
OFFICE OF GOVERNOR RONNIE MUSGROVE
INTEROFFICE MEMORANDUM

TO: GOVERNOR
FROM: BOYD
SUBJECT: EDNET LICENSES AND WORLDCOM
DATE: JUNE 29, 2001
CC: RENICK

You may recall from an earlier discussion, WorldCom has modified its business plan to excluded EdNet licenses in its wireless broadband deployment. Without getting too “techish”, WorldCom is moving forward with its MMDS deployment (WorldCom has leases for wireless spectrum contiguous to EdNet’s).

With this change in WorldCom’s business plan, WorldCom has asked to settle the remaining elements of the contract (see attached letter) and to dissolve its partnership with EdNet. Also, attached you will find a summary of the letter and an analysis from EdNet (Martin Mangold, president) of the letter and the status of various items in the contract.

The bottom line is this: EdNet is not in a position to accept WorldCom’s offer, and WorldCom may be in non-compliance with the contract on many fronts. The Board will move forward with an RFP process to find another private partner. The timeline for a partner to be selected is November 2001—prior to the termination of the contract.

During today’s board meeting, the board requested EdNet’s attorney (Sam Keyes) to draft a counter-offer of significant cost for our review on July 13th.

Prior to this meeting, I would like to set up a 30-minute briefing with Sam Keyes, Mary Franklin (chair and your appointee), Martin Mangold, and Lauren Wells.

(YES)

(NO)