

**STATEMENT OF  
COMMISSIONER JONATHAN S. ADELSTEIN  
CONCURRING IN PART, DISSENTING IN PART**

Re: *Applications of Verizon Wireless and Atlantis Holdings LLC for Consent to Transfer Control of Licenses, Authorizations, and Spectrum Manager Leases and De Facto Transfer Leasing Arrangements and Petition for Declaratory Ruling that the Transaction is Consistent with Section 310(b)(4) of the Communications Act, WT Docket No. 08-95.*

The Commission must carefully assess whether transactions before us will benefit the public interest. This merger required close scrutiny because of its scope involving two of the largest cell phone service providers in the country. The combined Verizon-Alltel will provide overwhelming coverage to the U.S. population and will serve over 80 million subscribers. I remain deeply concerned about consolidation in the wireless marketplace and the loss of a key roaming partner as a result of this merger. As such, I ultimately concur and dissent in part to this transaction because while there are demonstrable public interest benefits, the Order before us does not include a comprehensive set of conditions to address the very real competitive harms that have been raised by this merger.

The Applicants argue that a grant of this transaction will result in expanded services and features for wireless consumers, particularly in rural areas. The Applicants also submit that the merger would enable the combined entity to increase broadband deployment and next generation services and provide a higher quality of service. Applicants similarly point out the resulting increased efficiencies and economies of scale and scope as a result of combined resources. These are valid arguments, and I certainly support the improved service to Rural America that could result from this transaction. Still, I do not believe we have done enough here to remedy the competitive concerns that are likely in the marketplace for these services.

I am very concerned that the merger of these two entities will reduce competition in the wireless marketplace. I can not fully support this merger in the absence of reasonable conditions. Competition is essential to keeping consumer costs down and driving innovation. I am particularly concerned that a decrease in competition in this instance may have a dramatic effect on the roaming market, and hence on consumers of competing, and smaller, wireless service operators. With the loss of the largest regional CDMA carrier resulting from this transaction, and with only two available CDMA carriers nationwide, there is a real concern that smaller carriers may be unable to negotiate reasonable and nondiscriminatory roaming terms with national carriers. Not only does this threaten consistency in service across the country, with fewer carriers in each market, but roaming rates can easily rise and the costs may ultimately be passed on to consumers. This will undercut the remaining competitive carriers, potentially resulting in reduced competition in the local and national retail market. I would have preferred that the majority adopt transaction specific, pro-competitive conditions to address these very legitimate and specific competitive harms.

The interests of rural consumers and small carriers, to whom roaming is essential, will be protected in part by ensuring that reasonable and nondiscriminatory obligations consistent with sections 201, 202, and 208 of the Communications Act are applicable. I thank my colleagues for ensuring that this was made clear in this item. And while I appreciate that this item incorporates the commitment to extend the duration of Alltel and Verizon agreements for up to four years, this commitment alone is inadequate. I would have preferred more rigorous safeguards regarding roaming obligations beyond those set forth in the item and consistent with the consensus proposal put on the record by affected carriers.

For these reasons, I dissent in part and concur in part in my decision today.