

**Kathleen Grillo**  
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**REDACTED – FOR PUBLIC INSPECTION**

August 17, 2012

**VIA ECFS AND HAND DELIVERY**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**Re: Notice of Ex Parte Presentation, Consolidated Review of Verizon Wireless – SpectrumCo – Cox, Verizon Wireless – Leap Wireless, and T-Mobile – Verizon Wireless Transactions, WT Docket Nos. 12-4 and 12-175**

Dear Ms. Dortch:

Cellco Partnership d/b/a Verizon Wireless submits the attached *ex parte* notice. The notice contains Highly Confidential Information subject to the Second Protective Orders (DA 12-51 and DA 12-1129) in the above-referenced proceedings.

Pursuant to the terms of the Second Protective Orders, two copies of the Redacted version of the attached notice are being filed with the Office of the Secretary. The Redacted version of the notice is also being filed electronically through the Commission's Electronic Comment Filing System. In addition, one copy of the Highly Confidential version of the notice is being delivered to the Office of the Secretary and two copies are being delivered to Sandra K. Danner and two copies are being delivered to John Spencer, both of the Wireless Telecommunications Bureau's Broadband Division.

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Should any questions arise concerning this filing, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink that reads "Kathleen Grillo". The signature is written in a cursive, slightly slanted style.

Attachments

cc: Commissioner Mignon Clyburn (redacted)  
Dave Grimaldi (redacted)  
Louis Peraertz (redacted)  
Jim Bird (redacted)  
Sandra Danner (redacted)  
John Spencer (redacted)  
Joel Taubenblatt (redacted)  
Best Copy and Printing (redacted)

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**Ex Parte**

**VIA HAND DELIVERY**

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

**Re: Notice of Ex Parte Presentation, Consolidated Review of Verizon Wireless – SpectrumCo – Cox, Verizon Wireless – Leap Wireless, and T-Mobile – Verizon Wireless Transactions, WT Docket Nos. 12-4 and 12-175**

Dear Ms. Dortch:

On August 15, 2012, Kathleen Grillo and Michael Glover of Verizon, Kathy Zachem of Comcast Corp. and Arthur Burke of Davis, Polk & Wardwell LLP (on behalf of Comcast), Terri Natoli of Time Warner Cable Inc. (“TWC”) and Matthew Brill of Latham & Watkins LLP (on behalf of TWC), and Barry Ohlson of Cox Enterprises met with Commissioner Mignon Clyburn and Dave Grimaldi and Louis Peraertz of her staff to discuss the above-captioned proceedings.

At this meeting, we explained how the assignment of AWS licenses from SpectrumCo LLC and Cox TMI Wireless LLC to Verizon Wireless will promote the public interest by transferring spectrum that is not currently being used to serve customers to a provider that will expeditiously put it to use to meet customers’ skyrocketing demand for mobile broadband services. We summarized the extensive record materials that document how the proposed spectrum transfer will enhance Verizon Wireless’s ability to deliver 4G LTE services and address mounting concerns about spectrum exhaust and congestion in key markets.

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We further noted that Verizon Wireless's related transactions with Leap Wireless and T-Mobile will enable each carrier to rationalize its spectrum holdings and to serve customers more effectively. In addition, the Verizon Wireless – T-Mobile transaction represents a significant net transfer of spectrum to T-Mobile and therefore addresses spectrum aggregation concerns raised in the record. While the Verizon Wireless – SpectrumCo – Cox transaction as originally proposed included only a relative handful of markets in which Verizon Wireless would have exceeded the Commission's spectrum screen, the T-Mobile transaction reduces the number of counties in which Verizon Wireless will be above the screen to 9 out of 2,577. And, Verizon Wireless has shown that each of those 9 counties is served by multiple wireless competitors.

We also provided an update on the status of discussions with the Department of Justice ("DOJ") regarding the parties' commercial agreements. We noted that Verizon Wireless, the SpectrumCo members, and Cox anticipated entering into a consent decree with DOJ that would address any potential competitive harms identified by DOJ and the Commission.

