

June 10, 2011

FILED/ACCEPTED

Via Hand Delivery

JUN 10 2011

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Federal Communications Commission
Office of the Secretary

Re: *In the Matter of Applications of AT&T Inc. and Deutsche Telekom AG for Consent to Transfer Control of Licenses and Authorizations Held by T-Mobile USA, Inc. and Its Subsidiaries (WT Dkt No. 11-65)*

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Dear Ms. Dortch:

On behalf of AT&T Inc., and pursuant to the Protective Order and the Second Protective Order adopted in the above-referenced proceeding,¹ and the instructions set forth in the Information and Discovery Request dated May 27, 2011 ("Request"), enclosed please find two redacted public copies of the narrative response ("Response") of AT&T Inc. to that Request.

Two copies of the enclosed are also being hand delivered to Kathy Harris of the Wireless Telecommunications Bureau.

Please contact me if you have any questions. Thank you for your assistance.

Sincerely,



David R. McAtee II
Counsel for AT&T Inc.

¹ In re Applications of AT&T Inc. and Deutsche Telekom AG Inc. for Consent to Transfer Control of the Licenses and Authorizations, WT Dkt No. 11-65, Protective Order, DA 11-674 (WTB rel. Apr. 14, 2011) ("Protective Order"); In re Applications of AT&T Inc. and Deutsche Telekom AG for Consent to Assign or Transfer Control of Licenses and Authorizations, WT Dkt No. 11-65, Second Protective Order, DA 11-753 (WTB rel. Apr. 27, 2011), as revised June 9, 2011 ("Second Protective Order").

haynesboone

Enclosures

cc: Nicholas Even (Firm)
Peter J. Schildkraut, Arnold & Porter, LLP
Kathy Harris (by email) (by hand, with enclosures)
Kate Matraves (by email)
Jim Bird (by email)

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**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

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Federal Communications Commission
Office of the Secretary

In the Matter of)
)
Applications of AT&T Inc. and)
Deutsche Telekom AG Inc. for)
Consent to Transfer Control of the Licenses and)
Authorizations held by T-Mobile USA, Inc. and)
Its Subsidiaries)
)

WT Docket No. 11-65

**RESPONSE OF AT&T INC. TO
INFORMATION AND DISCOVERY REQUEST DATED MAY 27, 2011**

June 10, 2011

**RESPONSE OF AT&T TO
INFORMATION AND DISCOVERY REQUEST DATED MAY 27, 2011**

June 10, 2011

Introduction

AT&T Inc. (“AT&T”) provides this response (the “Response”) to the letter dated May 27, 2011, from Ruth Milkman, Chief of the Wireless Telecommunications Bureau of the Federal Communications Commission (the “FCC” or the “Commission”), and the attached Information and Discovery Request for AT&T, Inc. (collectively, the “Request”). In 50 requests (individually referred to herein as “Request No. [#]”), the FCC asks AT&T (sometimes referred to in the Request as the “Company” as defined therein) to provide by June 10, 2011, extensive documents, data, charts, maps and other information to complete the FCC’s review of the applications of AT&T and Deutsche Telekom AG (“Deutsche Telekom”) for consent to transfer certain licenses and authorizations as described below.

AT&T and Deutsche Telekom executed a Stock Purchase Agreement on March 20, 2011, pursuant to which AT&T will acquire one hundred percent (100%) of the issued and outstanding shares of capital stock of T-Mobile USA, Inc. (“T-Mobile USA”), a wholly owned subsidiary of Deutsche Telekom, for which AT&T will pay Deutsche Telekom approximately \$39 billion in cash and AT&T common stock (the “Transaction”). Thereafter, AT&T and Deutsche Telekom (collectively, the “Applicants”) filed applications on April 21, 2011, for FCC consent to transfer control of licenses and authorizations (the “Applications for Consent”) held by T-Mobile USA to AT&T. On April 21, 2011, AT&T also filed a Description of Transaction, Public Interest Showing and Related Demonstrations regarding the Acquisition of T-Mobile USA, Inc. (the “Public Interest Statement”) in WT Docket No. 11-65. The parties anticipate closing the Transaction (referred to in the Request and in the Response as the “Proposed Transaction”)

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within five business days of the satisfaction or waiver of all closing conditions, including receipt of all necessary regulatory approvals. The Request (and thus the Response) refers to AT&T after the acquisition of T-Mobile USA has been approved and consummated as the “Merged Company.”

