

PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
445 TWELFTH STREET, S.W.
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Released: August 28, 2013

AT&T INC., LEAP WIRELESS INTERNATIONAL, INC., CRICKET LICENSE COMPANY, LLC, AND LEAP LICENSECO, INC. SEEK CONSENT TO THE TRANSFER OF CONTROL OF AWS-1 LICENSES, PCS LICENSES, AND COMMON CARRIER FIXED POINT TO POINT MICROWAVE LICENSES, AND INTERNATIONAL 214 AUTHORIZATIONS, AND THE ASSIGNMENT OF ONE 700 MHZ LICENSE

WT Docket No. 13-193

PLEADING CYCLE ESTABLISHED

Petitions to Deny Due: September 27, 2013
Oppositions Due: October 7, 2013
Replies Due: October 15, 2013

I. INTRODUCTION

AT&T, Inc. (“AT&T”), Leap Wireless International, Inc. (“Leap”), Cricket License Company, LLC (“Cricket”), and Leap Licenseco Inc. (“Leap Licenseco” and, together with AT&T, Leap, and Cricket, the “Applicants”) have filed applications pursuant to Sections 214 and 310(d) of the Communications Act of 1934, as amended,¹ seeking Commission consent to the transfer of control of Advanced Wireless Services (“AWS-1”), Personal Communications Service (“PCS”), and Common Carrier Fixed Point to Point microwave licenses, as well as international 214 authorizations, held by Cricket and other wholly-owned and controlled subsidiaries of Leap (collectively, the “Applications”). In addition, as described further below, Cricket and Leap Licenseco also seek consent to the assignment of a Lower 700 MHz A Block license from Cricket to Leap Licenseco.

The Applications are part of AT&T’s agreement to acquire Leap in an all-cash transaction,² and to acquire all of Leap’s outstanding indebtedness. Leap will become a wholly-owned subsidiary of AT&T. As of the end of 2012, AT&T had approximately 107 million total wireless subscribers.³ As of June 30, 2013, Leap had approximately 4.8 million customers.

In addition to cash, Leap’s shareholders will each receive a contingent value right (“CVR”), which will entitle them to net proceeds received from the sale of Leap’s Lower 700 MHz A Block license in Chicago (the “Chicago License”). Leap Licenseco, a subsidiary of AT&T, will become the licensee for the Chicago License. According to the Applicants, however, Laser, Inc. (“Laser”), a newly formed

¹ 47 U.S.C. §§ 214, 310(d).

² AT&T’s agreement with Leap calls for Leap to dispose of its ownership interests in PR Wireless, LLC, and Flat Wireless, LLC, and, as a result, AT&T is not acquiring those assets as part of this transaction.

³ See http://www.att.com/Investor/ATT_Annual/2012/letter_to_investors.html (last visited Aug. 26, 2013).

indirect, wholly-owned subsidiary of Leap, will serve as the stockholders' representative and will exercise *de facto* control over the Chicago License. The stockholders' representative will have the power to make all decisions and to act on behalf of and as agent for the CVR holders, including the authority to conduct a sale process with respect to the Chicago License for the benefit of the former Leap shareholders.⁴ If the stockholders' representative fails to enter into an agreement to sell the Chicago License within two years after the closing of the AT&T/Leap transaction (or if an agreement has been entered into, but the Chicago License has not been sold by the third anniversary of the closing of the AT&T/Leap transaction), then AT&T will have the right to sell the license, and the net proceeds will go to the former Leap shareholders.

The Applicants assert that the proposed transaction would combine AT&T's nationwide network with Leap's prepaid/no-contract business to the benefit of consumers seeking a high-quality, competitively-priced prepaid wireless experience. Further, according to the Applicants, the transaction will result in an improved network experience for customers of both companies. The Applicants also contend AT&T can make use of Leap's PCS and AWS-1 spectrum more efficiently to enhance AT&T's Long Term Evolution deployment. The Applicants contend as well that the transaction will result in substantial operating synergies and substantial savings in roaming and resale expenses because the combined company will offer a significantly greater on-net footprint and expanded coverage compared to Leap's current network.

