

**STATEMENT OF
COMMISSIONER JONATHAN S. ADELSTEIN**

***In the Matter of Applications of Nextel Communications, Inc. and Sprint Corporation
For Consent to Transfer of Control of Licenses and Authorizations, WT Docket No.
05-63.***

While I am somewhat troubled by the recent trend of consolidation among mobile wireless carriers, I support this merger because it is critical to have a strong independent carrier in the wireless industry to rival those wireless providers that are predominantly controlled by regional bell operating companies. Approving this merger will better balance the competitive landscape by granting Sprint Nextel similar scale and scope to the nation's largest nationwide carriers.

Compared to the original cellular providers, Sprint and Nextel are relative newcomers to the mobile wireless industry, and they have taken different paths to achieve their recent industry success. Sprint aggressively rolled out the first digital Personal Communications Service network, while Nextel transformed the 800 and 900 MHz Specialized Mobile Radio bands with its own service offering, including a well known push to talk feature. I am hopeful that this merger will allow the companies to continue to develop together their unique product offerings and services and build on their respective strengths for the benefit of consumers. We want to see innovation like this succeed. Indeed, it will be critical for telecommunications competition in the future.

In this vein, I am very pleased that the companies have committed to specific milestones in the deployment of services in the 2.5 GHz band. I initially had concerns about Sprint Nextel amassing such a wide swath of spectrum in this band without providing any clear plan for deployment. I raised these issues with the companies, and have been encouraged by their response. They met my concerns head on by providing a specific schedule of implementation milestones that will ensure wireless broadband services will be deployed to at least 30 million Americans across a number of markets, both large and small. And, just as important, they put their money where their mouth is by agreeing to be subject to enforcement action in the event Sprint Nextel fails to meet these commitments for reasons of circumstances within the company's control. This is a banner commitment for the wireless broadband industry. It is said that a rising tide lifts all boats, and I believe that the Sprint Nextel investment will help all providers in the 2.5 GHz band. This level of effort will benefit to all stakeholders in the band, particularly Education Broadband Services licensees and the equipment and vendor communities. The infusion of capital into this market should significantly stimulate product and service offerings that ultimately will benefit both the commercial and educational segments of the 2.5 GHz industry. Finally, I also appreciate the company's efforts to address my concerns about the financial health of the spin-off of the incumbent local telephone operations. In a recent filing, the Chief Executive Officers of both Sprint and Nextel indicated that the new local telephone company "will receive an equitable debt and asset allocation at the time of its proposed spin-off so that the company will be a financially secure, Fortune 500 company." This positive step will protect Sprint's wireline employees and ensure millions of primarily rural wireline customers continue to see a high level of service and investment in advanced services.