No. 4:00–CV–1549 (M.D. Pa.) was lodged with the court on August 30, 2000.

The proposed decree resolves claims of the United States against Warehouse 81 Limited Partnership and Michael Sabia under sections 106 and 107 of the Comprehensive Environmental Response, Compensation and Liability Act, as amended (''CERCLA''), 42 U.S.C. 9606 and 9607, for response costs and actions at the MW Manufacturing Superfund Site in Valley Township, Montour County, PA. The decree requires the defendants to reimburse the United States $31,000 in response costs and to implement specified response actions selected by EPA for the Site.

The Department of Justice will receive, for a period of thirty (30) days from the date of this publication, comments relating to the proposed consent decree. Comments should be addressed to the Assistant Attorney General for the Environment and Natural Resources Division, Department of Justice, Washington, DC 20530, and should refer to *United States* v. *Warehouse 81 Limited Partnership,* Civil Action No. 4:00–CV–1549 (M.D. Pa.), DOJ Ref. #90–11–3–06793.

The proposed consent decree may be examined and copies at the Office of the United States Attorney, Room 1162, Federal Building, 228 Walnut Street, Harrisburg, PA 17108; or at the Region III Office of the Environmental Protection Agency, c/o Thomas Cinti, Assistant Regional Counsel, 1650 Arch Street, Philadelphia, PA 19103. A copy of the proposed consent decree may be obtained by mail from the Consent Decree Library, P.O. Box No. 7611, Washington, DC 20044. In requesting a copy, please refer to the referenced case and enclose a check in the amount of $9.00 (25 cents per page reproduction costs), payable to the Consent Decree Library.

Walker Smith,

Deputy Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 00–24084 Filed 9–19–00; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Antitrust Division

United States v. SBC Communications Inc. et al; Proposed Final Judgment and Competitive Impact Statement

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. Section 16(b) through (h), that a proposed Final Judgment has been filed with the United States District Court for the District of Columbia in *United States of America* v. *SBVC Communications Inc. et al.,* 1:00CV02073 (PLF). On August 30, 2000, the United States filed a Complaint alleging that the proposed joint venture between SBC Communications and BellSouth Corporation would lessen competition in the markets for wireless mobile telephone services in 16 geographic markets in violation of Section 7 of the Clayton Act, 15 U.S.C. 18. The proposed Final Judgment, filed at the same time as the Complaint, requires defendants to divest one of their two wireless telephone businesses in each market where these businesses overlap geographically. Copies of the Complaint, proposed Final Judgment and Competitive Impact Statement are available for inspection at the Department of Justice in Washington, DC in Room 200, 325 Seventh Street, NW., and at the Office of the Clerk of the United States District Court for the District of Columbia.

Public comment is invited within 60 days of the date of this notice. Such comments, and responses thereto, will be published in the **Federal Register** and filed with the Court. Comments should be directed to Donald J. Russell, Chief, Telecommunications Task Force, Antitrust Division, Department of Justice, 1401 H. Street, NW., Room 8000, Washington, DC 20530 (Telephone: (202) 514–5621).

Constance K. Robinson,

Director of Operations and Merger Enforcement.

Stipulation

It is stipulated by and between the undersigned parties, by their respective attorneys, as follows:

(1) The Court has jurisdiction over the subject matter of this action and over each of the parties hereto, and venue of this action is proper in this Court.

(2) The parties stipulate that a Final Judgment in the form hereto attached may be filed and entered by the Court, upon the motion of any party or upon the Court's own motion, at any time after compliance with the requirements of the Antitrust Procedures and Penalties Act, 15 U.S.C. 16, and without further notice to any party or other proceedings, provided that plaintiff has not withdrawn its consent, which it may do at any time before entry of the proposed Final Judgment by serving notice thereof on defendants and by filing that notice with the Court.

(3) Defendants shall abide by and comply with the provisions of the proposed Final Judgment pending entry of the Final Judgment by the Court, or until expiration of time for all appeals of any Court ruling declining entry of the proposed Final Judgment, and shall, from the date of the signing of this Stipulation, comply with all the terms and provisions of the proposed Final Judgment as through the same were in full force and effect as an order of the Court.

(4) This Stipulation shall apply with equal force and effect to any amended proposed Final Judgment agreed upon in writing by the parties and submitted to the Court.

(5) In the event plaintiff withdraws its consent, Final Judgment pursuant to this Stipulation, the time has expired for all appeals of any Court ruling declining entry of the proposed Final Judgment, and the Court has not otherwise ordered continued compliance with the terms and provisions of the proposed Final Judgment, then the parties are released from all further obligations under this Stipulation, and the making of this Stipulation shall be without prejudice to any party in this or any other proceeding.

(6) Defendants represent that the divestiture ordered in the proposed Final Judgment can and will be made, and that defendants will later raise no claims of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained therein.

Dated: August 30, 2000.

For Plaintiff United States of America

Joel I. Klein,
Assistant Attorney General.
A. Douglas Melamed,
Principal Deputy Assistant Attorney General.
Constance K. Robinson,
Director of Operations and Merger Enforcement.
Donald J. Russell,
Chief, Telecommunications Task Force.
Laury Bobbish,
Assistant Chief, Telecommunications Task Force.
Hillary B. Burchuk, D.C. Bar No. 366755,
Lawrence M. Frankel, D.C. Bar No. 441532,
Cynthia R. Lewis,
Attorneys, Telecommunications Task Force, U.S. Department of Justice, Antitrust Division, 1401 H. Street, N.W., Suite 8000, Washington, D.C. 20530, (202) 514–5621.

Date Signed: August 28, 2000.

For SBC Communications Inc.

Wm. Randolph Smith, D.C. Bar No. 356402,
Crowell & Moring LLP, 1001 Pennsylvania Avenue, N.W., Washington, D.C. 20004, (202) 624–2500.

Date Signed: August 25, 2000.

For BellSouth Corporation

Bernard A. Nigro, Jr., D.C. Bar No. 412357,
Fried, Frank, Harriss, Shriver & Jacobson, 1001 Pennsylvania Avenue, N.W., Suite

800, Washington, D.C. 20004, (202) 639–7159.

Date Signed: August 25, 2000.

Final Judgment

Whereas, plaintiff United States of America, filed its Complaint on August 30, 2000;

And Whereas, plaintiff and defendants, by their respective attorneys, have consented to the entry of this Final Judgment without trial or adjudication on any issue of fact or law;

And Whereas, entry of this Final Judgment does not constitute any evidence against or any admission by any party with respect to any issue of law or fact;

And Whereas, defendants have further consented to be bound by the provisions of the Final Judgment pending its approval by the Court;

And Whereas, plaintiff believes that entry of this Final Judgment is necessary to protect competition in markets for mobile wireless telecommunications services in California, Indiana, and Louisiana;

And Whereas, the essence of this Final Judgment is prompt and certain divestiture of certain wireless businesses that would otherwise be commonly owned and controlled, including their licenses and all relevant assets of the wireless businesses, and the imposition of related injunctive relief to ensure that competition is not substantially lessened;

And Whereas, plaintiff requires that defendants make certain diverstitures of such licenses and assets for the purpose of ensuring that competition is not substantially lessened in any relevant market for mobile wireless telecommunications services in California, Indiana, and Louisiana;

And Whereas, defendants have represented to plaintiff that the divestitures ordered herein can and will be made and that defendants will not raise any claims of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained herein below;

Therefore, before the taking of any testimony, and without trial or adjudication of any issue of fact or law herein, and upon consent of the parties hereto, it is hereby *Ordered, Adjudged and Decreed:*

I

Jurisdiction

This Court has jurisdiction over the subject matter of this action and of each of the parties consenting to this Final Judgment. The Complaint states a claim upon which relief may be granted against defendants under Section 7 of the Clayton Act, 15 U.S.C. 18, as amended.

II

Definitions

A. ''SBC'' means SBC Communications Inc., a corporation with its headquarters in San Antonio, Texas, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents and employees.

B. ''BellSouth'' means BellSouth Corporation, a corporation with its headquarters in Atlanta, Georgia, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents and employees.

C. ''Wireless System Assets'' means, for each wireless business to be divested under this Final Judgment, all types of assets, tangible and intangible, used by defendants in the operation of each of the wireless businesses to be divested (including the provision of long distance telecommunications services for wireless calls; however, paging services are not included in the definition of Wireless System Assets). ''Wireless System Assets'' shall be construed broadly to accomplish the complete divestiture of the entire business of one of the two wireless businesses in each of the Overlapping Wireless Markets required by this Final Judgment and to ensure that the divested wireless businesses remain viable, ongoing businesses. With respect to each overlap in the Overlapping Wireless Markets, the Wireless System Assets to be divested shall be either those in which BellSouth has an interest or in which SBC has an interest, but not both. The divestitures of the Wireless System Assets as defined in this Section II.C shall be accomplished by: (i) transferring to the purchaser the complete ownership and/or other rights to the assets (other than those assets used substantially in the operations of either defendant's overall wireless business that must be retained to continue the existing operations of the wireless properties defendants are not required to divest, and that either are not capable of being divided between he divested wireless businesses and those that are not divested or are assets that the divesting defendant and the purchaser(s) agree shall not be divided); and (ii) granting to the purchaser(s) an option to obtain a non-exclusive, transferable license from defendants for a reasonable period at the election of the purchaser to use any of the divesting defendant's assets used in the operation of the wireless business being divested, so as to enable the purchaser to continue to operate the divested wireless businesses without impairment, where those assets are not subject to complete transfer to the purchaser under (i). Assets shall include, without limitation, all types of real and personal property, monies and financial instruments, equipment, inventory, office furniture, fixed assets and furnishings, supplies and materials, contracts, agreements, leases, commitments, spectrum licenses issued by the Federal Communications Commission(''FCC'') and all other licenses, permits and authorizations, operational support systems, customer support and billing systems, interfaces with other service providers, business and customer records and information, customer lists, credit records, accounts, and historic and current business plans, as well as any patents, licenses, sub-licenses, trade secrets, know-how, drawings, blueprints, designs, technical and quality specifications and protocols, quality assurance and control procedures, manuals and other technical information defendants supply to their own employees, customers, suppliers, agents, or licensees, and trademarks, trade names and service marks (except for trademarks, trade names and service marks containing ''SBC,'' ''Southwestern Bell,'' ''Pacific Bell,'' ''Ameritech,'' ''Cellular One,'' ''1–800–Mobile–1,'' ''ClearPath,'' ''Pick-Up and Go,'' ''BellSouth,'' ''Bell,'' the Bell Symbol, or ''Mobile Memo'') or other intellectual property, including all intellectual property rights under third party licenses that are capable of being transferred to a purchaser either in their entirety, for assets described above under (i), or through a license obtained through or from the divesting defendant, for assets described above under (ii). Notwithstanding the foregoing, in the Indianapolis MTA Overlapping Wireless Market, as defined below, the divesting defendant shall not be required to divest those assets used solely to provide wireless service on a resale basis and contracts with customers served on a resale basis. Defendants shall identify in a schedule submitted to plaintiff and filed with the Court, as expeditiously as possible following the filing of the Complaint in this case and in any event prior to any divestitures and before the approval by the Court of this Final Judgment, any intellectual property rights under third party licenses that are used by the wireless businesses being