Preliminary review of the Applications indicates that AT&T would acquire, through a transfer of control, 10-50 megahertz of spectrum in 1,354 counties in 356 Cellular Market Areas nationwide. Also, as described above, AT&T would temporarily acquire a Lower 700 MHz A Block license, to be sold for the benefit of the Leap shareholders, in Chicago. Post-transaction, in markets in which there is geographical overlap, the merged entity would hold 46 to 180 megahertz of spectrum covering approximately 137 million people, or approximately 44 percent of the population of the mainland United States.

II. SECTION 310(d) APPLICATIONS

The following applications for consent to the transfer of control of AWS-1, PCS, and Common Carrier Fixed Point to Point licenses have been assigned the following file numbers:

<u>File No.</u>	<u>Licensee/Lessee</u>	<u>Transferee</u>	<u>Lead Call Sign</u>
0005860676 (Lead Application)	Cricket License Company, LLC	AT&T Inc.	KNLF367
0005860985	STX Wireless License, LLC	AT&T Inc.	KNLF914
0005861153	Cricket License Company, LLC	AT&T Inc.	WQDS850

The following application for consent to assignment of a 700 MHz A Block license has been assigned the following file number:

⁴ In addition, as part of the stockholders' representative's responsibility for maintaining the Chicago License, Laser will have the authority to enter into a consensual arrangement to address the technical issues relating to the digital television protection criteria applicable to the Channel 51 broadcast station signal adjacent to the Chicago License.

<u>File No.</u>	<u>Assignor</u>	<u>Assignee</u>	<u>Call Sign</u>
0005879272	Cricket License Company, LLC	Leap Licenseco Inc.	WQJQ707

III. SECTION 214 APPLICATIONS

The following applications for consent to the transfer of control of international section 214 authorizations have been assigned the following file numbers:

<u>File No.</u>	<u>Authorization Holder</u>	<u>Transferee</u>	<u>Authorization Number</u>
ITC-T/C-20130801-00207	Leap Wireless International, Inc.	AT&T Inc.	ITC-214-20011011-00527
ITC-T/C-20130801-00208	STX Wireless License, LLC	AT&T Inc.	ITC-214-20100604-00227

IV. EX PARTE STATUS OF THIS PROCEEDING

Pursuant to section 1.1200(a) of the Commission's rules,⁵ the Commission may adopt modified or more stringent *ex parte* procedures in particular proceedings if the public interest so requires. We announce that this proceeding will be governed by permit-but-disclose *ex parte* procedures that are applicable to non-restricted proceedings under section 1.1206 of the Commission's rules.⁶

Parties making oral *ex parte* presentations are directed to the Commission's revised *ex parte* rules. Parties are reminded that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed.⁷ More than a one- or two-sentence description of the views and arguments presented is generally required.⁸ Other rules pertaining to oral and written presentations are set forth in Section 1.1206(b) as well.⁹

VI. GENERAL INFORMATION

The transfer of control and assignment applications referenced herein have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies.

Interested parties must file petitions to deny no later than **September 27, 2013**. Persons and entities that file petitions to deny become parties to the proceeding. They may participate fully in the proceeding, including seeking access to any confidential information that may be filed under a protective

⁵ 47 C.F.R. § 1.1200(a).

⁶ 47 C.F.R. § 1.1206.

⁷ See 47 C.F.R. § 1.1206(b)(1).

⁸ See *id.*

⁹ *Id.* § 1.1206(b).

order, seeking reconsideration of decisions, and filing appeals of a final decision to the courts. Oppositions to such pleadings must be filed no later than **October 7, 2013**. Replies to such pleadings must be filed no later than **October 15, 2013**. All filings concerning matters referenced in this Public Notice should refer to WT Docket No. 13-193 and reference the specific file numbers of the individual applications to which the filings pertain.

