



THE QUALCOMM/AT&T
TRANSACTION ADVANCES THE
PUBLIC INTEREST

Description

- Asset sale
 - 11 Lower 700 MHz D and E block licenses
 - The transaction is a sale only of spectrum licenses
 - No business or customer accounts are being sold
- The Lower D block licenses had been used for Qualcomm's FLO TV mobile broadcast-type TV service
 - FLO TV shut down after Qualcomm invested heavily to make it work
 - Qualcomm sought interest in bidding from every part of the wireless industry, from every nationwide company, and from potential new entrants
- The spectrum at issue consists of two 6 MHz unpaired channels; new supplemental downlink technology, currently being developed, represents the highest and best use of this spectrum

Timing

- Contract signed December 20, 2010
- FCC Application filed on January 13, 2011
- DoJ completed HSR review in February 2011
- Termination date under the contract is approaching soon
- Bottom line: *Swift FCC approval now is critical to enable the deployment of new supplemental downlink technology on fallow unpaired spectrum and to realize the substantial public interest benefits created by the transaction*

The Public Interest

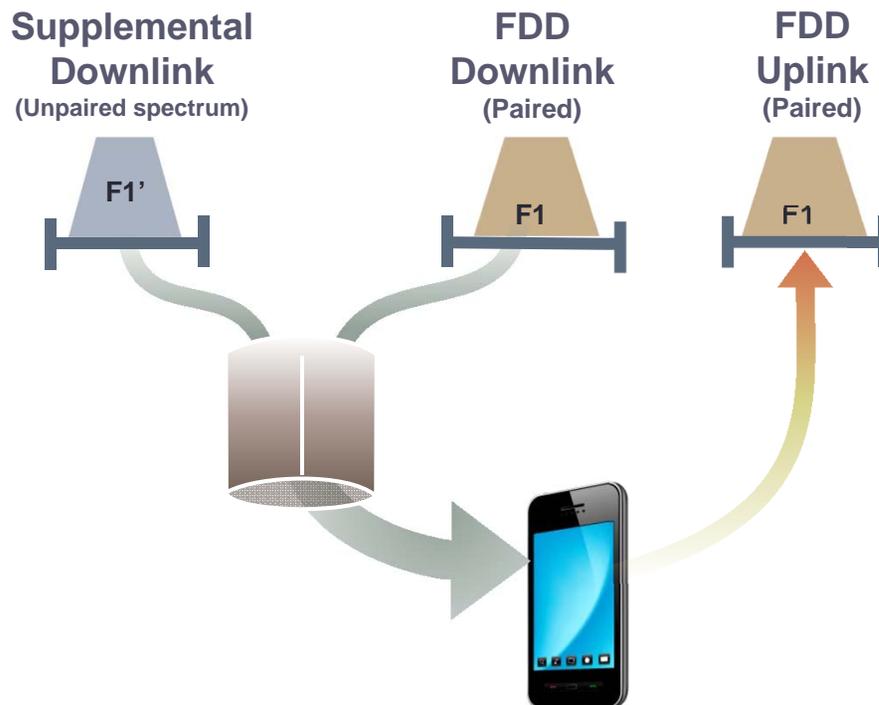
- If approved, this spectrum will support one of the world's first deployments of supplemental downlink technology on unpaired spectrum
- Mobile broadband networks are used more for downloads than uploads; in light of exploding demand, technology has to improve downlink performance and capacity
- Supplemental downlink technology does just that
- Customers will benefit from faster download speeds and a far better mobile broadband experience
- Approval of the transaction will also fuel industry-wide innovation
- Technology is expected to be ready as early as 2014