AT&T has worked diligently to respond quickly and fully with the FCC’s requests. Consistent with the discussions with the Commission, in order to respond in a timely fashion to the Request, in numerous instances the Company has produced materials gathered through key word searches of custodial files contained in a database of approximately 1.2 million documents produced to the Department of Justice (“DOJ”) in connection with the Response of AT&T Inc. to a Second Request for Additional Information and Documentary Material issued on April 21, 2011. With respect to other requests, AT&T has searched the files within the Company reasonably believed to contain the information sought. These instances are noted in the responses below.

As to some requests, no responsive documents or information exists to, or responsive documents or information exists as to part (but not all of) a request, as reflected in the response to such requests. Where the Request seeks charts, spreadsheets or similar graphic or tabular information, or specific documents, responsive information is provided in exhibits to the Response, numbered with reference to the specific request (*e.g.*, Exhibit 5.1 responds to Request No. 5). An Index of Exhibits is appended as Exhibit B. Where the Request seeks documents, responsive documents are produced.

The Request calls for AT&T to submit certain information and documents that are extremely sensitive from a commercial, competitive, and financial perspective, and that AT&T would not reveal in the ordinary course of business to the public or its competitors. AT&T is

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submitting information and documents on a confidential and highly confidential basis pursuant to the Protective Order issued on April 14, 2011, and the Second Protective Order, issued on April 27, 2011, and amended on June 9, 2011, in place in WT Docket No. 11-65. The inadvertent inclusion of any material that is subject to an assertion of the attorney-client, attorney work-product or other applicable privilege is not intended as a waiver of such privilege.

AT&T has redacted confidential information in, and exhibits to, the Response (as reflected where marked “[Begin Confidential Information] [] [End Confidential Information]”) and highly confidential information in, and exhibits to, the Response (as reflected where marked “[Begin Highly Confidential Information] [] [End Highly Confidential Information]”). The redacted Response is marked, “**REDACTED – FOR PUBLIC INSPECTION,**” and is being filed electronically in the Commission’s Electronic Comment Filing System (“ECFS”). The highly confidential, unredacted Response is marked, “**HIGHLY CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN WT DOCKET NO. 11-65 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION – ADDITIONAL COPYING PROHIBITED,**” and is being delivered to the Secretary. Additional copies of the unredacted Response are being delivered as instructed in the Request.

In accordance with the Request, the Protective Order, and the Second Protective Order, as amended, unredacted copies of highly confidential documents are marked “**HIGHLY CONFIDENTIAL INFORMATION – SUBJECT TO SECOND PROTECTIVE ORDER IN WT DOCKET NO. 11-65 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION – ADDITIONAL COPYING PROHIBITED**”; unredacted copies of confidential documents are marked “**CONFIDENTIAL INFORMATION – SUBJECT TO**

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PROTECTIVE ORDER IN WT DOCKET NO. 11-65 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION”; and redacted copies of highly confidential and confidential documents are marked “**REDACTED – FOR PUBLIC INSPECTION.**” Pursuant to the Request, both the redacted and unredacted versions of confidential and highly confidential documents are being delivered to Kathy Harris of the Wireless Telecommunications Bureau.

Pursuant to discussions with the Commission staff, AT&T is submitting its Response consistent with the following qualifications:

- Custodian files were searched covering the period from January 1, 2009 through March 21, 2011, except for certain custodians, whose files were searched through early May, 2011.
- AT&T has not verified that it has produced “all other documents referred to in the document or attachments,” pursuant to instruction 4.
- AT&T has not searched backup disks and tapes for documents.
- Request No. 4(c): AT&T interprets the phrase “any constraints” to mean “any such constraints discussed in subsections (a) and (b).”
- Request No. 7(f): AT&T understands the scope to be limited to documents regarding the Stock Purchase Agreement and related materials previously provided to the Commission.
- Request No. 16: AT&T has interpreted that request as follows: all plans, analyses, and reports discussing the effect of standard setting for technologies relating to 700 MHz spectrum, including LTE and LTE devices and equipment, on competition in the provision of any relevant product or relevant service in any relevant area, consistent with the modifications proposed by AT&T on June 2 and June 7, 2011.
- Request No. 19: AT&T has provided current data, and for projections is providing information maintained in the ordinary course of business .
- Request No. 47: AT&T has provided information with respect to 17 major responsive systems.
- Requests No. 48-50: AT&T has provided Exhibits that contain information responsive to these requests, consistent with the modifications proposed by AT&T on June 2 and June 7, 2011.

