

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Applications of Atlantic Tele-Network, Inc. and)	WT Docket No. 09-119
Cellco Partnership d/b/a Verizon Wireless)	DA 09-1515
)	
for Consent to Assign or Transfer Control of)	File Nos. 0003858521, <i>et al.</i>
Commission Licenses and Authorizations)	ITC-ASG-20090616-00286, <i>et al.</i>

**JOINT OPPOSITION OF
ATLANTIC TELE-NETWORK, INC. AND VERIZON WIRELESS
TO PETITIONS TO DENY**

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August 20, 2009

In the end, Verizon Wireless chose two entities with experience operating wireless businesses, which Verizon Wireless believed would enhance the acceptability of the buyers to the government, and with the financial resources necessary to ensure that the proposed transaction would be timely consummated, as required by the *Final Judgment* and *Modified Final Judgments* and the *Verizon Wireless-ALLTEL Merger Order*.⁵⁸ Indeed, requiring such committed financing is customary in such circumstances, even if the sale process does not include divestitures mandated by regulatory bodies. Moreover, recent dislocations in the financial and credit markets made it especially challenging for smaller buyers to obtain equity funding and debt financing for an asset purchase of this size and scale.⁵⁹ Finally, a number of smaller, non-operator bidders requested multi-year commercial and operating relationships with

⁵⁸ CAPCC asserts in its petition that Verizon Wireless could have found a socially disadvantaged business to buy the assets it is selling to ATN at the same price. CAPCC Petition, Appendix 1 at 6. Telephone USA suggests that it should have been chosen because it bid more for the divestiture assets than ATN did. Telephone USA Petition at 3-4. However, price per POP was not the sole factor that Verizon Wireless considered in selecting buyers. Particularly given the July 8th deadline for identifying a buyer and having transfer applications on file, it was essential that the entity selected could demonstrate financing that would enable it to conclude the deal. As part of its proposal, ATN demonstrated that it had sufficient financial resources, based on the size of its market capitalization and strong balance sheet, to assure Verizon Wireless of its ability to fund and close the transaction with cash on hand, available financing capacity through existing credit facilities, and assurances of additional financing without contingencies. Other factors in ATN's favor were: (i) ATN is a strategic investor with wireless experience, which gave Verizon Wireless comfort that it could operate the properties as required under the *Final Judgment* and the *Verizon Wireless-ALLTEL Merger Order*; (ii) ATN was able to conclude negotiations with Verizon Wireless on a definitive purchase agreement and three ancillary agreements in a timely manner that enabled Verizon Wireless to satisfy the DOJ and FCC divestiture requirements and deadlines; and (iii) ATN did not require a lengthy transition services agreement. All other remaining bidders were lacking in one or more of these characteristics. Despite many requests by Verizon Wireless, Telephone USA never produced any evidence of committed funding, a credible path to obtain funding, or cash on hand sufficient to support the purchase price. Telephone USA also requested an operating support agreement from Verizon Wireless and proposed a long-term operating arrangement for Verizon Wireless's consideration. Ultimately, Telephone USA offered no evidence of its ability to operate the Divestiture Assets independently of Verizon Wireless. Accordingly, the amount of its proposed purchase price was irrelevant.

⁵⁹ Bartlett Declaration ¶ 15 (noting that a number of the bids submitted by smaller, non-operator bidders, including minority-owned bidders, lacked funding commitments or were based on financing that was not committed by a lending institution or otherwise not guaranteed).