To allow the Commission to consider fully all substantive issues regarding the Applications in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.¹⁰ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

Under the Commission's current procedures for the submission of filings and other documents,¹¹ submissions in this matter may be filed electronically (*i.e.*, through ECFS) or by hand delivery to the Commission.

- **If filed by ECFS,**¹² comments shall be sent as an electronic file via the Internet to <http://www.fcc.gov/e-file/ecfs.html>. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket number. Parties may also submit an electronic comment by Internet e-mail.
- **If filed by paper,** the original and four copies of each filing must be filed by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th Street, S.W., Room TW-A325, Washington, D.C. 20554. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

One copy of each pleading must be delivered electronically, by e-mail or facsimile, or if delivered as paper copy, by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (according to the procedures set forth above for paper filings), to: (1) the Commission's duplicating contractor, Best Copy and Printing, Inc., at FCC@BCPIWEB.COM or (202) 488-5563 (facsimile); (2) John Schauble, Broadband Division, WTB, at john.schauble@fcc.gov or (202) 418-7247 (facsimile); (3) Linda Ray, Broadband Division, WTB, at linda.ray@fcc.gov or (202) 418-7247 (facsimile); (4) Kathy Harris, Mobility Division, WTB, at kathy.harris@fcc.gov or (202) 418-7447 (facsimile); (5) Kate Matraves, Spectrum and Competition Policy Division, WTB, at catherine.matraves@fcc.gov or (202) 418-7447 (facsimile); (6) David Krech, Policy Division,

¹⁰ See 47 C.F.R. §1.45(c).

¹¹ See FCC Announces Change in Filing Location for Paper Documents, *Public Notice*, 24 FCC Rcd 14312 (2009).

¹² See Electronic Filing of Documents in Rulemaking Proceedings, GC Docket No. 97-113, *Report and Order*, 13 FCC Rcd 11322 (1998).

International Bureau, at david.krech@fcc.gov or (202) 418-2824 (facsimile); and (7) Jim Bird, Office of General Counsel, at TransactionTeam@fcc.gov or (202) 418-1234 (facsimile). Any submission that is e-mailed to Best Copy and Printing, John Schauble, Linda Ray, Kathy Harris, Kate Mataves, David Krech, and Jim Bird should include in the subject line of the e-mail: (1) WT Docket No. 13-193; (2) the name of the submitting party; and (3) a brief description or title identifying the type of document being submitted (e.g., WT Docket No. 13-193, [name of submitting party], Notice of *Ex Parte* Communication).

Copies of the application and any subsequently-filed documents in this matter may be obtained from Best Copy and Printing, Inc., in person at 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, via telephone at (202) 488-5300, via facsimile at (202) 488-5563, or via e-mail at FCC@BCPIWEB.COM. The applications and any associated documents are also available for public inspection and copying during normal reference room hours at the following Commission office: FCC Reference Information Center, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. The applications are also available electronically through ECFS, which may be accessed on the Commission's Internet website at <http://www.fcc.gov>. In addition, the wireless applications are available electronically through ULS, which may be accessed on the Commission's Internet website, and the international applications are available electronically through IBFS, also which may be accessed on the Commission's Internet website.. Information regarding the proposed transaction is also available on the Internet website the FCC has established for this transaction, <http://transition.fcc.gov/transaction/att-leap.html>, which contains an unofficial listing and electronic copies of materials in this matter.

To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice) or (202) 418-0432 (TTY). Contact the FCC to request reasonable accommodations for filing comments (accessible format documents, sign language interpreters, CART, etc.) by e-mail: fcc504@fcc.gov; phone: (202) 418-0530; or TTY: (202) 418-0432.

For further information, contact John Schauble, Broadband Division, Wireless Telecommunications Bureau, at (202) 418-0797, or Kathy Harris, Mobility Division, Wireless Telecommunications Bureau, at (202) 418-0609.

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