RESPONSES

1. REQUEST:

The Applicants state that AT&T is facing network spectrum and capacity constraints "more severe" or "more serious" than those of any other wireless provider. (Public Interest Statement, pages 1 and 19). Provide all plans, analyses, and reports discussing the relative network spectrum capacity constraints of the Company and other mobile wireless service providers, including any relevant pricing, traffic and spectrum efficiency assumptions.

RESPONSE:

In order to respond to this request, AT&T has conducted key word searches of custodian files as detailed in the tables appended hereto as Exhibit A. Documents responsive to this request are included in AT&T's production.

2. REQUEST:

The Applicants state that AT&T faces growing capacity constraints in certain urban, suburban, and rural areas. (Public Interest Statement, pages 4-5 and 25-30). The Applicants also state that the Company anticipates that it would lack the spectrum it would need to serve the demand for UMTS service in some areas, that its spectrum constraints would keep the Company from launching and supporting UMTS services at all in areas, and that these constraints "would prevent AT&T in some markets from deploying LTE at all, from providing LTE in its most beneficial configuration and/or from serving expected LTE demand." (Public Interest Statement, pages 28-30). Provide all documents relied upon in these statements, and all documents reviewed or relied upon by Mr. Hogg in making the statements cited at pages 25-30 of the Public Interest Statement.

RESPONSE:

Documents responsive to this request are provided in Exhibit 2-1.

3. REQUEST:

Provide all plans, analyses, and reports discussing: (a) the definition or determination of what constitutes a capacity or spectrum constraint, including the factors involved in that determination in any relevant area (e.g., types of products

and services offered and resulting demand; cost of additional capacity); and (b) potential resolutions of any constraint (including changes in price or actions to increase spectrum or spectral efficiency), and the implications on profitability or revenue of either the constraint or the resolution of the constraint.

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

4. REQUEST:

Provide all plans, analyses, and reports discussing:

- a. **alternatives the Company considered to solve any constraints in capacity or to increase capacity to provide any relevant service in any relevant area, including:**
 - i. **acquiring new spectrum;**
 - ii. **plans to increase network capacity using existing spectrum, such as by adding cell sites or additional backhaul;**
 - iii. **repurposing spectrum, including the transition of subscribers from the repurposed spectrum; and**
 - iv. **alternative solutions to any spectrum constraint problems, including upgrading network or customer equipment, or changing prices;**

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

- b. **current, future, or past problems or difficulties in providing any relevant service in any relevant area, including discussions of:**
 - i. **spectrum utilization and efficiency;**
 - ii. **any spectrum capacity constraints the Company is currently facing or the Company is projected to face in the future; and**
 - iii. **how the Company evaluates and monitors capacity and capacity utilization, including the amount of spectrum, speed of connection,**

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- and facilities (including cell site configuration and backhaul) that are required to meet consumer demand; and**
- iv. **dropped and/or blocked calls and speed and other quality measures of data services;**

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

- c. **communications given by the Company to investors, investor analysts, industry analysts, bankers, or financial regulators regarding the impact of any constraints on the Company's expected performance, and provide any such communications given since January 1, 2009.**

RESPONSE:

With respect to subsection (c), and consistent with its discussions with the Commission's staff, AT&T interprets the phrase "any constraints" to mean "any such constraints discussed in subsections (a) and (b)." To respond to this request, AT&T searched the files within the Company reasonably believed to contain the information sought. Documents responsive to this request are included as Exhibit 4-1.

5. REQUEST:

The Applicants state that the Proposed Transaction would result in the "more efficient use of 'spare' capacity in areas where one or both companies' networks are underutilized, driving improvements in both performance and capacity in those areas." (Public Interest Statement, page 8; see also pages 39-42; Hogg Declaration, ¶¶ 54-55).

