

EX PARTE OR LATE FILED



KKF.net AG · Zentrale Minden · Stiftsallee 60 · 32425 Minden

RECEIVED

JAN 30 2001

Via Fax: + 1 202 418 2818

International Bureau

Bureau Chief Don Abelson

Federal Communications Commission

ORIGINAL

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

445 12<sup>th</sup> Street S.W.

Washington DC, 20054

Minden, January 4, 2001

USA

In the Matter VoiceStream Wireless Corporation and Deutsche Telekom AG

IB Docket No. 00-187

Dear Mr. Abelson:

On behalf of KKF.net AG, we are writing to express our concerns about the above-mentioned merger between VoiceStream Wireless Corporation ("VoiceStream") and Deutsche Telekom AG ("DTAG"). Our company is a member of the German Competitive Carriers Association ("VATM").

KKF.net AG is a leading German competitive carrier of DSL services and network solutions. Our network covers more than 70 cities in Germany and is based on a national fiberoptic backbone infrastructure.

We do not believe that the Commission should deny the application to transfer control of VoiceStream and the petition for declaratory ruling. Rather, we urge the Commission to utilize its discretion to either craft conditions or enforce voluntary commitments necessary to adequately protect consumers and promote and preserve competition. To this end, we strongly support the testimony by the VATM before the Sub-Committee on Telecommunications, Trade and Consumer Protection of the House Commerce Committee filed on September 7, 2000, in particular, its description of the situation in the German telecommunications market and the discussion of possible conditions to be imposed on DTAG. By imposing and enforcing these conditions, the Commission will address serious

ZENTRALE KKF.net AG

Stiftsallee 60  
32425 Minden  
www.kkf.net  
Tel 05 71/94 50-0  
Fax 05 71/94 50-299  
info@kkf.net

Volksbank Minden  
BLZ 490 603 92  
Konto 600 761 000

Sparkasse Schaumburg  
BLZ 255 514 80  
Konto 320 006 000

Vorstand  
Marc Keilwerth  
Michael König

Vorsitzender des Aufsichtsrats  
Prof. Dr. Karl Moog  
Amtsgericht Minden, HRK 1846

No. of Copies rec'd 0  
EWA BCDE



competition issues that, if left unchecked, will have an adverse effect on competition in both the German and U.S. telecommunications markets.

Although we have not participated previously in this proceeding, we have been monitoring its progress because of its impact on the markets in which we compete. There have been some alarming events recently that relate to this merger. Therefore, we feel an urgent need to bring them to your attention.

As you may know, Germany is a key market in Europe for telecommunications companies. Therefore, any actions that hurt competition in the telecommunications sector will have serious negative impacts on other European countries and ultimately on the U.S. market. Unfortunately, there has been a recent drive to roll-back liberalization in Germany. There is now evidence that such political pressure to protect DTAG is mounting on the German regulator RegTP and on DTAG's competitors. This pressure has reached a new stage since the release of the Position Paper of the Federal Ministry of Economics last summer. We understand that you are already aware of a new Position Paper of Klaus Barthel (Member of the German Federal Parliament - SPD - and Chairman on its Telecommunications Sub-Committee), released on December 4, 2000. We are concerned that on the basis of this Position Paper the German Federal Government will prematurely release DTAG from its dominant carrier obligations without sufficient standards to prevent anti-competitive practices and cross-subsidization. The Position Paper also is clearly contrary to the EU's efforts to liberalize the telecommunications market ("1999 Review"). It disregards the fact that without competition the incumbent has no incentive to cut its prices and offer innovative services. If followed, the Position Paper might ultimately enable the German Federal Government to implement a regulatory policy in Germany whose ultimate goal is to protect DTAG. Because of political realities, the new President of RegTP will probably have no choice, but to adopt this Paper as RegTP's future binding policy guidelines.

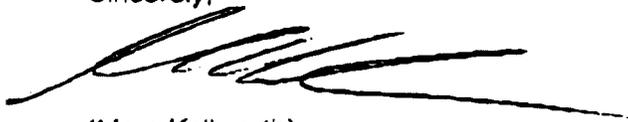
Therefore, it becomes even more urgent for the Commission to come forward to protect competition by placing conditions on this merger. The Commission must ensure that DTAG, a government-owned and controlled carrier, will be unable to leverage the

**KKF.net**<sup>TM</sup>  
COMMUNICATIONS  
DER SD SL-PROVIDER

advantages it gains through the merger and German Government protection to the detriment of competition, and ultimately, to U.S. consumers.

Please do not hesitate to contact us if you are interested in more details concerning the current situation regarding deregulation in Germany from the view of a competitive carrier.

Sincerely,



(Marc Keilwerth)

Member of the board, CTO

CC: Chairman William Kennard  
Commissioner Furchtgott-Roth  
Commissioner Powell  
Commissioner Ness  
Commissioner Tristani