divested but that defendants could not transfer to a purchaser entirely or by license without third party consent, and the specific reasons why such consent is necessary and how such consent would be obtained for each asset.

In the event that defendants elect to divest an interest in a PCS business in one of the PCS/Cellular Overlap Areas, defendants may retain up to 10 MHz of broadband PCS spectrum within that PCS/Cellular Overlap Area upon completion of the divestiture of the Wireless System Assets.

D. ''Overlapping Wireless Markets'' means the following Metropolitan Statistical Areas (''MSA''), Major Trading Areas (''MTA''), and Rural Service Areas (''RSA''), used to define cellular and PCS license areas by the FCC, in which BellSouth and SBC each hold ownership interests in one of the wireless licenses issued by the FCC as of the date of the filing of the Complaint in this action:

I. Cellular Overlap Areas
  A. Baton Rouge MSA
  B. New Orleans MSA
  C. Louisiana 6 RSA—Iberville
  D. Louisiana 8 RSA—St. James
  E. Louisiana 9 RSA—Plaquemines
II. PCS/Cellular Overlap Areas
  A. Los Angeles-San Diego MTA
  1. Los Angeles MSA
  B. Indianapolis MTA
  1. Anderson MSA
  2. Bloomington MSA
  3. Indianapolis MSA
  4. Lafayette MSA
  5. Muncie MSA
  6. Terre Haute MSA
  7. Indiana 5 RSA—Warren
  8. Indiana 7 RSA—Owen
  9. Indiana 8 RSA—Brown
  10. Indiana 9 RSA—Decatur

E. ''SBC/BellSouth Wireless Joint Venture'' means the joint venture between SBC and BellSouth, as detailed in the Contribution and Formation Agreement between SBC and BellSouth dated as of April 4, 2000, for which defendants have filed a notification pursuant to the Hart-Scott-Rodino Antitrust Improvements Act on May 8, 2000.

III

Applicability and Effect

A. The provisions of this Final Judgment shall be applicable to each of the defendants, as defined above, and to all other persons in active concert or participation with any of them who shall have received actual notice of this Final Judgment by personal service or otherwise.

B. Defendants shall require, as a condition of the sale or other disposition to an Interim Party, which shall be defined to mean any person other than a purchaser approved by plaintiff pursuant to Section IV.C, of all or substantially all of their assets, or of a lesser business unit containing the Wireless System Assets required to be divested by this Final Judgment, that the Interim Party agrees to be bound by the provisions of this Final Judgment, and shall also require that any purchaser of the Wireless System Assets agree to be bound by Section X of this Final Judgment.

IV

Divestiture of Wireless System Assets

A. Defendants BellSouth and SBC shall divest themselves of the Wireless System Assets of one of the two wireless businesses in each of the Overlapping Wireless Markets, including both any direct or indirect financial ownership interests and any direct or indirect role in management or participation in control, to a purchaser or purchasers acceptable to plaintiff in its sole discretion, or to a trustee designated pursuant to Section V of this Final Judgment in accordance with the following schedule:

1. The divestitures of the Wireless System Assets for each Cellular Overlap Area and the Indianapolis MTA PCS/Cellular Overlap Area shall occur prior to or at the same time as consummation of the transaction that gives rise to the overlap.

2. The divestiture of the Wireless System Assets for the Los Angeles-San Diego MTA PCS/Cellular Overlap Area shall occur prior to or at the same time as consummation of the transaction that gives rise to the overlap, or by January 27, 2001, whichever is later.

3. For the Wireless Overlap Markets defined in Section II.D.II, plaintiff may, in its sole discretion, extend the date by which the divestitures must occur by up to two thirty-day periods.

If the divestitures in the Overlapping Wireless Markets have not been completed as of the date of the consummation of the transaction that gives rise to the overlap, then on or before the date of the consummation of the transaction that gives rise to the overlap, defendants will submit to plaintiff a definitive Divestiture List identifying the specific Wireless System Assets to be divested; provided, however, that the identification of the specific Wireless System Assets to be divested in the Los Angeles-San Diego MTA PCS/Cellular Overlap Area is not required before December 18, 2000.

B. Defendants agree to use their best efforts to accomplish the divestitures set forth in this Final Judgment (i) as expeditiously as possible, including obtaining all necessary regulatory approvals, and (ii) except for the Los Angeles-San Diego MTA PCS/Cellular Overlap Area, to a purchaser or purchasers at or before consummation of the transaction that gives rise to the overlap. The divestitures carried out under the terms of this decree also shall be conducted in compliance with the applicable rules of the FCC, including 47 CFR 20.6 (spectrum aggregation) and 47 CFR 22.942 (cellular cross-ownership) or any waiver of such rules or other authorizations granted by the FCC. Authorization by the FCC to conduct divestiture of a wireless business in a particular manner will not modify any of the requirements of this Final Judgment.

C. Unless plaintiff otherwise consents in writing, the divestitures pursuant to Section IV, or by trustee appointed pursuant to Section V of the Final Judgment, shall be accomplished by (1) divesting all of the Wireless System Assets in any individual Overlapping Wireless Market entirely to a single purchaser (but Wireless System Assets in different Overlapping Wireless Markets may be divested to different purchasers), and (2) selling or otherwise conveying the Wireless System Assets to the purchaser(s) in such a way as to satisfy plaintiff, in its sole discretion, that each wireless business can and will be used by the purchaser(s) as part of a viable, ongoing business engaged in the provision of wireless mobile telephone service. The divestitures pursuant to this Final Judgment shall be made to one or more purchasers for whom it is demonstrated to plaintiff's sole satisfaction that (1) the purchaser has the capability and intent to compete effectively in the provision of wireless mobile telephone service using the Wireless System Assets, (2) the purchaser has the managerial, operational and financial capability to compete effectively in the provisions of wireless mobile telephone service using the Wireless System Assets, and (3) none of the terms of any agreement between the purchaser and either of the defendants shall give defendants the ability unreasonably (i) to raise the purchaser's costs, (ii) to lower the purchaser's efficiency, (iii) to limit any line of business which a purchaser may choose to pursue using the Wireless System Assets (including, but not limited to, entry into local telecommunications services on a resale or facilities basis or long distance telecommunications services on a resale or facilities basis), or otherwise to

interfere with the ability of the purchaser to compete effectively.

D. If they have not already done so, defendants shall make known the availability of the Wireless System Assets in each of the Overlapping Wireless Markets by usual and customary means, sufficiently in advance of the time of consummation of the transaction that gives rise to the overlap to enable the required divestitures to be carried out at or before the consummation of the transaction that gives rise to the overlap. Defendants shall inform any person making an inquiry regarding a possible purchase of the Wireless System Assets that the sale is being made pursuant to the requirements of this Final Judgment, as well as the rules of the FCC, and shall provide such person with a copy of the Final Judgment. With respect to the Wireless System Assets in the Los Angeles-San Diego MTA PCS/Cellular Overlap Area, the requirements of this Section IV.D. shall not be imposed until December 18, 2000.

E. Defendants shall offer to furnish to all prospective purchasers, subject to customary confidentiality assurances, access to personnel, the ability to inspect the Wireless System Assets, and all information and any financial, operational, or other documents customarily provided as part of a due diligence process, including all information relevant to the sale and to the areas of business in which the wireless business has been engaged or has considered entering, except documents subject to attorney-client or work product privileges, or third party intellectual property that defendants are precluded by contract from disclosing and that has been identified in a schedule pursuant to Section II.C. Defendants shall make such information available to plaintiff at the same time that such information is made available to any other person.

F. Except for the Los Angeles MSA, defendants shall provide the purchaser(s) and plaintiff information relating to the personnel whose principal responsibility relates to the Wireless System Assets to enable the purchaser(s) to make offers of employment.

G. Defendants shall not interfere with any negotiations by any purchaser to employ any employees who work or have worked since April 4, 2000 (other than solely on a temporary assignment basis from another part of BellSouth or SBC) with, or whose principal responsibility relates to, the divested Wireless System Assets.

H. To the extent that the wireless businesses to be divested use intellectual property, as required to be identified by Section II.C, that cannot be transferred or assigned without the consent of the licensor or other third parties, defendants shall cooperate with the purchaser(s) and trustee to seek to obtain these consents.

I. Except for the Los Angeles MSA, defendants shall warrant to all purchasers of the Wireless System Assets that the Wireless System Assets will be operational on the date of sale.