- a. **Define "spare" and "underutilized."**
- b. **Provide a list of all relevant areas where "one or both companies' networks are underutilized."**

RESPONSE:

Both the Public Interest Statement and the Hogg Declaration discuss utilization

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efficiencies in terms of the traffic carried by the two companies' networks relative to each other, rather than an individual network performance metric. In certain areas, one company's wireless network may be less heavily loaded, carrying less voice and data traffic, than the other company's network. The less heavily loaded network that can carry additional traffic is (relatively) "underutilized." In that context, "spare" capacity refers to pockets of excess capacity on the less heavily loaded network that may be used to relieve congestion in the other network in a given area and/or timeframe.

AT&T does not maintain in the ordinary course of business a nationwide list of all CMAs where its individual network is underutilized. With regard to the areas where AT&T's and T-Mobile USA's networks may be underutilized relative to each other, AT&T does not have this information on a CMA by CMA basis, nor does AT&T have engineering data that would provide this granular information for T-Mobile USA. However, based on select areas for which the data has been provided to AT&T in support of the regulatory review process, AT&T has provided Exhibit 5-1, which contains network utilization data in KMOUs/MHz/sector for representative CMAs. In each of these CMAs, because one company's wireless network is less heavily loaded than the other's, there is the potential to achieve network utilization efficiencies where the excess capacity on the less heavily loaded network may be used to relieve congestion in the other company's network.

- c. **Provide all plans, analyses, and reports discussing:**
 - i. **the Company's plans where the Company has underutilized networks;**
 - ii. **the Company's use or possible use of WCS spectrum; and**
 - iii. **the Company's conversion of its operations in the 1900 MHz spectrum band to the 850 MHz spectrum band; or**
 - iv. **the Company's strategy with respect to obtaining or using spectrum below and/or above 1 GHz.**

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RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

6. REQUEST:

For any relevant service or any relevant product in any relevant area, provide all:

- a. strategic and business plans;**
- b. other plans to reduce costs, improve services or products, improve service quality, improve capacity to transmit mobile wireless services, introduce new services or products;**

RESPONSE:

To respond to these requests, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

- c. budgets and financial projections on a multistate, regional or national basis; and**
- d. presentations to management committees, executive committees, boards of directors, investors, investor analysts, bankers and industry analysts.**

RESPONSE:

To respond to these requests, AT&T searched the files within the Company reasonably believed to contain the information sought. Documents responsive to these requests are included in Exhibit 6-1. In addition, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to these requests are included in AT&T's production.

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7. REQUEST:

Provide all plans, analyses, and reports discussing the Proposed Transaction (except those discussing solely environmental, tax, human resources, OSHA, or ERISA issues), including:

- a. all plans for changes in AT&T's and T-Mobile USA's operations, structure, policies, strategies, product offerings, corporate goals, financing, business, officers, employees or any other area of corporate activity as a result of the Proposed Transaction;**
- b. any other terms or conditions of the Proposed Transaction that were considered but are not reflected in the merger agreement between the parties or in the other documents supplied in response to this Request;**
- c. all terms and conditions were the Proposed Transaction not to be consummated; and**
- d. the "break-up fee," including how it was determined, and including presentations regarding the "break-up fee" to investors, investor analysts, industry analysts, bankers, or financial regulators.**

RESPONSE:

To respond to this request, AT&T searched the files within the Company reasonably believed to contain the information sought. Documents responsive to these requests are included in Exhibit 7-1. With regard to subsection (a), AT&T will not be in a position to make any final determinations about possible changes in T-Mobile USA until it is able to obtain more detailed information about the operations of the company, which will occur later in the acquisition process. In addition, any preliminary plans are subject to the outcome of the regulatory process. AT&T has not yet begun detailed integration planning efforts. Accordingly, AT&T's response is limited to those plans, assumptions, analyses and reports regarding integration matters that were included in its pre-Transaction assessment. To the extent the "break-up fee" and the terms or conditions referenced in subsections (b)-(d) were discussed in plans, analyses or reports, these documents are included in Exhibit 7-1.

Also provide:

- e. a timetable for the Proposed Transaction, including when it was first proposed and the actions that must be taken prior to consummation; and**

RESPONSE:

AT&T proposed the acquisition of T-Mobile USA to Deutsche Telekom on January 15, 2011. Due diligence was conducted by AT&T beginning in early February 2011 and continued until March 20, 2011. AT&T's Board of Directors approved the acquisition at a special meeting of the AT&T Board of Directors on March 20, 2011. The Transaction was signed later that day.

