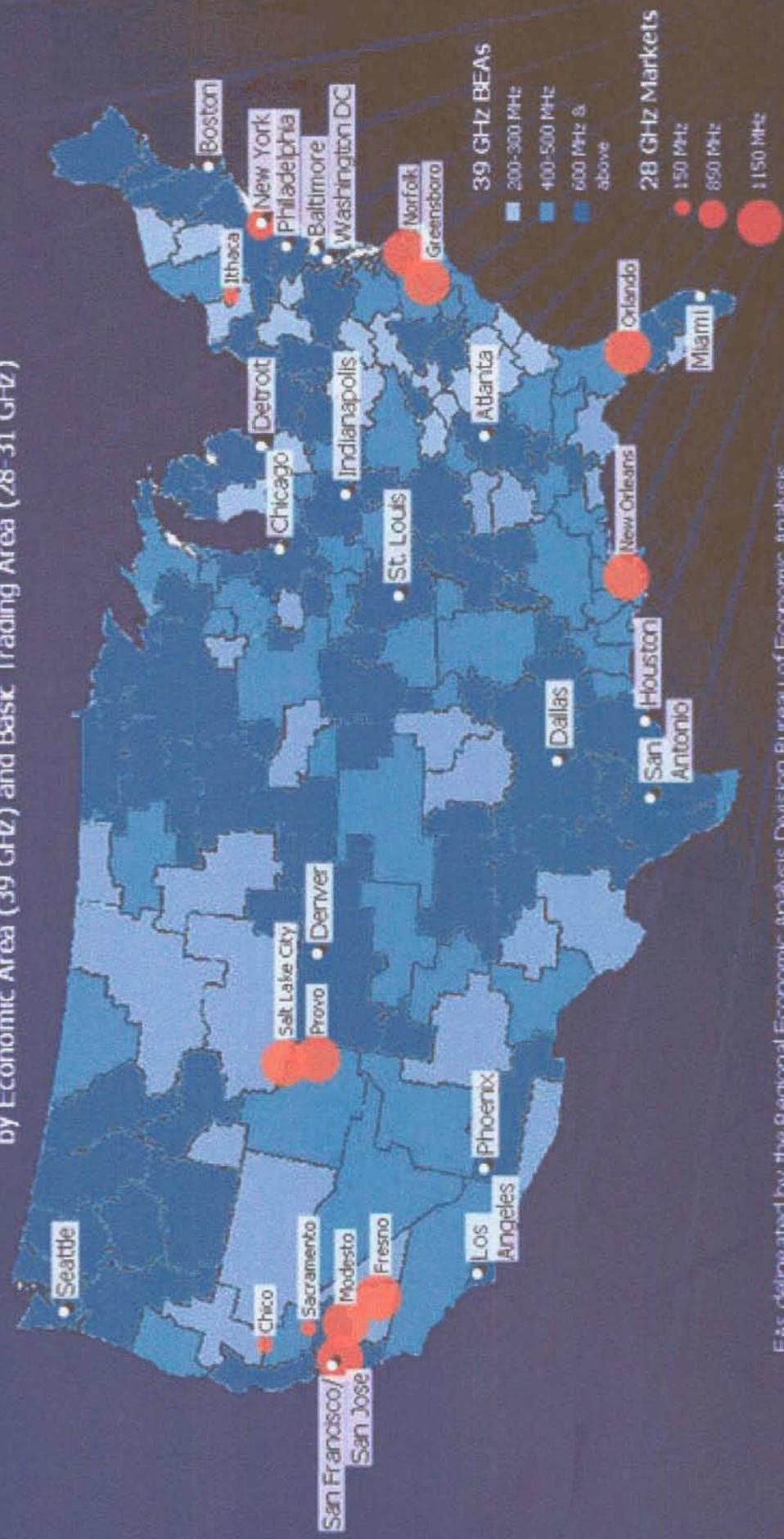
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Exhibit 1

IDT Leases Exclusively Licensed Wireless Connectivity Nationwide

IDT Spectrum Fixed Wireless License Coverage by Economic Area (39 GHz) and Basic Trading Area (28-31 GHz)



EAs delineated by the Regional Economic Analysis Division Bureau of Economic Analysis, U.S. Department of Commerce, January 1995

CERTIFICATE OF SERVICE

I, Steve Denison, a paralegal at the law firm of Rini Coran, PC, hereby certify that I have caused a copy of the foregoing "COMMENTS OF IDT SPECTRUM, LLC" to be sent by electronic mail this 24th day of July, 2008, to each of the following:

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