V

Appointment of Trustee

A. If defendants have not divested all of the Wireless System Assets in accordance with Section IV, then:

1. Defendants shall identify to plaintiff in writing the remaining Wireless System Assets to be divested in the Overlapping Wireless Markets, and this written notification also shall be provided to the trustee promptly upon his or her appointment by the Court;

2. The Court shall, on application of plaintiff, appoint a trustee selected by plaintiff, who will be responsible for (a) accomplishing a divestiture of all Wireless System Assets transferred to the trustee from defendants, in accordance with the terms of this Final Judgment, to a purchaser or purchasers approved by plaintiff under Section IV.C, and (b) exercising the responsibilities of the licensee and controlling and operating the transferred Wireless System Assets, to ensure that the wireless businesses remain ongoing, economically viable competitors in the provision of mobile wireless telecommunications services in the Overlapping Wireless Markets, until they are divested to a purchaser or purchasers, and the trustee shall agree to be bound by this Final Judgment;

3. Defendants shall submit a form of trust agreement (''Trust Agreement'') to plaintiff, which must be consistent with the terms of this Final Judgment and which must have received approval by plaintiff, who shall communicate to defendants within ten (10) business days approval or disapproval of that form; and

4. After obtaining any necessary approvals from the FCC for the transfer of control of the licenses of the remaining Wireless System Assets to the trustee, defendants shall irrevocably divest the remaining Wireless System Assets to the trustee, who will own such assets (or own the stock or other ownership interest of the entity owning such assets, if divestiture is to be effected by the creation of such an entity for sale to purchaser(s)) and control such assets, subject to the terms of the approved Trust Agreement.

B. After the appointment of a trustee becomes effective, only the trustee shall have the right to sell the Wireless System Assets, which shall be done within the time periods set forth in this Final Judgment. In addition, notwithstanding any provision to the contrary, plaintiff may, in its sole discretion, require the divesting defendant to include any additional PCS spectrum it would propose to retain under Section II.C in the Wireless System Assets to be divested if it would facilitate the prompt divestiture to an acceptable purchaser. The trustee shall have the power and authority to accomplish the divestiture to a purchaser acceptable to plaintiff at such price and at such terms as are then obtainable upon reasonable effort by the trustee, subject to the provisions of Sections IV, V, and VI of this Final Judgment, and shall have such other powers as this Court deems appropriate. Subject to Section V.C of this Final Judgment, the trustee shall have the power and authority to hire at the cost and expense of defendants any investment bankers, attorneys, or other agents reasonably necessary in the judgment of the trustee to assist in the divestiture and in the management of the Wireless System Assets transferred to the trustee, and such professionals and agents shall be accountable solely to the trustee.

C. Defendants shall not object to a sale by the trustee on any grounds other than the trustee's malfeasance. Any such objections by defendants must be conveyed in writing to plaintiff and the trustee within ten (10) days after the trustee has provided the notice required under Section VI of this Final Judgment.

D. The trustee shall serve at the cost and expense of defendants, on such terms and conditions as plaintiff approves, and shall account for all monies derived from the sale of the Wireless System Assets sold by the trustee and all costs and expenses so incurred. After approval by the Court of the trustee's accounting, including fees for its services and those of any professionals and agents retained by the trustee, all remaining money shall be paid to defendants and the trust shall then be terminated. The compensation of the trustee and any professionals and agents retained by the trustee shall be reasonable in light of the value of the Wireless System Assets and based on a fee arrangement providing the trustee with an incentive based on the price and terms of the divestiture and the speed with which it is accomplished, but timeliness is paramount.

E. Defendants shall use their best efforts to assist the trustee in accomplishing the required divestiture, including their best efforts to effect all necessary regulatory approvals. The trustee and any consultants, accountants, attorneys, and other persons retained by the trustee shall have full and complete access to the personnel, books, records, and facilities of the Wireless System Assets, and defendants shall develop financial or other information relevant to the Wireless System Assets as the trustee may reasonably request, subject to reasonable protection for trade secrets or other confidential research, development, or commercial information. As required and limited by Sections IV.E and F of this Final Judgment, defendants shall permit prospective purchaser(s) of the Wireless System Assets to have reasonable access to personnel and to make such inspection of the Wireless System Assets to be sold and any and all financial, operational, or other documents and other information as may be relevant to the divestiture required by this Final Judgment. Defendants shall take no action to interfere with or to impede the trustee's accomplishment of the divestiture.

F. After its appointment, the trustee shall file monthly reports with the parties and the Court setting forth the trustee's efforts to accomplish the divestiture ordered under this Final Judgment; provided, however, that, to the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. Such reports shall include the name, address, and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about the Wireless System Assets to be sold, and shall describe in detail each contact with any such person. The trustee shall maintain full records of all efforts made to divest the Wireless System Assets.

G. The Trustee shall divest the Wireless System Assets in each of the Overlapping Wireless Markets to a purchaser or purchasers acceptable to plaintiff in its sole discretion, as required in Section IV.C of this Final Judgment, no later than one hundred and eighty (180) calendar days after the Wireless Systems Assets are transferred to a trustee; provided, however, that if applications have been filed with the FCC within the one-hundred-eighty-day period seeking approval to assign or transfer licenses to the purchaser(s) of the Wireless System Assets but approval to assign or transfer licenses to the purchaser(s) of the Wireless System Assets but approval of such applications has not been granted before the end of the one-hundred-eighty-day-period, the period shall be extended with respect to the divestiture of those Wireless System Assets for which final FCC approval has not been granted until five (5) days after such approval is received.

H. If the trustee has not accomplished the divestiture of all of the Wireless System Assets within the time specified in Section V.G of this Final Judgment, the trustee shall file promptly with this Court a report setting forth: (1) the trustee's efforts to accomplish the required divestiture; (2) the reasons, in the trustee's judgment, why the required divestiture has not been accomplished; and (3) the trustee's recommendations. To the extent such reports contain information that the trustee deems confidential, such reports shall not be filed in the public docket of the Court. The trustee shall at the same time furnish such report to plaintiff. The parties shall have the right to be heard and to make additional recommendations consistent with the purpose of this Final Judgment. The Court thereafter shall enter such orders as it deems appropriate in order to carry out the purpose of the Final Judgment, which may, if necessary, include extending the trust and term of the trustee's appointment by a period requested by plaintiff.

I. After defendants transfer the Wireless System Assets to the trustee, and until those Wireless System Assets have been divested to a purchaser or purchasers approved by plaintiff pursuant to Section IV.C or Section V, the trustee shall have sole and complete authority to manage and operate the Wireless System Assets and to exercise the responsibilities of the licensee, and shall not be subject to any control or direction by defendants. Defendants shall not retain any economic interest in the Wireless System Assets transferred to the trustee, apart from the right to receive the proceeds of the sale or other disposition of the Wireless System Assets. The trustee shall operate the wireless business(es) as a separate and independent business entity from SBC or BellSouth, with sole control over operations, marketing and sales. SBC and BellSouth shall not communicate with, or attempt to influence the business decisions of, the trustee concerning the operation and management of the wireless businesses, and shall not communicate with the trustee concerning the divestiture of the Wireless System Assets or take any action to influence, interfere with, or impede the trustee's accomplishment of the divestitures required by this Final Judgment, except that defendants may communicate with the trustee to the extent necessary for defendants to comply with this Final Judgment and to provide the trustee, if requested to do so, with whatever resources or cooperation may be required to complete the divestitures of the Wireless System Assets and to carryout the requirements of this Final Judgment. In no event shall defendants provide to, or receive from, the trustee or the wireless businesses under the trustee's control any non-public or competitively sensitive marketing, sales, or pricing information relating to their respective mobile wireless telecommunications service businesses.

VI

Notification

A. Within two (2) business days following execution of a binding agreement to effect, in whole or in part, any proposed divestiture required by this Final Judgment, the defendant that is divesting the Wireless System Assets, or the trustee, whichever is responsible for effecting the required divestitures, shall notify plaintiff of the proposed divestiture. If the trustee is responsible for the divestiture, the trustee shall similarly notify defendants. The notice shall set forth the details of the proposed divestiture and list the name, address, and telephone number of each person not previously identified who offered to, or expressed an interest in or a desire to, acquire any ownership interest in the Wireless System Assets being divested, together with full details of same.

B. Within fifteen (15) calendar days of receipt by plaintiff of such notice, plaintiff may request from defendants, the proposed purchaser(s), any other third party, or the trustee (if applicable) additional information concerning the proposed divestiture, the proposed purchaser(s), and any other potential purchaser(s). Defendants and the trustee shall furnish any such additional information requested within fifteen (15) calendar days of the receipt of the request, unless the parties shall otherwise agree.

C. Within thirty (3) calendar days after receipt of the notice, or within twenty (20) calendar days after plaintiff has been provided the additional information requested from defendants, the proposed purchaser()s), any third party, and the trustee, whichever is later, plaintiff shall provide written notice to defendants and the trustee, if

there is one, stating whether or not plaintiff objects to the proposed divestiture. If plaintiff provides written notice that it does not object, then the divestiture may be consummated subject only to defendants' limited right to object to the sale under Section V.C. of this Final Judgment. Absent written notice that plaintiff does not object to the proposed purchaser(s) or in the event of an objection by plaintiff, a divestiture proposed under Section IV or V shall not be consummated. Upon objection by a defendant under Section V.B, a divestiture proposed under Section V shall not be consummated unless approved by the Court.

VII

Affidavits

A. Within twenty (20) calendar days of the filing of the Complaint in this matter and every thirty (30) calendar days thereafter until the divestitures have been completed, each defendant shall deliver to plaintiff an affidavit as to the fact and manner of its compliance with Section IV or V of this Final Judgment. Each such affidavit shall include the name, address, and telephone number of each person who, during the preceding thirty (30) days, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Wireless System Assets and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a summary of the efforts that defendants have made to solicit a purchaser(s) for the Wireless System Assets and to provide required information to prospective purchasers, including the limitations, if any, on such information. Assuming the information set forth in the affidavit true and complete, any objections by plaintiff to information provided by defendants, including limitations on information, shall be made within fourteen (14) days after receipt of such affidavit.