The Public Interest

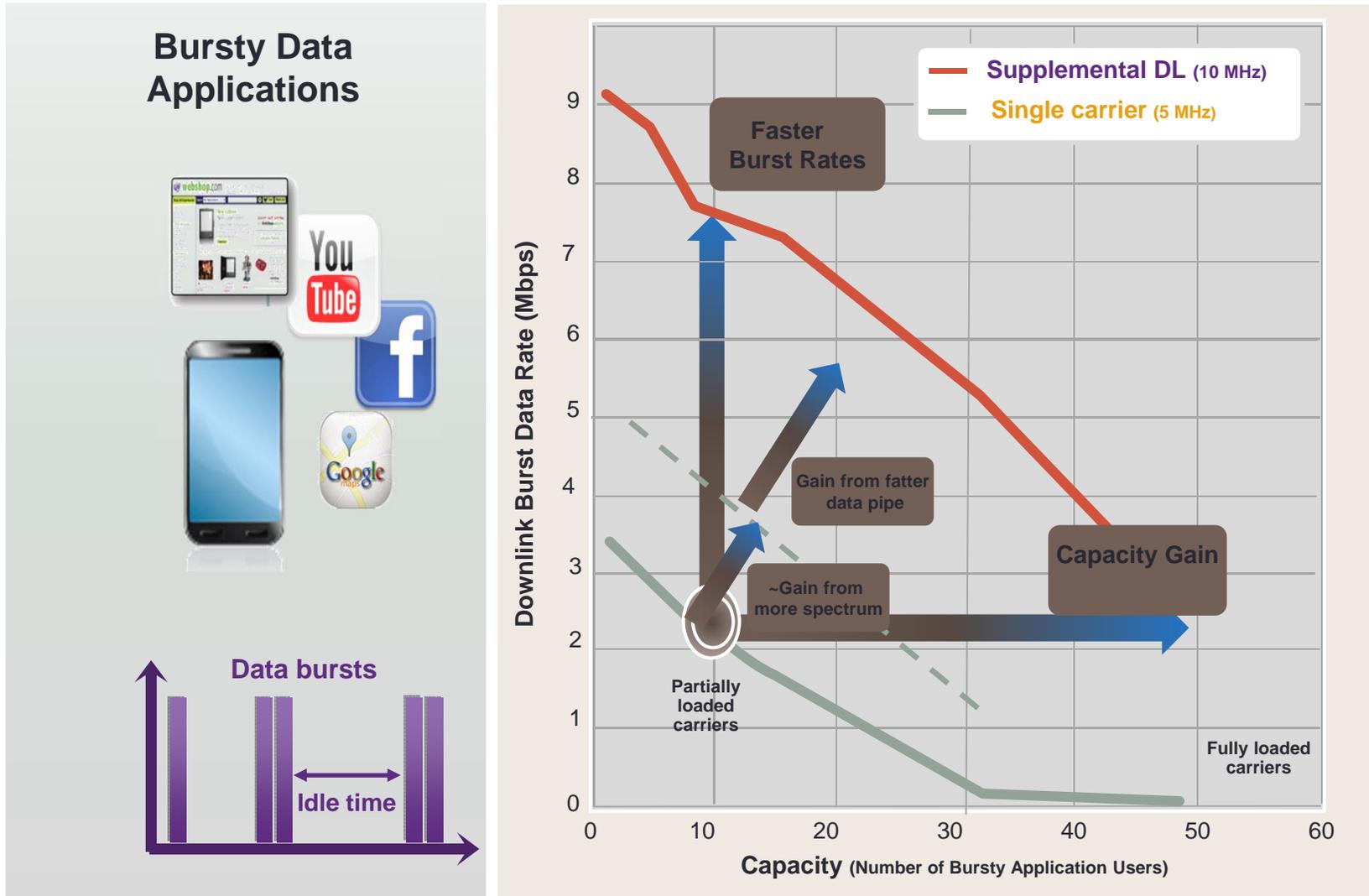
- Repurposing under-utilized spectrum
- Qualcomm spent considerable sums and worked for many years to make FLO TV work – but could not make the business model work
- The transaction allows higher and better use of underutilized, unpaired, one-way spectrum
- Other companies will be able to use this same technology for other unpaired bands
- It will ensure that the spectrum is put to its highest and best use for the public
- It will enable innovation in mobile technology, devices, and applications

Supplemental Downlink

- Will use unpaired spectrum to support faster downloads and more users
- Mobile broadband networks are used for more downloads than uploads
- Work underway to standardize for LTE in LTE-Advanced



Improved User Experience from Supplemental Downlink



No Competitive Harms

- No market concentration concern
- Spectrum screen is not triggered
- No loss of competition
- DoJ completed HSR review in February 2011 without even a second request



Thank you