Pursuant to the terms and conditions of the Stock Purchase Agreement, AT&T will acquire one hundred percent (100%) of the issued and outstanding shares of capital stock of T-Mobile USA. In exchange for this acquisition, AT&T will pay Deutsche Telekom consideration in the aggregate amount of approximately \$39 billion, including a cash payment of approximately \$25 billion and approximately \$14 billion in AT&T common stock, subject to adjustment.

The parties anticipate closing the Transaction as soon as practicable, and in any event within five business days of the satisfaction or waiver of all closing conditions, including receipt of all necessary regulatory approvals. The Proposed Transaction is subject to expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and subject to FCC approval of the transfer of control to AT&T of various FCC licenses and authorizations.

Notifications and applications, where necessary, have been made in five states.¹ The parties also have made required filings with the Securities and Exchange Commission ("SEC"). No international merger or other regulatory filings or approvals are required.

¹ Arizona, California, Hawaii, Louisiana, and West Virginia.

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- f. to the extent not already provided, all agreements and similar documents relating to the Proposed Transaction, including all attachments, appendices, schedules, side or separate letter agreements to the Stock Purchase Agreement by and between Deutsche Telekom AG and AT&T Inc., and all similar documents by and among the Applicants, their Subsidiaries, Affiliates, or any subset thereof.

RESPONSE:

Pursuant to discussions with the Commission staff regarding the scope of documentation to be submitted regarding the Stock Purchase Agreement and related materials previously provided to the Commission, AT&T has submitted no further documents.

8. REQUEST:

For any relevant service or any relevant product in any relevant area, provide all plans, analyses, and reports (including Nielsen reports and National Service Assurance reports) discussing:

- a. **buyer substitution responses to price or product changes (quantitatively or qualitatively), including all analyses of elasticities of demand (own-price elasticities and cross-price elasticities with respect to competitors, and the elasticity of demand in the industry as a whole (aggregate elasticity of demand));**
- b. **churn and subscriber acquisition and retention, including:**
 - i. **churn data, including the correlation of churn with quality, length of contract commitments, national footprint, price, the expected impact of migration to new technologies such as LTE, on churn, and any other factors;**
 - ii. **data or studies indicating that a customer left or switched to the Company because of pricing, network quality, customer service, or the absence or availability of particular or devices (including figures on subscribers lost or gained), and any consumer surveys undertaken about consumer substitution across mobile wireless service providers;**
 - iii. **any attempts to win customers from or stem losses to other mobile wireless service providers;**
 - iv. **the Company's experience or success in retaining customers;**
 - v. **the Company's experience or success in obtaining customers through marketing or promotions targeted at particular mobile wireless service providers, particular geographic areas, particular wireless devices or types of customers (including the offers made and the amount spent on the marketing effort, the number of new subscribers**

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- gained, churn rates for such subscribers, and revenue realized by the Company);
- vi. customer acquisition costs, including per gross addition costs; and
- vii. descriptions or analyses of bidding results for enterprise or other large customers.
- c. share of sales or revenues of the Company or any of its competitors, including subscriber counts, gross additions, deactivations, and net additions; and
- d. share of sales through various distribution channels (e.g., own sales versus sales through exclusive or non-exclusive third parties) of the Company (by channel and by name for each third party) and its competitors.

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

9. REQUEST:

For any relevant service or any relevant product in any relevant area, provide all plans, analyses, and reports discussing:

- a. any plans of, interest in, or efforts undertaken by the Company for any acquisition, divestiture, joint venture, alliance, or merger of any kind involving the provision or sale of any relevant product, or any relevant service, other than the Proposed Transaction;
- b. any plans of, interest in, or efforts undertaken by the Company or its competitors to acquire spectrum;
- c. any plans of, interest in, or efforts undertaken by the Company's competitors for any acquisition, divestiture, joint venture, alliance, or merger of any kind involving the provision or sale of any relevant product, or any relevant service, other than the Proposed Transaction;
- d. the Company's analysis of, or response to, entry or potential competition;
- e. any actual or potential effect on the supply, demand, cost, or price of any relevant service or any relevant product as a result of the introduction by a current competitor of any new pricing plan, relevant product or any relevant service; or
- f. any actual or potential effect on the supply, demand, cost, or price of any relevant service or any relevant product as a result of competition any new entrant or new service (such as Wi-Fi, WiMax, VoIP, or internet access service) regarded by customers as a potential substitute.