B. Within twenty (20) calendar days of the filing of the Complaint in this matter, defendants shall deliver to plaintiff an affidavit which describes in reasonable detail all actions defendants have taken and all steps defendants have implemented on an ongoing basis to preserve the Wireless System Assets pursuant to this Final Judgment. Defendants shall deliver to plaintiff an affidavit describing any changes to the efforts and actions outlined in defendants' earlier affidavits filed pursuant to this section within fifteen (15) calendar days after the change is implemented.

C. Defendants shall preserve all records of all efforts made to preserve and divest any or all of the Wireless System Assets until one year after such divestiture has been completed.

VIII

Financing

Defendants shall not finance all or any part of any purchase made pursuant to Section IV or V of this Final Judgment.

IX

Hold Separate

A. Until accomplishment of the divestitures of the Wireless System Assets to purchaser(s) approved by plaintiff pursuant to Section IV.C, each defendant shall take all steps necessary to ensure that each of the wireless businesses that it owns or operates in the Overlapping Wireless Markets shall continue to be operated as a separate, independent, ongoing, economically viable and active competitor to the other mobile wireless telecommunications providers operating in the same license area; and that except as necessary to comply with this Final Judgment, the operation of said wireless businesses (including the performance of decision-making functions relating to marketing and pricing) will be kept separate and apart from, and not influenced by, the operation of the other wireless business, and the books, records, and competitively sensitive sales, marketing, and pricing information associated with said wireless businesses will be kept separate and apart from the books, records, and competitively sensitive sales, marketing, and pricing information associated with the other wireless business.

B. Until the Wireless System Assets in each Overlapping Wireless Market have been divested to purchaser(s) approved by plaintiff, or transferred to a trustee pursuant to Section V of this Final Judgment, each defendant shall in accordance with past practices, with respect to each wireless business that it has an ownership interest in or operates in the Overlapping Wireless Markets (including the assets of both wireless businesses in any Overlapping Wireless Market where the wireless business that will be divested has not yet been decided):

1. Use all reasonable efforts to maintain and increase sales of wireless mobile telephone services, and maintain and increase promotional, advertising, sales, technical assistance and marketing support for the mobile telephone services sold by the wireless businesses;

2. Take all steps necessary to ensure that the Wireless System Assets are fully maintained in operable condition and shall maintain and adhere to normal maintenance schedules;

3. Provide and maintain sufficient lines and sources of credit and working capital to maintain the Wireless System Assets as viable ongoing businesses;

4. Not remove, sell, lease, assign, transfer, pledge or otherwise dispose of or pledge as collateral for loans, any asset of each wireless business that it has an ownership interest in or operates in the Overlapping Wireless Markets, other than in the ordinary course of business, except as approved by plaintiff.

5. Maintain, in accordance with sound accounting principles, separate, true, accurate and complete financial ledgers, books and records that report, on a periodic basis, such as the last business day of each month, consistent with past practices, the assets, liabilities, expenses, revenues, income, profit and loss of each wireless business that it has an ownership interest in or operates in the Overlapping Wireless Markets;

6. Be prohibited from terminating, transferring, or reassigning any employees who work or have worked since April 4, 2000 (other than solely on a temporary assignment basis from another part of SBC or BellSouth) with, or whose principal responsibility relates to the Wireless System Assets, except (a) in the ordinary course of business, (b) for transfer bids initiated by employees pursuant to defendants' regular, established job-posting policies, or (c) as necessary to promote accomplishments of defendants' obligations under this Final Judgment; and

7. Take no action that would impede in any way or jeopardize the licensing, operation, or divestiture of the Wireless System Assets.

C. On or before the consummation of the SBC/BellSouth Wireless Joint Venture, defendants shall assign complete managerial responsibility over each wireless business that they have an ownership interest in or operate in the Overlapping Wireless Markets, to a specified manager who shall not participate in the management of any of defendants' other businesses, until, for each Overlapping Wireless Market, defendants have submitted a definitive Divestiture List pursuant to Section IV.A. Upon submission of the definitive Divestiture List, only the defendant who owns the Wireless System Assets to be divested shall be subject to the provisions of this Section IX of this

Final Judgment. Notwithstanding any of the foregoing, for the purposes of Section IX and for the Los Angeles-San Diego MTA PCS/Cellular Overlap Area only, BellSouth's interests in Wireless System Assets that are not a part of the SBC/BellSouth Wireless Joint Venture are subject to all provisions of this Section IX, and SBC is subject only to the provisions of Section IX.D as it relates to Section VII.

D. Each defendant shall, during the period before all Wireless System Assets have been divested to a purchaser(s) or transferred to the trustee pursuant to Section V of this Final Judgment, appoint a person or persons to oversee the Wireless System Assets owned by that defendant, who will be responsible for defendants' compliance with the requirements of Sections VII and IX of this Final Judgment. Such person(s) shall not be an officer, director, manager, employee, or agent of the other defendant.

X

Compliance Inspection

For the purposes of determining or securing compliance of defendants with this Final Judgment, or of determining whether the Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time duly authorized representatives of the United States Department of Justice, including consultants and other persons retained by plaintiff, upon written request of a duly authorized representative of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to the relevant defendant, shall be permitted:

1. access during office hours of defendants to inspect and copy, or at plaintiff's option, demand defendants provide copies of, all books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or control of defendants, who may have counsel, present, relating to any matters contained in this Final Judgment; and

2. to interview, either informally or on the record, defendants' officers, directors, employees, or agents, who may have their individual counsel present, regarding such matters. The interviews shall be subject to the interviewee's reasonable convenience and without restraint or interference by defendants.

A. Upon the written request of the Assistant Attorney General in charge of the Antitrust Division, defendants shall submit written reports, under oath if requested, relating to any of the matters contained in this Final Judgment as may be requested.

B. No information or documents obtained by the means provided in this section shall be divulged by plaintiff to any person other than a duly authorized representative of the Executive Branch of the United States, or to the FCC (pursuant to a customary protective order or a waiver of confidentiality by defendants), except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

C. If, at the time information or documents are furnished by defendants to plaintiff, defendants represent and identify in writing the material in any such information or documents as to which a claim or protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and mark each pertinent page of such material, ''Subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure,'' then plaintiff shall give defendants ten (10) calendar days' notice prior to divulging such material in any legal proceeding (other than a grand jury proceeding) to which defendants are not a party.

XI

No Reacquisition

Defendants may not reacquire any part of the spectrum licenses issued by the Federal Communications Commission (''FCC'') and all other licenses, permits and authorizations divested pursuant to this Final Judgment during the term of this Final Judgment.

XII

Retention of Jurisdiction

Jurisdiction is retained by this Court for the purposes of enabling any of the parties to this Final Judgment apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the construction or carrying out of this Final Judgment, for the modification of any of the provisions hereof, for the enforcement of compliance herewith, and for the punishment of any violations hereof.

XIII

Expiration of Final Judgment

Unless this Court grants an extension, this Final Judgment shall expire on the tenth anniversary of the date of its entry.

XIV

Public Interest Determination

The entry of this judgment is in the public interest.

United States District Judge

Competitive Impact Statement

The United States, pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act, 15 U.S.C. 16(b)-(h) (''APPA''), files this Competitive Impact Statement relating to the proposed Final Judgment submitted for entry in this civil antitrust proceeding.

I. Nature and Purpose of the Proceeding

The United States filed a civil antitrust Complaint on August 30, 2000, alleging that the proposed joint venture between SBC Communications Inc. (''SBC'') and BellSouth Corporation (''BellSouth'') would violate Section 7 of the Clayton Act, 15 U.S.C. 18, by lessening competition in the markets for wireless mobile telephone services in 11 metropolitan statistical areas (''MSAs'') and rural service areas (''RSAs'') in California, Indian and Louisiana. In addition, this combination affects five additional MSAs and RSAs where competing cellular mobile wireless telephone businesses are owned in whole or part by SBC and BellSouth. These areas are identified in the Complaint as the ''Overlapping Wireless Markets.''

Shortly before the Complaint in this matter was filed, the United States and defendants reached agreement on the terms of a proposed Final Judgment, which requires SBC and BellSouth to divest one of the wireless telephone businesses in each of the Overlapping Wireless Markets. In each of the Overlapping Wireless Markets, defendants can choose which wireless business to divest. The proposed Final Judgment also contains provisions, explained below, designed to minimize any risk of competitive harm that otherwise might arise pending completion of the divestiture. The proposed Final Judgment and a Stipulation by plaintiff and defendants consenting to its entry were filed simultaneously with the Complaint.

The United States and defendants have stipulated that the proposed Final Judgment may be entered after compliance with the Antitrust Procedures and Penalties Act, 15 U.S.C. 16 (''APPA''). Entry of the proposed Final Judgment would terminate this action, except that the Court would retain jurisdiction to construe, modify, or enforce the provisions of the proposed Final Judgment and to punish

violations thereof. The United States and defendants have also stipulated that defendants will comply with the terms of the proposed Final Judgment from the date of signing of the Stipulation, pending entry of the Final Judgment by the Court. Should the Court decline to enter the Final Judgment, defendants have also committed to continue to abide by its requirements until the expiration of time for any appeals of such ruling.

II. Description of the Events Giving Rise to the Alleged Violation

A. The Defendants and the Proposed Transaction

SBC and BellSouth are two of the remaining four Regional Bell Operating Companies (''RBOCs'') created in 1984 by the consent decree settling the United States' antitrust case against American Telephone & Telegraph Co. SBC and BellSouth each provide local exchange services in distinct regions, and they also provide wireless mobile telephone services, including cellular mobile telephone services and personal communications services (''PCS''), both within and outside of their local exchange service regions.

