

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In re Application of)	
)	
DEUTSCHE TELEKOM AG)	WT Docket No. 11-65
QUALCOMM, INC.)	
)	
And)	DA 11-799
)	
AT&T, INC.)	File No. 0004669383 et. al.
)	
to Assign for Consent Eleven 700 MHz Band)	
Licenses)	

REPLY TO JOINT OPPOSITION

King Street Wireless, L.P. (“King Street”), by counsel and pursuant to the Commission’s Public Notice of April 28, 2011, DA 11-799 (the “Public Notice”), hereby submits its Reply to the Joint Opposition submitted by Applicants.¹

I. DISCUSSION

A. Applicants Have Tried to Turn this Proceeding into a Public Relations Exercise and a Popularity Contest

What normally would be a legal and regulatory proceeding focused on competitive and other issues, has now morphed into a public relations exercise and popularity contest. See e.g., Opposition, where Applicants paraded out the host of purported “supporters” of the merger. Notably, they do so without explaining how that support was bought by the Applicants, or why it matters what some of the proclaimed supporters think! Most certainly, nowhere have Applicants shown that their supporters are positioned to speak knowledgeably or

¹ See Joint Opposition of AT&T, Inc., Deutsche Telekom AG, and T-Mobile USA, Inc. to Petitions to Deny and Reply Comments (“Joint Opposition”), submitted on June 10, 2011 by AT&T, Inc. (“AT&T”) and Deutsche Telekom AG (collectively, the “Applicants”).

in an unbiased manner.² For example, in touting that 17 governors “support” the merger, no mention was made as to why the support was given. If Applicants were to have told the whole truth, they would have explained that in the instance of at least one governor the “support” for the merger resulted largely from AT&T committing to keep open a call center, and keep hundreds of jobs in that state. Knowing those undisclosed facts would likely influence how impressed one would, or would not, be by the support of that particular governor for the merger. As things stand, without knowing why the various parties whose names or titles have been paraded out support the transaction – or how much was paid for that support – the Commission cannot properly attach any significance to such cheers from the sideline.

B. AT&T’s Arguments about Interoperability Miss the Point Completely

To hear Applicants, requests for conditions to be attached to this transaction somehow constitute efforts to “extract regulatory favors”. Opp. At 18. That argument completely ignores the fact that any grant of the merger would make already-necessary reforms far more critical. Interoperability and roaming best illustrate this uncontestable fact.

Over the last several years, the Commission has released two major roaming rulemaking decisions. Both recognize the need for roaming. Reasonable persons may argue whether the reforms adopted by the Commission were not strong enough, or whether they came too late. But the Commission certainly thought that roaming availability was important. Yet, there can be no reasonable denial of the fact that, at least with respect to 700 MHz operations, without interoperability those decisions mean precious little to the nation’s two largest carriers and the bulk of the industry that they control.

² Nor have Applicants identified how many potential supporters they approached in order to carry the favor of the modest list of supporters they have identified.

Without interoperability, those who prefer not to make roaming available at 700 MHz upon request will simply cite “technical incompatibility” as their excuse for not doing so. Lack of interoperability makes that claim available. In fact, the incompatibility may well preclude roaming requests at 700 MHz from even being made. So there will effectively be two sets of rules for roaming at 700 MHz: one set for AT&T Verizon, to which the rule does not genuinely apply; and one set for smaller carriers who likely would have offered roaming regardless of whether there was any rule in place. So, in the absence of interoperability obligations for 700 MHz, roaming rules would be largely irrelevant. King Street does not believe that is what the Commission, or the public, wants. That is why King Street continues to urge interoperability.

Shortly after roaming goes by the roadside at 700 MHz, so too will any semblance of competition. For without being able to offer their customers effective nationwide coverage (through roaming) many smaller carriers will not be able to compete and will be forced to exit the industry.

The claims of Applicants that this request is somehow not merger-relevant cannot be taken seriously. The merger would strengthen considerably AT&T’s position in the industry (as well as the combined AT&T/Verizon position.) As such, it would exacerbate an already most-difficult competitive position and add to the need for interoperability.

II. CONCLUSION

In view of the above, any grant of consent in this proceeding should be expressly conditioned upon AT&T committing to use only handset equipment capable of operating over all frequencies in the 700 MHz Band. The international standards group, 3GPP, has already

established a band class, Band 12, that permits such service. Any grant included in this proceeding should require that AT&T utilize only Band 12 authorized equipment.

The transaction here at issue presents serious competitive, interference and other concerns. Unless resolved, their existence precludes grant of the Application. The imposition of the reasonable conditions set forth herein alleviate (not eliminate) those concerns. Thus, any grant of the instant Application must incorporate those conditions.

Respectfully submitted,

KING STREET WIRELESS, L.P.

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CERTIFICATE OF SERVICE

I, Gary L. Smith, a legal assistant of the law firm Lukas, Nace, Gutierrez & Sachs, LLP, hereby certify that on this 20th day of June, 2011, copies of the foregoing REPLY TO JOINT OPPOSITION were forwarded via e-mail to the following:

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