In response to a question from Commissioner Clyburn regarding Verizon's deployment of FiOS in cities and urban areas, Verizon explained that the company has deployed FiOS in many cities and urban areas and is in the middle of multi-year deployments in New York City, Philadelphia, and Washington, DC. Verizon has committed to build out FiOS throughout these three cities. Claims by some opponents that FiOS has selectively deployed FiOS in suburban areas are without merit.

We also addressed questions raised by Mr. Peraertz relating to the scope of activities to be engaged in by the Innovation and Technology Joint Venture. We explained that the purpose of the Joint Venture is to develop innovative technical capabilities to allow services to be delivered to consumers seamlessly across wireline and wireless delivery platforms. To put it another way, the focus is on *technologies* related to the *delivery* of services to consumers, whether the services being delivered happen to be voice, data or video services. In response to Mr. Peraertz's questions, the parties agreed that this is what is meant by the **[BEGIN HIGHLY CONFIDENTIAL]**

**[END HIGHLY CONFIDENTIAL]**

In response to Mr. Peraertz's questions, we also explained that the focus of the Joint Venture is on innovative technical capabilities for the delivery of services to consumers, and not on the acquisition, ownership or control of video or other programming content. The parties previously made this distinction explicit in connection with their testimony at a hearing before the Senate Judiciary Subcommittee. As Comcast's Executive Vice President David Cohen

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explained, “[t]here are no provisions in the Commercial Agreements addressing Verizon Wireless’ and the cable companies’ acquisition of programming.”<sup>1</sup> Likewise, “no term of any of the Commercial Agreements provides for the licensing of NBCUniversal content to Verizon Wireless (or, of course, Verizon, which is not even a party to the agreements).”<sup>2</sup> Similarly, Randal Milch, Verizon’s Executive Vice President and General Counsel, explained that “[n]one of the commercial agreements has provisions relating to the joint negotiation of programming or the acquisition of content.”<sup>3</sup>

Verizon also responded to questions regarding Verizon Wireless’ intent to sell its 700 MHz A and B Block licenses once the transactions in these proceedings are approved. In May 2012, Verizon announced plans to sell all of those licenses through an open sale process, contingent on approval of these applications. We explained that Verizon Wireless has retained two financial advisors, Stephens Inc., based in Little Rock, and Loop Capital LLC, based in Chicago, to conduct the sale process and to solicit participation from a diverse pool of bidders. To date, Verizon Wireless has provided an offering memorandum to approximately 64 entities that expressed interest and executed an NDA.

Please contact the undersigned if you have any questions regarding this notice.

Sincerely,



cc: Commissioner Mignon Clyburn (redacted)  
Dave Grimaldi (redacted)  
Louis Peraertz (redacted)

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<sup>1</sup> David L. Cohen, Responses to Questions for the Record, U.S. Senate Committee on the Judiciary, Subcommittee on Antitrust, Competition Policy, and Consumer Rights, Hearing on “The Verizon/Cable Deals: Harmless Collaboration or a Threat to Competition and Consumer?,” Response to Question 9 from Sen. Kohl, Mar. 21, 2012, *available at* <http://www.judiciary.senate.gov/resources/transcripts/upload/032112QFRs-Cohen.pdf> (“Cohen Responses”).

<sup>2</sup> Cohen Responses, Response to Question 1 from Sen. Schumer.

<sup>3</sup> Randal Milch, Responses to Questions for the Record, U.S. Senate Committee on the Judiciary, Subcommittee on Antitrust, Competition Policy, and Consumer Rights, Hearing on “The Verizon/Cable Deals: Harmless Collaboration or a Threat to Competition and Consumer?,” Response to Question 1 from Sen. Schumer, Mar. 21, 2012, *available at* <http://www.judiciary.senate.gov/resources/transcripts/upload/032112QFRs-Milch.pdf>.