SBC, with headquarters in San Antonio, Texas, is one of the largest RBOCs in the United States, with approximately 60 million total local telephone access lines. In 1999, SBC had revenues in excess of $49 billion. SBC provides local telephone services to retail customers in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas and Wisconsin. With the exception of Nevada, SBC also provides cellular mobile telephone services or other wireless mobile telephone services in those states as well as in some areas outside its local exchange service region, including the District of Columbia and areas within the States of Delaware, Hawaii, Kentucky, Louisiana, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island, Virginia, and West Virginia. SBC is the nation's third largest wireless mobile telephone provider, with approximately 11.2 million subscribers nationwide.

BellSouth, with headquarters in Atlanta, Georgia, is the third largest RBOC in the United States, with approximately 24 million total local telephone access lines. In 1999, BellSouth had revenues in excess of $25 billion. BellSouth provides local telephone service to retail customers in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee, and also provides cellular mobile telephone service in these states, as well as in some states outside its local exchange service region, including Arkansas, California, Indiana, Pennsylvania, Texas and Virginia. BellSouth is a major wireless mobile telephone service provider, with approximately 5.6 million subscribers nationwide.

On April 4, 2000, SBC and BellSouth entered into a Contribution and Formation Agreement under which the two companies agreed to combine their wireless telecommunications service businesses into a business with approximate annual revenues of $10.2 billion. If this transaction is consummated, the combined total of SBC's and BellSouth's cellular and other wireless mobile telephone service subscribers will be 16.2 million.

B. Wireless Mobile Telephone Services

Wireless mobile telephone services permit users to make and receive telephone calls, using radio transmissions, while traveling by car or by other means. The mobility afforded by this service is a valuable feature to consumers, and cellular and other wireless mobile telephone services are commonly priced at a substantial premium above landline services. In order to provide this capability, wireless carriers must deploy an extensive network of switches and radio transmitters and receivers, and interconnect this network with the networks of local and long distance landline carriers, and with the networks of other wireless carriers. In 1999, revenues from the sale of wireless mobile telephone services totaled approximately $40 billion in the United States.

Initially, wireless mobile telephone services were provided principally by two cellular systems in each MSA and RSA license area. Cellular licenses were awarded by the Federal Communications Commission (''FCC'') beginning in the early 1980's, within any given MSA or RSA.[1] Providers of Specialized Mobil Radio (''SMR'') services typically were also authorized to operate with some additional spectrum in these areas, including the Overlapping Wireless Markets.

In 1995, the FCC allocated (and subsequently issued licenses for) additional spectrum for the provision of PCS, a type of wireless telephone service that includes wireless mobile telephone services comparable to those offered by cellular carriers. In 1996, one SMR spectrum licensee began to use its SMR spectrum to offer wireless mobile telephone services, comparable to that offered by cellular providers and bundled with dispatch services, in a number of areas including some of the Overlapping Wireless Markets. While the areas for which PCS providers are licensed (major trading areas (''MTAs'') and basic trading areas (''BTAs'')) differ somewhat from the cellular MSAs and RSAs, they generally overlap with them. In many areas, including most of the Overlapping Wireless Markets, not all of the PCS license holders have started to offer services or even begun to construct the facilities necessary to begin offering service. The PCS providers have tended to enter in the largest cities first, entering in smaller markets only later and not on as wide a scale. Moreover, even in those areas where one or more PCS providers have constructed their networks and have started to offer service, including the Overlapping Wireless Markets, the incumbent cellular providers, such as SBC and BellSouth, still typically have substantially larger market shares than the new entrants.

C. Anticompetitive Consequences of the Proposed Acquisition

SBC and BellSouth, or firms in which they have an interest, are competing providers of wireless mobile telephone services in 16 cellular license areas in three states. These areas are referred to in the Complaint as follows:

I. Cellular Overlap Areas
- A. Baton Rouge MSA
- B. New Orleans MSA
- C. Louisiana 6 RSA—Iberville
- D. Louisiana 8 RSA—St. James
- E. Louisiana 9 RSA—Plaquemines

II. PSC/Cellular Overlap Areas
- A. Los Angeles—San Diego MTA
- 1. Los Angeles MSA
- B. Indianapolis MTA
- 1. Anderson MSA
- 2. Bloomington MSA
- 3. Indianapolis MSA
- 4. Lafayette MSA
- 5. Muncie MSA
- 6. Terre Haute MSA
- 7. Indiana 5 RSA—Warren
- 8. Indiana 7 RSA—Owen
- 9. Indiana 8 RSA—Brown
- 10. Indiana 9 RSA—Decatur

In the Overlapping Wireless Markets, the population potentially addressable by wireless mobile telephone systems exceeds 20 million.

SBC and BellSouth are direct competitors in wireless mobile telephone services in the Cellular

[1] 25 MHz of spectrum was allocated to each cellular system in an MSA or RSA. MSAs are the 306 urbanized areas in the United States, defined by the federal government, and used by the FCC to define the license areas for urban cellular systems. RSAs are the 428 areas defined by the FCC used to define the license areas for rural cellular systems outside of MSAs.

Overlap Areas. The cellular businesses owned in whole or part by SBC and BellSouth are the only two providers of cellular mobile telephone services, and the two primary providers of all wireless mobile telephone services, in the Cellular Overlap Areas. In addition, SBC and BellSouth are direct competitors in wireless mobile telephone services in the PCS/Cellular Overlap Areas. In each of the Overlapping Wireless Markets, the wireless businesses owned in whole or part by SBC and BellSouth compete to sell the best quality service at the lowest possible rates and are among each other's most significant competitors. In each of the PCS/Cellular Overlap Areas, the cellular business owned in whole or part by BellSouth and the PCS business owned by SBC are two of a small number of providers of wireless mobile telephone services.

Therefore, the SBC/BellSouth joint venture would cause the level of concentration among firms providing wireless mobile telephone services in each of the Overlapping Wireless Markets to increase significantly. A high level of concentration in the provision of wireless mobile telephone services already exists in each of the Overlapping Wireless Markets. In the Cellular Overlap Areas, SBC and BellSouth individual market shares, measured on the basis of the number of subscribers, ranges from 20 to 70%. The combined market share of SBC and BellSouth in the provision of wireless mobile telephone services, measured by the number of subscribers, is in the range of 65 to 95%, taking into account other operational wireless mobile competitors. As measured by the Herfindahl-Hirschman Index (''HHI''), which is commonly employed by the Department of Justice in merger analysis and is explained in more detail in Appendix A to the Complaint, concentration in these markets is already in excess of 2600, well above the 1800 threshold at which the Department normally considers a market to be highly concentrated. After the contribution of the wireless businesses to the joint venture, the HHI in these markets will be in excess of 4800.

In each of the PCS/Cellular Overlap Areas, the BellSouth's cellular business has one of the two largest market shares in the provision of wireless mobile telephone services, and SBC is one of a small number of new PCS entrants into these markets. In one of these markets, such as the Los Angeles-San Diego MTA, SBC was the first new PCS entrant, is the third largest wireless firm in terms of number of subscribers, and has managed to garner a significant share. Competition between SBC and BellSouth, created by SBC's entry into markets that were previously an effective duopoly, has resulted in lower prices and higher quality in these markets than would otherwise have existed absent such competition. There is already a high level of concentration in the provision of wireless mobile telephone services in the PCS/Cellular Overlap Areas. In virtually all, the individual shares of the two cellular carriers—one of which is owned in whole or part by BellSouth—are in the range of 30 to 50% and the HHI exceeds 2000. In the PCS/Cellular Overlap Areas, the combined market share of SBC and the cellular business in question is generally in the 45 to 65% range.

If BellSouth and SBC combine their wireless telecommunications service businesses, the PCS/Cellular Overlap Areas will become significantly more concentrated, and the competition between SBC and BellSouth in wireless mobile telephone services in these markets will be eliminated. As a result of the loss in competition between SBC and BellSouth wireless mobile telephone services, there will be an increased likelihood both of unilateral actions by the combined firm in these markets to increase prices, diminish the quality or quantity of service provided, or refrain from making investments in network improvements, and of coordinated interaction among the limited number of remaining competitors that could lead to similar anticompetitive results. Therefore, the likely effect of the joint venture between SBC and BellSouth is that prices would increase, and the quality or quantity of service together with incentives to improve network facilities would decrease, in the provision of wireless mobile telephone services in the PCS/Cellular Overlap Areas.

It is unlikely that new entry in response to a small but significant price increase by the combined company for wireless mobile telephone services in the Overlapping Wireless Markets would be timely and sufficient to mitigate the competitive harm resulting form this joint venture, if it were to be consummated.

For these reasons, the United States concluded that the joint venture as proposed may substantially lessen competition, in violation of Section 7 of the Clayton Act, in the provision of wireless mobile telephone services in the Overlapping Wireless Markets.

III. Explanation of the Proposed Final Judgment

A. The Divestiture Requirement

The proposed Final Judgment will preserve competition in the sale of mobile wireless telephone services in each of the Overlapping Wireless Markets by requiring defendants to divest one of their two wireless telephone businesses in each of the Overlapping Wireless Markets. This divestiture will eliminate the change in market structure caused by the joint venture.

The divestiture requirements of the proposed Final Judgment, as stated in Sections IV.A and II.C, direct defendants to divest one of their wireless telephone businesses (to be selected by defendants) in each of the Overlapping Wireless Markets. Section IV.C permits different wireless businesses in separate Overlapping Wireless Markets to be divested to different purchasers, but requires that, for any individual wireless business, the Wireless System Assets be divested entirely to a single purchaser, unless the United States otherwise consents in writing.