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

10. REQUEST:

For any relevant service or any relevant product in any relevant area, provide all plans, analyses, and reports discussing:

- a. competitive positioning of the Company and other mobile wireless service providers (e.g., price and quality relative to others), or how reliability and reputation affect competition or potential competition; or**
- b. how consumers or business customers or competitors view or perceive mobile wireless services or products offered by the Company or other mobile wireless providers (including their perceptions of customer service, network quality, offering services at a particular rate, the impact of not offering particular wireless services or devices, the impact of pricing on decisions to take any relevant service or any relevant product, variation in subscribers' usage patterns across different pricing plans and devices, roaming, and the ability to use products internationally).**

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

11. REQUEST:

Provide the Company's and any competitor's price lists. Provide all plans, analyses, and reports discussing either the Company's or any competitor's pricing decisions, including: (a) pricing plans; (b) pricing policies; (c) pricing forecasts; (d) pricing strategies; (e) pricing analyses; (f) introduction of new pricing plans or promotions, including local promotions and their determinants and expected or actual impact; (g) tiered pricing, including its relationship to data forecasts and profitability and expected or actual impact; and (h) pricing decisions relating to each relevant service and relevant product.

RESPONSE:

AT&T is providing exhibits responsive to the first sentence of this request. These exhibits include summaries of AT&T's headquarters-recommended pricing on devices from January 1, 2009, through the first quarter of 2011 (Exhibit 11-1); summaries of device pricing from each of AT&T's 27 markets from January 1, 2009, through the first quarter of 2011 (Exhibit 11-2); summaries of device pricing specific to AT&T's ABS business services organizations from January 1, 2009, through the first quarter of 2011 (Exhibit 11-3); and summaries of AT&T's rate plans, including consumer and business plans, and including voice, data, and text messaging plans, from January 1, 2009, through the first quarter of 2011 (Exhibit 11-4).²

With respect to subsections (a)-(h), in order to respond, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to subsections (a)-(h) are included in AT&T's production.

12. REQUEST:

Provide all merger simulations, econometric modeling, or similar analyses that have been undertaken by the Company or any consultant or expert hired by the Company to analyze the effect of the Proposed Transaction, including all documents and data used in these analyses.

RESPONSE:

AT&T conducted various internal analyses of the synergies and efficiencies that are expected to result from the Proposed Transaction, but does not consider those to be

² The rate plan data included in Exhibit 11-4 were collected between January 1, 2009, and the first quarter of 2011 by an outside consultant at AT&T's request. These summaries also include rate plan data for Verizon, Sprint, and T-Mobile. AT&T has verified the rate plan data in Exhibit 11-4 with respect to its own plans and has corrected the consultant's data where appropriate. AT&T has not verified the rate plan data in Exhibit 11-4 for Verizon, Sprint, or T-Mobile.

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“simulations” or “econometrics” so they are addressed in response to other requests.³ The only non-privileged material of this nature is contained in the Reply Declaration of Dennis Carlton, filed concurrently with the Response, in WT Docket No. 11-65.

13. REQUEST:

For any relevant service or any relevant product, in any relevant area, provide all plans, analyses, and reports discussing:

- a. the Company’s advertising in any relevant area, or for any national, local, urban, suburban, or rural areas as defined by the Company;**

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T’s production. In response to Request No. 13(a), AT&T is providing documents concerning local, regional, and national advertising from January 1, 2009, through the first quarter of 2011. AT&T does not maintain a central repository of plans, analyses and reports concerning local or regional advertisements. As explained by David Christopher, Chief Marketing Officer of AT&T’s Mobility and Consumer Markets, in his Declaration and Reply Declaration filed with the FCC,⁴ AT&T has given its 27 vice-presidents/general managers (“VP/GM”) authority to respond to local competition by varying and supplementing national advertising to respond to local market conditions, and VP/GMs may develop customized marketing plans for use in particular cities or areas within their respective territories. Such local advertising plans, therefore, may not always be reduced to writing, and even when such records

³ See AT&T Response to Request Nos. 26, 45, *infra*.

