



# NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.  
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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FOR IMMEDIATE RELEASE:  
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## **FCC CONSENTS WITH CONDITIONS TO ALLTEL ACQUISITION OF MIDWEST WIRELESS LICENSES AND AUTHORIZATIONS**

Washington, D.C. – Today, the Federal Communications Commission (FCC) consented to the applications filed in connection with the proposed acquisition of Midwest Wireless Holdings, LLC (Midwest Wireless) by ALLTEL Communications, Inc. (ALLTEL), subject to certain conditions. ALLTEL provides wireless communications services to approximately 11 million wireless customers in 35 states. Midwest Wireless is a wireless provider with more than 400,000 customers in southern Minnesota, northern and eastern Iowa, and western Wisconsin.

With today's action, the FCC approved with conditions the transfer of control of licenses and authorizations held by Midwest Wireless and its subsidiaries to ALLTEL. These licenses and authorizations include: Cellular licenses, Broadband Personal Communications Service (PCS) licenses, Common Carrier Fixed Point-to-Point Microwave licenses, 39 GHz licenses, Local Multipoint Distribution Service (LMDS) licenses, and three international section 214 authorizations.

In analyzing ALLTEL's proposed acquisition of Midwest Wireless, the FCC examined the market for mobile telephony services and concluded that the companies had demonstrated that the merger, with the conditions described below, will serve the public interest, convenience, and necessity. Further, the FCC concluded that the likely public interest benefits of the merger outweigh any potential public interest harms and that competitive harm is unlikely in most mobile telephony markets involved in the proposed transaction. In four Cellular Market Areas, however, listed below, the FCC determined that likely competitive harms exceed the likely benefits of the transaction and, in these areas, imposed conditions that will effectively remedy the potential for these particular harms. The conditions imposed with respect to the cellular systems in the markets listed below mirror, in large part, the terms of a settlement agreement between the applicants and the Department of Justice (DOJ).

<b>Cellular Market Area</b>	<b>Name</b>
CMA488	Minnesota 7-Chippewa
CMA489	Minnesota 8-Lac qui Parle
CMA490	Minnesota 9-Pipestone
CMA491	Minnesota 10-Le Sueur

These conditions include:

- The divestiture of the Cellular Operating Units (including all fixed assets, customers, goodwill and spectrum associated therewith) in these markets, as also required by DOJ, as well as the divestiture of 10 MHz of Broadband PCS spectrum in Lac qui Parle County in CMA489 (the Divestiture Assets).
- The Divestiture Assets shall be divested to a Management Trust pursuant to a short-term *de facto* transfer leasing agreement. A Management Trustee shall be appointed to serve as manager of the Divestiture Assets until such assets are sold to third party purchasers or transferred to a Divestiture Trustee. During the period in which the Management Trustee is in day-to-day control of the Divestiture Assets, ALLTEL shall retain *de jure* control and shall have the sole power to market and dispose of the Divestiture Assets to third-party buyers (subject to the FCC's regulatory powers and process with respect to license transfers and assignments and the terms of the agreements contained in the Department of Justice Stipulation, Order, and Judgment).
- All of the Divestiture Assets shall be transferred to the Management Trust no later than upon consummation of this transaction.
- From the date of release of this Order, and until the divestitures ordered herein have been consummated, ALLTEL, Midwest Wireless, and the Management Trustee shall preserve, maintain, and continue to support the Divestiture Assets and shall take all steps to manage them in a way as to permit prompt divestiture. ALLTEL, Midwest Wireless, and the Management Trustee must abide by the same provisions relating to the duties of the Management Trustee and the preservation of the Divestiture Assets as those contained in the DOJ Stipulation.
- ALLTEL and Midwest Wireless will be allowed 120 days from the closing of their transaction or five days after notice of entry of the Final Judgment, whichever is later (the "Management Period"), to divest the Divestiture Assets prior to the second stage of the divestiture procedures becoming operative. Upon application by the Applicants to the Wireless Telecommunications Bureau, the Bureau may grant one or more extensions to the Management Period not to exceed 60 days in the aggregate to allow the Applicants further time to dispose of the Divestiture Assets.
- Upon expiration of the Management Period, any Divestiture Assets that remain owned by the Applicants shall be irrevocably transferred to a Divestiture Trustee, who shall be solely responsible for accomplishing disposal of the Divestiture Assets. The Divestiture Trustee shall use its best efforts to sell the Divestiture Assets within six months of appointment, subject to the FCC's regulatory powers and process with respect to license transfers and assignments.

In addition, the FCC required that, with respect to roaming, ALLTEL may not prevent its customers from completing calls in the manner contemplated by section 20.12(e) of the Commission's rules, 47 C.F.R. § 20.12(e), unless specifically requested to do so by a subscriber.

The FCC also approved the application to transfer control of Great Western Cellular Holdings, L.L.C. ("GWC Holdings") and the one cellular license it holds from its controlling entity, Great Western Cellular Partners, L.L.C. ("Great Western"), to WWC Holding Co., Inc. ("WWC"), a wholly-owned subsidiary of ALLTEL. The FCC considered this transaction in conjunction with the ALLTEL-Midwest Wireless transaction, since both transactions would result in ALLTEL's acquisition of overlapping spectrum and market share in the Minnesota 11 – Goodhue Rural Service Area, and determined that the cumulative effective of both transactions would not result in competitive harms and that the WWC-GWC Holdings acquisition would serve the public interest, convenience and necessity.

Action by the Commission on October 2, 2006, by Memorandum Opinion and Order (FCC 06-146). Chairman Martin with Commissioners Copps, Adelstein, Tate, and McDowell. Separate statement issued by Commissioner Copps.

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WT Docket No. 05-339

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