The proposed Final Judgment's divestiture provisions are intended to accomplish the ''complete divestiture of the entire business of one of the two wireless system in each of the Overlapping Wireless Markets,'' as Section II.C states. Section II.C also specifies in detail the types of assets to be divested, which collectively are described throughout the consent decree as ''Wireless System Assets,'' and addresses some special circumstances concerning the divestiture of those assets. In all of the Overlapping Wireless Markets, Wireless System Assets means all types of assets, tangible and intangible, used by defendants in the operation of each of the wireless businesses to be divested, including the provision of long distance telecommunications service for wireless calls. Section II.C enumerates in detail, without limitation, particular types of assets covered by the divestiture requirement.

For the most part, the divesting defendant is required to transfer to the purchaser the complete ownership and/or other rights to the Wireless System Assets. However, the joint venture will retain a number of other wireless businesses in areas that do not overlap, and prior to the joint venture each defendant may have had certain assets that were used substantially in the operations of its overall wireless business and that must be retained to some extent to continue the existing

operations of the wireless businesses not being divested. Section II.C permits special divestiture arrangements for such assets if they are not capable of being divided between the divested and retained wireless businesses, or if the divesting defendant and the purchaser agree not to divide them. For these assets, the divestiture requirement is satisfied if the divesting defendant grants to the purchaser, at the election of the purchaser, an option to obtain a non-exclusive, transferable license for a reasonable period to use the assets in the operation of the wireless business being divested, so as to enable to the purchaser to continue to operate the divested wireless businesses without impairment.

The definition of Wireless System Assets in Section II.C contains special provisions relating to intellectual property. One addresses intellectual property rights that defendants may have under third-party licenses that could not be transferred to a purchaser entirely or by license without the consent of the third-party licensor. If any such assets are used by the wireless businesses being divested, defendants must identify them in a schedule submitted to plaintiff and filed with the Court as expeditiously as possible following the filing of the Complaint, in any event, prior to any divestiture and before the Court approves the proposed Final Judgment. Defendants must explain the necessary consents and how a consent would be obtained for each asset. This proviso is not intended to afford defendants any opportunity to withhold intellectual property rights over which they have any control, which could impair the ability of a purchaser to use the divested wireless business to compete effectively. It relates only to intellectual property assets that defendants have no power to transfer themselves, and defendants must do all that is possible to transfer the entire business of the divested wireless businesses. To make this clear, Section IV.H obligates defendants to cooperate with any purchaser as well as a trustee, if any, to seek to obtain the necessary third-party consents, if any assets require such consents before they may be transferred to a purchaser.

Another proviso relates to certain specific trademarks, trade names and service marks. Section II.C, defining the Wireless System Assets to be divested, generally requires the divestiture of trademarks, trade names and service marks, with the sixteen specified exceptions which contain names under which defendants' retained wireless business, or their corporate parents or affiliates, do business. Such trademarks, trade names and service marks, like other assets, are either to be divested in their entirety, except for marks and names that must be retained to continue the existing operations of defendants' remaining wireless properties and that are not capable of being divided (or that the divesting defendant and purchaser agree not to divide), which are to be made available to the purchaser through a non-exclusive, transferable license.

Under limited circumstances, defendants are allowed to retain specified portions of the Wireless System Assets in the Overlapping Wireless Markets. First, Section II.C provides that if defendants elect to divest SBC's interest in a PCS business in one of the PCS/Cellular Overlap Areas, defendants may retain up to 10 MHz of broadband PCS spectrum within that PCS/Cellular Overlap Area upon completion of the divestiture of the Wireless System Assets. In this instance, defendants will still be required to divest the entire PCS business, including 20 MHz of broadband PCS spectrum, to insure that the market structure does not change as a result of the joint venture and that the divested business will be able to compete as effectively under new ownership as under its current ownership.

Section IV contains other provisions to facilitate divestiture, including notification of the availability of the Wireless System Assets for purchase in Section IV.D, access to information about the Wireless System Assets in Section IV.E, and warranting that the Wireless System Assets (except for the Wireless System Assets in the Los Angeles-San Diego PCS/Cellular Overlap) will be operational on the date of sale in Section IV.I. In addition, to ensure that a purchaser will be able to operate the divested wireless businesses without impairment, Section IV.G prohibits defendants from interfering with a purchaser's negotiations to retain any employees who work or have worked with the Wireless System Asset since the date of the announcement of the joint venture, or whose principal responsibility relates to the Wireless System Assets.

B. Timing of Divestiture

In antitrust cases involving mergers or joint ventures in which the United States seeks a divestiture remedy, it requires completion of the divestiture within the shortest time period reasonable under the circumstances. The proposed Final Judgment in this case requires, in Section IV.A, the divestitures of the Wireless System Assets in the Overlapping Wireless Markets on a strict schedule, but provides defendants with some flexibility in recognition of the special timing issues involved in a divestiture of this size and complexity.

Under Section IV.A, defendants must divest the Wireless System Assets of one of the two wireless businesses in the Cellular Overlap Area and the Indianapolis MTA PCS/Cellular Overlap Area on or before consummation of the transaction that gives rise to the overlap. The divestitures of the Wireless System Assets for the Los Angeles-San Diego MTA PCS/Cellular Overlap Area shall occur prior to or at the same time as consummation of the transaction that gives rise to the overlap, or January 27, 2001, whichever is later. BellSouth's Wireless System Assets in Los Angeles-San Diego MTA PCS/Cellular Overlap Area are held in partnership with AT&T Wireless Services, Inc. Various provisions of Section IV and IX allow defendants to accomplish the objectives of the Final Judgment consistent with BellSouth's partnership obligations. Section IV.A.2, which allows a longer time frame for defendants to complete the divestiture in the Los Angeles-San Diego MTA PCS/Cellular Overlap Area, is one such provision. Plaintiff may, in its sole discretion, extend this date for divestitures in the PCS/Cellular Overlap Areas by up to two thirty-day periods. If one or more divestitures have not been completed as of the date of the consummation of the transaction that gives rise to the overlap, defendants will submit to plaintiff a definitive Divestiture List identifying the specific Wireless System Assets in each of the Overlapping Wireless Markets that will be divested.

The divestiture timing provisions of the proposed Final Judgment will ensure that the divestitures are carried out in a timely manner, and at the same time will permit the parties an adequate opportunity to accomplish the divestitures through a fair and orderly process. Even if all Wireless System Assets have not been divested upon consummation of the transaction that gives rise to the overlap, there will be no adverse impact on competition given the short duration of the period of common ownership and the detailed requirements of the Hold Separate Order contained in Section IX of the Final Judgment.

In addition, the proposed Final Judgment requires in Section IV.B that, in carrying out the divestitures, defendants comply with all of the applicable rules of the FCC, or any waiver of such rules or other authorization granted by the FCC. These rules include 47 C.F.R. 20.6 (spectrum aggregation) and 47 C.F.R. 22.942

(cellular cross-ownership).[2] These FCC requirements may add to, but cannot subtract from or impair, the requirements of the proposed Final Judgment, since Section IV.B specifies that authorization by the FCC to conduct divestiture of a wireless business in a particular manner will not modify any of the requirements of the decree. The provisions of the proposed Final Judgment to avoid any conflict with the FCC's rules.

C. Use of a Trustee Subsequent to Consummation of the Acquisition

The proposed Final Judgment provides in Section IV.A that SBC and BellSouth must divest the Wireless System Assets in each of the Overlapping Wireless Markets in accordance with the schedule contained therein, either to purchasers acceptable to plaintiff in its sole discretion, or to a trustee designated pursuant to Section V of the Final Judgment. As part of this divestiture, SBC and BellSouth must relinquish any direct or indirect financial ownership interests and any direct or indirect role in management or participation in control. Pursuant to Section V of the proposed Final Judgment, the trustee will own and control the systems until they are sold to a final purchaser, subject to safeguards to prevent SBC and BellSouth from influencing their operation.

Section V details the requirements for the establishment of the trust, the selection and compensation of the trustee, the responsibilities of the trustee in connection with divestiture and operation of the Wireless System Assets, and the termination of the trust. If defendants have not divested all of their Wireless System Assets in the Overlapping Wireless Markets to approved purchasers in accordance with Section IV.A, Section V.A requires: (1) defendants to identify the Wireless System Assets in each Overlapping Wireless Market to be divested; (2) the United States to select a trustee and apply to the Court for appointment of a trustee; (3) defendants to submit a form of Trust Agreement consistent with the terms of the Final Judgment, and which form agreement must have received approval by the United States; and (4) defendants, after receiving FCC approval for the license transfers, to divest irrevocably the unsold Wireless System Assets to the trustee.

The trustee will have the obligation and the sole responsibility, under Section V.B, for the divestiture of any transferred Wireless System Assets. The trustee has the authority to accomplish divestitures at the earliest possible time and ''at the best price then obtainable upon a reasonable effort by the trustee.'' In addition, notwithstanding any provision to the contrary, plaintiff may, in its sole discretion, require defendants to include in the Wireless System Assets to be divested additional PCS spectrum it proposes to retain under Section II.C if it would facilitate a prompt divestiture to an acceptable purchaser. This provision allows plaintiff, in its discretion, to require defendants to divest additional PCS spectrum to insure that the trustee can promptly locate and divest to a purchaser acceptable to plaintiff. Defendants are not entitled to object to divestiture based on the adequacy of the price the trustee obtains or any other ground, unless the trustee's conduct amounts to malfeasance. The terms of the trustee's compensation, under Section V.D, will provide incentives based on the price and terms of the divestiture and the speed with which it is accomplished. As provided by Sections V.B and V.D, defendants will pay the compensation and expenses of the trustee, and of any investment bankers, attorneys or other agents that the trustee finds reasonably necessary to assist in the divestiture and the management of the Wireless System Assets.

