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June 15, 2012

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

Re: Applications of Cellco Partnership d/b/a Verizon Wireless, SpectrumCo LLC, and Cox
TMI Wireless, LLC, WT Docket No. 12-4
Notice of *Ex Parte* Meeting

Dear Ms. Dortch,

On June 13, 2012, Derek Turner, Research Director of Free Press and Joel Kelsey, Policy Advisor of Free Press met with Courtney Reinhard, Legal Advisor to Commissioner Pai.

During the meeting, we summarized and presented the arguments made in a June 4, 2012 highly confidential written *ex parte* filed by Free Press in this proceeding. We reiterated that these transactions as proposed fail to meet the public interest standard of the Communications Act. As we noted in the June 4th *ex parte*, the Applicants have failed to make the case that the transfer of these scarce public airwaves to Verizon has any measurable benefits that could outweigh the numerous harms that will be created by further increasing the spectrum gap between Verizon and other carriers. We reviewed the record evidence that demonstrates conclusively that Verizon is badly overstating its need for this spectrum, particularly in the Eastern 2/3 of the U.S. where it already holds AWS licenses. We also noted how Verizon's negative attitude towards Wi-Fi offloading differs from its industry counterparts, and discussed how Verizon's internal documents speak to this issue. We discussed the glaring problems with Verizon's current opposition to modifying the 2021 buildout deadline on these AWS licenses in light of its stated immediate need for this spectrum, and discussed how Verizon's internal communications informed this aspect of the transaction review. Further, we noted the harms to competition that will occur from the loss of the cable operators as potential entrants, be it facilities-based operators or mobile virtual network operators (MVNOs), and noted how the confidential record speaks to this issue.

We emphasized that though there is no combination of conditions that would make these transactions a net positive for the public interest, there are several conditions that would work to lessen the overall public interest harms. First, we argued that Verizon should be ordered to divest

AWS spectrum where post-transaction it would hold more than 20 MHz of paired AWS spectrum. These markets lie in the Eastern 2/3 of the country, areas where Verizon is already capable of launching a 20 x 20 MHz LTE-Advanced network using its existing AWS and upper 700 MHz C-block licenses. Again, we emphasized that the Commission's analysis would be better informed by focusing on Verizon's internal documents that speak to its need for this spectrum, not Verizon's ever-changing and self-serving pleadings made to the Commission upon the consummation of this proceeding. Second, we urged the Commission to avoid any further warehousing of spectrum by modifying the buildout requirement of the licenses at issue in this proceeding. We argued that the current 2021 substantial service deadline should be shortened, and suggested that a "use it or share it" license condition would best serve the public interest. Third, given the Congressional concerns about preserving and promoting competition between phone and cable companies, we urged the Commission to prohibit the parties from entering into any joint marketing arrangements in the geographic markets where Verizon offers local exchange service in competition with the facilities-based services of the SpectrumCo. cable companies.

Sincerely,

/s/

S. Derek Turner
Research Director
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CC via email:

Courtney Reinhard