⁴ Declaration of David Christopher (“Christopher Decl.”), attached to the Description of Transaction, Public Interest Showing, and Related Demonstrations, WT Docket No. 11-65, 12-13 (filed Apr. 21, 2011); Reply Declaration of David Christopher (“Christopher Reply Decl.”), attached to the Joint Opposition filed concurrently with the Response, in WT Docket No. 11-65.

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are created, they may not have been maintained for the periods covered by this request. For a further discussion of local advertising activities and the authority given to AT&T's VP/GMs, see David Christopher's Declaration and Reply Declaration.

b. plans for targeting particular competitors, customers, or customer segments;

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production. In response to Request No. 13(b), AT&T is providing documents concerning plans for targeting particular competitors, customers, or customer segments from January 1, 2009, through the first quarter of 2011. AT&T does not maintain a central repository of plans concerning local or regional campaigns that target particular competitors, customers, or customer segments. As explained by David Christopher, Chief Marketing Officer of AT&T's Mobility and Consumer Markets, in his Declaration and Reply Declaration filed with the FCC,⁵ AT&T has given its 27 VP/GMs authority to respond to local competition by implementing campaigns to respond to local market conditions, and VP/GMs may develop customized marketing efforts to use in particular cities or areas within their respective territories. Such local plans, therefore, may not always be reduced to writing, and even when such records are created, they may not have been maintained for the periods covered by this request. For a further discussion of local advertising activities and the authority given to AT&T's VP/GMs, see David Christopher's Declaration and Reply Declaration.

⁵ Christopher Decl., attached to the Description of Transaction, Public Interest Showing, and Related Demonstrations, WT Docket No. 11-65, 12-13 (filed Apr. 21, 2011); Christopher Reply Decl., attached to the Joint Opposition filed concurrently with the Response, in WT Docket No. 11-65.

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- c. plans for changes in the Company's marketing or advertising efforts as a result of the Proposed Transaction;**

RESPONSE:

AT&T has not yet begun detailed integration planning efforts relating to its marketing or advertising efforts or other operations. To the extent AT&T made certain assumptions regarding integration matters in its pre-Transaction analysis, those documents are included in Exhibit 13-1.

- d. whether the T-Mobile USA brand will be continued if the Proposed Transaction were to be consummated, and if so, for how long,**

RESPONSE:

AT&T has not yet begun detailed integration planning efforts relating to its marketing or advertising efforts or other operations. To the extent AT&T made certain assumptions regarding integration matters in its pre-Transaction analysis, those documents are included in Exhibit 13-2. AT&T also has made public statements indicating its intent to operate the combined entity under the AT&T brand.⁶

- e. whether, to what extent, and under what conditions will T-Mobile USA's current price plans be offered; or**

RESPONSE:

AT&T has not yet begun detailed integration planning efforts relating to its marketing or advertising efforts or other operations. To the extent AT&T made certain assumptions regarding integration matters in its pre-Transaction analysis, those documents are included in Exhibit 13-3.⁷ As set out in the Public Interest Statement, AT&T also has made public statements indicating

⁶ See Ralph de la Vega, Transcript of Call with Investors (March 21, 2011), available at http://www.mobilizeeverything.com/documents/Chat_Transcript.pdf.

⁷ See Testimony of Randall Stephenson, Chairman, Chief Executive Officer, and President, AT&T Inc., Before the Senate Committee on the Judiciary, Subcommittee on Antitrust, competition Policy and Consumer Rights (May 11, 2011), available at <http://judiciary.senate.gov/pdf/11-5-11%20Stephenson%20Testimony.pdf>.

that consumers will have the option to keep their current T-Mobile USA pricing plans.⁸

f. **the advertising and marketing efforts of the Company's competitors.**

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

14. REQUEST:

Provide all plans, analyses, and reports from January 1, 2007, to the present, discussing the research and development of any new relevant product by the Company, individually or with vendors, including those discussing the Company's total expenditures associated with research, development and testing of new relevant products.

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request from the period January 1, 2009, through the first quarter of 2011 are included in AT&T's production. Documents before January 1, 2009 were not readily available and will be provided, to the extent such documents are responsive and still exist, at a later date.