The trusteeship mechanism has been used by the FCC, in a variety of contexts, to provide a short period of time in which to complete a sale of a spectrum licensee that must be divested, while permitting the broader merger or acquisition that necessitates the divestiture to go forward. In this context, the critical feature of the trusteeship arrangement is that the trustee will not only have responsibility for sale of the Wireless System Assets, but will also be the authorized holder of the wireless license, with full responsibility for the operations, marketing and sales of the wireless business to be divested, and will not be subject to any control or direction by defendants. Defendants will no longer have any role in the ownership, operation or management of the Wireless System Assets to be divested following consummation of their joint venture, as provided by Section V.I, other than the right to receive the proceeds of the sale, and certain obligations to provide cooperation of the trustee in order to complete the divestiture, as indicated in Section V.E. Defendants are precluded under Section V.I from communicating with the trustee, or seeking to influence the trustee, concerning the divestiture or the operation and management of the wireless businesses transferred, apart from the limited communications necessary to carry out the Final Judgment and to provide the trustee with the necessary resources and cooperation to complete the divestitures. Defendants and the trustee are subject to an absolute prohibition on exchanging any non-public or competitively sensitive marketing, sales or pricing information relating to either of the wireless businesses in the Overlapping Wireless Markets. These safeguards will protect against any competitive harm that could arise from coordinated behavior or information sharing between the two wireless businesses during the limited period while sale of the Wireless System Assets is not yet complete. They ensure that the trusteeship arrangement is consistent with the FCC's rules.

Section V.G requires the trustee to divest the Wireless System Assets to a purchaser or purchasers acceptable to the plaintiff no later than 180 days after the assets are transferred to the trustee. However, since the FCC's approval is required for the transfer of the wireless licenses to a purchaser, Section V.G. provides that if applications for transfer of a wireless license have been filed by the FCC within the 180-day period, but the FCC has not granted approval before the end of that time, the period for divestiture of the specific Wireless System Assets covered by the license that cannot yet be transferred shall be extended until five days after the FCC's approval is received. This extension is to be applied only to the individual wireless license affected by the delay in approval of the license transfer and does not entitle defendants to delay the divestiture of any other Wireless System Assets for which license transfer approval has been granted.

D. Criteria for the United States' Approval of Purchasers

Under the proposed Final Judgment, the United States has an important role in the approval of purchasers for each of the divested wireless businesses, to ensure that the purchasers chosen by defendants or the trustee are adequate from a competitive viewpoint. The United States' approval or rejection of a

[2] The FCC's spectrum aggregation rules, in 47 C.F.R. 20.6, do not permit a licensee to have an attributable interest in more than 45 MHz of spectrum licensed for cellular, PCS or SMR with significant overlap in any geographic area. The FCC will attribute an interest if it is controlling, or if in most cases it is 20% or more of the equit7y, outstanding stock or voting stock of the licensee. The FCC's cellular cross-ownership rules, in 47 C.F.R. 22.942, also prohibit a licensee or any person controlling a licensee from having a direct or indirect ownership interest of more than 5% in both cellular systems in an overlapping cellular geographic service area, unless such interests pose ''no substantial threat to competition.''

purchaser is at its sole discretion, as Section IV.A specifies, but the consent decree also embodies certain criteria that the United States will apply in making the approval decision.

In the case of any divestiture, by defendants or the trustee, it is important to ensure that the ongoing wireless businesses go to purchasers with the capability and intent to operate them as effective competitors in the lines of business they already serve, and that there are no conditions restricting competition in the terms of the sale. Specifically, Section IV.C of the proposed Final Judgment requires that the divestitures of Wireless System Assets be made to a purchaser or purchasers for whom it is demonstrated to plaintiff's sole satisfaction that: (1) The Purchaser(s) has the capability and intent to compete effectively in the provision of wireless mobile telephone service using the Wireless System Assets; (2) the purchaser(s) has the managerial, operational and financial capability to compete effectively in the provision of wireless mobile telephone service using the Wireless System Assets; and (3) none of the terms of any agreement between the purchaser(s) and either of defendants shall give defendants the ability unreasonably (i) to raise the purchaser(s)'s costs, (ii) to lower the purchaser(s)'s efficiency, (iii) to limit any line of business which a purchaser(s) may choose to pursue using the Wireless System Assets, or otherwise to interfere with the ability of the purchaser(s) to compete effectively. All of these criteria must be satisfied whether the divestiture is accomplished by defendants or the trustee.

E. Other Provisions of the Decree

Section III specifies the persons to whom the Final Judgment is applicable, and provides for the Final Judgment to be applicable to certain Interim Parties to whom defendants might transfer the Wireless System Assets, other than purchasers approved by the United States.

Section VI obliges defendants, or the trustee if applicable, to notify the United States of any planned divestiture of Wireless System Assets within two business days of executing a binding agreement with a purchaser. It enables the United States to obtain information to evaluate the chosen purchaser as well as other prospective purchasers who expressed interest and establishes a procedure for the United States to notify defendants and the trustee whether it objects to a divestiture. The United States' notification of its lack of objection is necessary for a divestiture to proceed. This section also provides for an objection by defendants to a sale by the trustee under the limited situation of alleged malfeasance, but in that case it is possible for the Court to approve a sale over defendants' objection.

Section VII establishes affidavit requirements for defendants to report to the United States on their compliance with the proposed Final Judgment, their activities in seeking to divest the Wireless System Assets prior to consummating their joint venture, and their actions to preserve the Wireless System Assets to be divested. Under V.F, the trustee also has monthly reporting obligations concerning the efforts made to divest the Wireless System Assets.

Section VIII, prohibits defendants from financing all or any part of a purchase made by an acquirer of the Wireless System Assets, whether the divestiture is carried out by defendants or by the trustee.

Section IX, the Hold Separate Order, contains important requirements concerning the operation of the wireless businesses before divestiture is complete, and the preservation of the Wireless System Assets as a viable, ongoing business. The obligations of Section IX.A fall on both defendants and both wireless businesses in any Overlapping Wireless Market, obliging them to ensure that such wireless businesses continue to be operated as separate, independent, ongoing, economically viable and active competitors to the other wireless mobile telecommunications providers in the same area. Section IX.A. requires separation of the operations of the two wireless businesses and their books, records and competitively sensitive information. The requirements of Section IX.A serve to ensure that defendants maintain their two wireless businesses in the Overlapping Wireless Markets as fully separate competitors prior to consummating their joint venture, notwithstanding their expectations that the joint venture will take place, and reinforce the provisions of Section VI concerning the separation of defendants and the trustee after the joint venture is consummated but while there are still Wireless System Assets awaiting sale.

Section IX.B requires the defendant whose assets will be divested (or both, if it has not yet been decided which system will be divested in a particular market) to take certain specified steps to preserve the assets in accordance with past practices. These steps include maintaining and increasing sales, maintaining the assets in operable condition, providing sufficient credit and working capital, not selling the assets (except with approval of plaintiff), not terminating, transferring or reassigning employees who work with the assets (with certain limited exceptions), and not taking any actions to impede or jeopardize the sale of the assets. Section IX.C reinforces the other provisions of the Hold Separate Order by requiring defendants to appoint a specific manager for the Wireless System Assets, who will not participate in the management of any of defendants' other businesses. Section IX.D obliges each defendant, during the period while they still control Wireless System Assets, to appoint persons not affiliated with the other defendant to oversee the Wireless System Assets to be divested and to be responsible for compliance with the Final Judgment.

In order to ensure compliance with the Final Judgment, Section X gives the United States various rights, including inspection of defendants' records, the ability to conduct interviews and take sworn testimony of defendants' officers, directors, employees and agents, and to require defendants to submit written reports. These rights are subject to legally recognized privileges, and information the United States obtains using these powers is protected by specified confidentiality obligations, which permit sharing of information with the FCC under a customary protective order issued by that agency or a waiver of confidentiality. Under Section III.B, purchasers of the Wireless System Assets must also agree to give the United States similar access to information.

The Court retains jurisdiction under Section XII, and Section XIII provides that the proposed Final Judgment will expire on the tenth anniversary of the date of its entry, unless extended by the Court. Although the required divestitures will be accomplished in a considerably shorter time, defendants are also precluded from reacquiring the divested spectrum licenses and all other licenses, permits and authorization's within the term of the decree, pursuant to Section XI.

IV. Remedies Available to Potential Private Litigants

Section 4 of the Clayton Act, 15 U.S.C. 15, provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover three times the damages that the person has suffered, as well as costs and reasonable attorneys' fees. Entry of the proposed Final Judgment will neither impair nor assist the bringing of any private antitrust damage action. Under

the provisions of Section 5(a) of the Clayton Act, 15 U.S.C. 16(a), the proposed Final Judgment has no *prima facie* effect in any subsequent private lawsuit that may be brought against defendants.

V. Procedures Available for Modification of the Proposed Final Judgment

Plaintiff and defendants have stipulated that the proposed Final Judgment may be entered by the court after compliance with the provisions of the APPA, provided that the United States has not withdrawn its consent. The APPA conditions entry upon the Court's determination that the proposed Final Judgment is in the public interest.

The APPA provides a period of at least sixty (60) days preceding the effective date of the proposed Final Judgment within which any person may submit to the United States written comments regarding the proposed Final Judgment. Any person who wishes to comment should do so within sixty (60) days of the date of publication of this Competitive Impact Statement in the **Federal Register**. The United States will evaluate and respond to the comments. All comments will be given due consideration by the United States, which remains free to withdraw its consent to the proposed Final Judgment at any time prior to entry. The comments and the responses of the United States will be filed with the Court and published in the **Federal Register**.

Written comments should be submitted to: Donald J. Russell, Chief, Telecommunications Task Force, Antitrust Division, United States Department of Justice, 1401 H Street, NW., Suite 8000, Washington, DC 20530.

The proposed Final Judgment provides, in Section XII, that the Court retains jurisdiction over this action, and the parties may apply to the Court for any order necessary or appropriate to carry out or construe the Final Judgment, to modify any of its provisions, to enforce compliance, and to punish any violations of its provisions.

