

**SEPARATE STATEMENT OF
CHAIRMAN MICHAEL K. POWELL**

Re: Applications of AT&T Wireless Services, Inc. and Cingular Wireless Corporation, For Consent to Transfer of Control of Licenses and Authorizations, WT Docket No. 04-70, et al. (Adopted October 22, 2004).

Today the Commission concludes -- with significant conditions -- that Cingular's request to combine with AT&T Wireless serves the public interest. Cingular will emerge a stronger competitor with better coverage, improved customer service and a renewed commitment to innovation. This will not only be true in the voice market but also increasingly for data. The diverse cross section of support the transaction garnered from groups with disabilities, rural carriers, as well as labor and public safety organizations aptly demonstrates its benefits.

Even in light of these attributes, the Commission concluded that the deal could not go forward absent several conditions, including: business unit divestitures in 16 markets, limits on Cingular's acquisition of spectrum in an upcoming auction, and additional spectrum divestitures. The Commission has assessed, on a market-by-market basis, whether Cingular's acquisition of AT&T's customers and spectrum holdings pose a threat to competition. Only after we looked seriously at the proposed transactions effect upon intermodal competition did we conclude that the transaction was in the public interest. We believe our conditions, combined with the benefits to the consumer experience brought by Cingular's new scale and scope, will ensure the public interest is served by this transaction. Indeed, both before and after, this transaction the wireless market is the most competitive and innovative within the Commission's jurisdiction.

In their partial dissent, my colleagues incorrectly assert that we confined our merger evaluation to wireless intramodal issues. To the contrary, I took very seriously the complex issues that arise from the combination of wireless and wireline companies. This was and will remain a matter of focus and concern. However, at the end of the day, we did not believe that the evidence in the record was sufficient to justify and substantiate additional conditions beyond those already imposed by the *Order*.

Finally, this *Order* is the culmination of an enormous amount of work by a talented and dedicated FCC staff. The researchers and drafters of this *Order* did an extraordinary job of identifying specific harms and crafting appropriate detailed conditions. It is primarily because of their dedicated efforts that we are able to bring this decision to a close today.