15. REQUEST:

Provide all documents discussing the cost and relative valuation of different spectrum licenses the Company considered acquiring or acquired in the secondary market, including through the acquisition of firms (other than T-Mobile USA).

⁸ See In the Matter of Applications of AT&T Inc. and Deutsche Telekom AG for Consent to Assign or Transfer Control of Licenses and Authorizations, WT Dkt. No. 11-65, Description of Transaction, Public Interest Showing and Related Demonstrations (filed April 21, 2011).

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

16. REQUEST:

Provide all plans, analyses, and reports discussing competition in the provision of any relevant service or any relevant product in any relevant area with respect to the Company's or any of its competitors analyses on standard setting for technologies relating to 700 MHz spectrum, including LTE and LTE devices and equipment.

RESPONSE:

Per its discussion with the Commission staff, AT&T is providing: all plans, analyses, and reports discussing the effect of standard setting for technologies relating to 700 MHz spectrum, including LTE and LTE devices and equipment, on competition in the provision of any relevant product or relevant service in any relevant area. To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

17. REQUEST:

Provide all plans, analyses, and reports discussing the extent to which customers may substitute mobile wireless broadband services for wired broadband services and sales or marketing efforts that reflect such potential substitution.

RESPONSE:

To respond to this request, AT&T conducted key word searches of custodian files as detailed in the tables appended as Exhibit A. Documents responsive to this request are included in AT&T's production.

18. REQUEST:

Provide a list, as of the date of Request, by CMA, of the cell sites owned or shared by the Company, the percentage of cell sites collocated each with the other Applicant, Sprint Nextel, Verizon Wireless, Leap, MetroPCS, US Cellular, and all other mobile wireless service providers.

RESPONSE:

AT&T is providing in Exhibit 18-1 a Microsoft Excel file that contains, under the tab named "Macro Cell Sites," a list of cell sites owned or shared (i.e., leased or otherwise used contractually) by AT&T that it uses for the transmission of signals to provide mobile wireless services.⁹ Some cell sites that were recently acquired through the divestitures required as part of the Verizon Wireless/ALLTEL merger [Begin Highly Confidential Information]

[End Highly Confidential Information] and a list of those cell sites is contained under the tab named "Acquired Sites." In preparing its response to this request, AT&T notes that the term "cell sites" is not expressly defined. Thus, AT&T has adopted the traditional definition of "cell sites" to include structures such as macro cell towers, but not alternative transmission sites such as Wi-Fi hotspots or distributed antenna systems ("DAS").

The tab named "% Colocation" of Exhibit 18-1 identifies the present tenants on each cell site that is owned by AT&T for each of the Macro Cell Sites and Acquired Sites lists and the number of times they are on those sites. This sheet also totals the number of AT&T owned cell sites listed in the Macro Cell Sites and Acquired Sites sheets. The number of times a particular tenant is collocated on AT&T owned sites is used as the numerator and the total number of AT&T owned sites is used as the denominator to calculate the percentages of cell sites collocated

⁹ This list does not include locations that AT&T owns but does not use for the transmission of signals to provide mobile wireless services.

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with each of T-Mobile USA, Sprint Nextel, Verizon Wireless, Leap, MetroPCS, US Cellular, and all other mobile wireless service providers wherein AT&T is the owner of the cell site. The “all other mobile wireless service providers” group includes **[Begin Highly Confidential Information]**

[End Highly Confidential Information] AT&T is unable to provide information as to the existence of colocators on cell sites that are not owned by AT&T.

The data from the “Macro Cell Sites” sheet was obtained from **[Begin Highly Confidential Information]**

[End Highly Confidential Information]. Exhibit 18-2 identifies the searchable fields available in the **[Begin Highly Confidential Information]** **[End Highly Confidential Information]** database. **[Begin Highly Confidential Information]**

[End Highly Confidential Information]. Exhibit 18-3 identifies the searchable fields available in the **[Begin Highly Confidential Information]** **[End Highly Confidential Information]** database. The list of “Acquired Sites” sheet was provided by the seller during the acquisition process. The cell site data was then cross-referenced with the **[Begin Highly Confidential Information]**

[End Highly Confidential Information]

19. REQUEST:

Provide, by CMA, current and projected uplink and downlink data usage by the Company’s current and projected customer base and the corresponding technologies and services currently used or projected to be used through 2014.