VI. Alternatives to the Proposed Final Judgment

The United States considered, as an alternative to the proposed Final Judgment, seeking an injunction to block consummation of the joint venture and a full trial on the merits. The United States is satisfied, however, that the divestiture of Wireless System Assets and other relief contained in the proposed Final Judgment will preserve competition in the provision of wireless mobile telephone services in the Overlapping Wireless Markets. This proposed Final Judgment will also void the substantial costs and uncertainty of a full trial on the merits on the violations alleged in the complaint. Therefore, the United States believes that there is no reason under the antitrust laws to proceed with further litigation if the divestitures of the Wireless System Assets are carried out in the manner required by the proposed Final Judgment.

VII. Standard of Review Under the APPA for Proposed Final Judgment

The APPA requires that proposed consent judgments in antitrust cases brought by the United States be subject to a sixty (60) day comment period, after which the court shall determine whether entry of the proposed Final Judgment ''is in the public interest.'' In making that determination, the court *may* consider—

> (1) the competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration or relief sought, anticipated effects of alternative remedies actually considered, and any other considerations bearing upon the adequacy of such judgment;
>
> (2) the impact of entry of such judgment upon the public generally and individuals alleging specific injury from the violations set forth in the compliant including consideration of the public benefit, if any, to be derived from a determination of the issues at trial.

15 U.S.C. 16(e) (emphasis added). As the United States Court of Appeals for the D.C. Circuit held, this statute permits a court to consider, among other things, the relationship between the remedy secured and the specific allegations set forth in the government's compliant, whether the decree is sufficiently clear, whether enforcement mechanisms are sufficient, and whether the decree may positively harm third parties. *See United States* v. *Microsoft,* 56 F.3d 1448, 1461–62 (D.C. Cir. 1995).

In conducting this inquiry, ''[t]he Court is nowhere compelled to go to trial or to engage in extended proceedings which might have the effect of vitiating the benefits of prompt and less costly settlement through the consent decree process.'' [3] Rather,

> [a]bsent a showing of corrupt failure of the government to discharge its duty, the Court, in making its public interest finding, should . . . carefully consider the explanations of the government in the competitive impact statement and its responses to comments in order to determine whether those explanations are reasonable under the circumstances.

United States v. *Mid-America Dairymen, Inc.,* 1977–1 Trade Cas (CCH) ¶ 61,508, at 71,980 (W.D. Mo. 1977).

Accordingly, with respect to the adequacy of the relief secured by the decree, a court may not ''engage in an unrestricted evaluation of what relief would best serve the public.'' *United States* v. *BNS, Inc.,* 858 F.2d 456, 462 (9th Cir. 1988) (citing *United States* v. *Bechtel Corp.,* 648 F.2d 660, 666 (9th Cir.), *cert. denied,* 454 U.S. 1083 (1981)); *see also Microsoft,* 56 F.3d at 1460–62. Precedent requires that

> The balancing of competing social and political interests affected by a proposed antitrust consent decree must be left, in the first instance, to the discretion of the Attorney General. The court's role in protecting the public interest is one of insuring that the government has not breached its duty to the public in consenting to the decree. The court is required to determine not whether a particular decree is the one that will best serve society, but whether the settlement is *''within the reaches of the public interest.''* More elaborate requirements might undermine the effectiveness of antitrust enforcement by consent decree. [4]

The proposed Final Judgment, therefore, should not be reviewed under a standard of whether it is certain to eliminate every anticompetitive effect of a particular practice or whether it mandates certainty of free competition in the future. Court approval of a final judgment requires a standard more flexible and less strict than the standard required for a finding of liability. ''[A] proposed decree must be approved even if it falls short of the remedy the court would impose on its own, as long as it falls within the range of acceptability or is 'within the reaches of public interest.' '' *United States* v. *American Tel. & Tel Co.,* 552 F. Supp. 131, 151 (D.D.C. 1982), aff'd sub nom., *Maryland* v. *United States,* 460 U.S. 1001 (1983)

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[3] 119 Cong. Rec. 24598 (1973). *See United States* v. *Gilette Co.,* 406 F. Supp. 713, 715 (D. Mass. 1975). A ''public interest'' determination can be made properly on the basis of the Competitive Impact Statement and Response to Comments filed pursuant to the APPA. Although the APPA authorizes the use of additional procedures, 15 U.S.C. 16(f), those procedures are discretionary. A court need not invoke any of them unless it believes that the comments have raised significant issues and that further proceedings would aid the court in resolving those issues. *See* H.R. Rep. 93–1463, 93d Cong. 2d Sess. 8–9 (1974), *reprinted in* U.S.C.C.A.N. 6535, 6538.

[4] *Bechtel,* 648 F.2d at 666 (emphasis added); *see BNS,* 858 F.2d at 463; *United States* v. *National Broadcasting Co.,* 449 F. Supp. 1127, 1143 (C.D. Cal. 1978); *Gillette,* 406 F. Supp. at 716. *See also Microsoft,* 56 F.3d at 1461 (whether ''the remedies [obtained in the decree are] so inconsonant with the allegations charged as to fall outside of the 'reaches of the public interest.''').

(quoting *Gillette Co.,* 406 F. Supp. at 716); *United States* v. *Alcan Aluminum, Ltd.,* 605 F. Supp. 619, 622 (W.D. Ky. 1985).

Moreover, the court's role under the Tunney Act is limited to reviewing the remedy in relationship to the violations that the United States has alleged in its complaint, and does not authorize the court to ''construct [its] own hypothetical case and then evaluate the decree against that case.'' *Microsoft,* 56 F.3d at 1459. Since ''[t]he court's authority to review the decree depends entirely on the government's exercising its prosecutorial discretion by bringing a case in the first place,'' it follows that the court ''is only authorized to review the decree itself,'' and not to ''effectively redraft the complaint'' to inquire into other matters that the United States might have but did not pursue. *Id.*

VIII. Determinative Documents

There are no determinative materials or documents within the meaning of the APPA that were considered by the United States in formulating the proposed Final Judgment. Consequently, the United States has not attached any such materials to the proposed Final Judgment.

Respectfully submitted,
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Dated: August 30, 2000.

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DEPARTMENT OF LABOR

Employment and Training Administration

Investigations Regarding Certifications of Eligibility To Apply for Worker Adjustment Assistance

Petitions have been filed with the Secretary of Labor under Section 221(a) of the Trade Act of 1974 (''the Act'') and are identified in the Appendix to this notice. Upon receipt of these petitions, the Director of the Division of Trade Adjustment Assistance, Employment and Training Administration, has instituted investigations pursuant to Section 221(a) of the Act.

The purpose of each of the investigations is to determine whether the workers are eligible to apply for adjustment assistance under Title II, Chapter 2, of the Act. The investigations will further relate, as appropriate, to the determination of the date on which total or partial separations began or threatened to begin and the subdivision of the firm involved.

The petitioners or any other persons showing a substantial interest in the subject matter of the investigations may request a public hearing, provided such request is filed in writing with the Director, Division of Trade Adjustment Assistance, at the address shown below, not later than October 2, 2000.

Interested persons are invited to submit written comments regarding the subject matter of the investigations to the Director, Division of Trade Adjustment Assistance, at the address shown below, not later than October 2, 2000.

The petitions filed in this case are available for inspection at the Office of the Director, Division of Trade Adjustment Assistance, Employment and Training Administration, U.S. Department of Labor, Room C–5311, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Signed at Washington, D.C. this 5th day of September, 2000.

Edward A. Tomchick,
Director, Division of Trade Adjustment Assistance.

Appendix—Petitions Instituted on 09/05/2000

TA–W	Subject Firm (petitioners)	Location	Date of petition	Product(s)
38,043	Freightliner LLC (IAM)	Portland, OR	08/22/2000	Trucks.
38,044	Louisiana Pacific (Wrks)	Hines, OR	08/17/2000	Engineered wood products.
38,045	Corus Tuscaloosa (Comp)	Tuscaloosa, AL	08/03/2000	Hot coiled rolled steel.
38,046	Paramount Headwear, Inc. (Comp).	Dexter, MO	08/25/2000	Headwear.
38,047	Rockwell Automation (IUE)	Euclid, OH	08/25/2000	Cabinets.
38,048	PL Garment Finishers (Comp)	McRae, GA	08/21/2000	Denim jeans.
38,049	Puget Plastics Corp (Comp)	Tualatin, OR	08/19/2000	Plastic molded parts.
38,050	Shipple Ronal, Inc. (Wrks)	Long Island, NY	08/21/2000	Speciality chemicals.
38,051	Burlington House Home (Comp)	Stokesdale, NC	08/21/2000	Comforters, bedskirts and pillow shams.
38,052	Pulaski Furniture, Plt #2 (wrks)	Martinsville, VA	08/22/2000	Curio cabinets.
38,053	Pillowtex Corp (Wrks)	Fieldale, VA	08/22/2000	Towels.
38,054	Merrimac Industries (Wrks)	West Caldwell, NJ	08/11/2000	Power dividers.
38,055	Natalie Knitting Mills (Wrks)	Chilhowie, VA	08/25/2000	Cotton sweaters.
38,056	Beaumont Neckwear, Inc. (Wrks).	New York, NY	08/22/2000	Neckties.
38,057	Corlair Corp. (Comp)	Piedmont, MO	08/24/2000	Vinyl zippered folders for autos.
38,058	Kountry Kreations (Wrks)	Towanda, PA	08/24/2000	Dry floral products.
38,059	Crown Vantage (Comp)	Parchment, MI	08/25/2000	Specialty papers.
38,060	Garden Grow Co. (The) (Comp)	Wilsonville, OR	08/17/2000	Flower and vegetables seed packets.
38,061	TRW (SVAA)	Danville, PA	08/23/2000	Engine valves.
38,062	Grant Geophysical Corp (Comp)	Houston, TX	08/08/2000	Seismic data.
38,063	International Lace (Comp)	Guttenberg, NJ	08/17/2000	Lace—embroidery.
38,064	UFE, Inc. (Wrks)	River Falls, WI	08/17/2000	Injection molding.