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Ms. Marlene Dortch
Secretary
Federal Communication Commission
445 12th St. SW
Washington, DC 20554

Re: WC DOCKET NO. 12-4
Verizon-SpectrumCo Transaction
Summary of *Ex Parte* Meeting

Dear Ms. Dortch:

This letter summarizes for the record an *ex parte* meeting yesterday at the Commission's offices between myself, Dr Alan Pearce, and Eric Steinmann, all representing NTCH, Inc., and the persons copied at the end of this letter. The purpose of the meeting was to urge the Commission, if it approves the proposed assignment of licenses by SpectrumCo to Verizon Wireless, to attach certain conditions to the grant which would ameliorate the anti-competitive effects resulting from Verizon's current and potentially expanded dominance of the CDMA market if the transaction is approved.

Mr. Steinmann described the difficulties of small carriers like NTCH in being able to reach roaming arrangements with Verizon, including the lack of hand-off when a carrier transitions from a home system to a roaming partner. We pointed out that current roaming rates offered by the Big Two carriers are neither just, nor reasonable, nor non-discriminatory. We noted that roaming rates are universally subject to Non-Disclosure Agreements that prevent carriers (and the Commission) from knowing what rates are being offered to whom. Transparency of roaming rates and arrangements could only serve to reduce discrimination and ensure that everyone is being treated justly and fairly.

Ms. Marlene Dortch

June 14, 2012

Page 2

To prevent the continuation of this grossly anti-competitive situation, we proposed that the Commission condition any grant on:

- (i) Full and transparent disclosure by Verizon of its roaming rates to all roaming partners; and
- (ii) Capping roaming rates at a reasonable level benchmarked either by Verizon's costs plus a reasonable rate of return or Verizon's wholesale prepaid rates for similar service offerings.

Mr. Steinmann also explained the difficulties faced by small carriers in obtaining access to handsets, a problem that limits small carriers' ability to compete effectively. We suggested that this problem could be addressed by conditioning any approval of the transaction on Verizon's (i) not entering into any exclusive handset agreements with manufacturers that prevent devices from being made available to others, (ii) making available to competing carriers devices manufactured for Verizon not less than 4 – 6 months after Verizon has brought them to market, and (iii) selling handsets that permit the use of AWS spectrum for both voice and data.

Mr. Steinmann also stressed the importance of interoperability not only within the 700 MHz band but also across the AWS-700 MHz and PCS bands.

Other anti-competitive disadvantages faced by small carriers such as poor tower site placement, discrimination in advertising access, and the locking up of customers through the bundling of "free" phone and service contracts were also discussed.

Sincerely,



Donald J. Evans
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