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VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

Re: Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of Licenses and Authorizations; WT Docket No. 18-197

Dear Ms. Dortch:

Pursuant to Section 1.1206(b) of the Commission's Rules, 47 C.F.R. § 1.1206(b), notice is hereby provided of a written *ex parte* presentation in the above-referenced docket. T-Mobile US, Inc. ("T-Mobile") and Sprint Corporation ("Sprint", and collectively with T-Mobile, "Applicants") have stated in the Public Interest Statement, and reiterated repeatedly since, that the merger will ensure that "American consumers will pay less and get more".[1] Our merger will enable the deployment of a world-class nationwide 5G network with massive capacity and lower marginal costs per customer, with the result that customers get better service and more data at the same or lower prices.[2] The Applicants' representation that consumers will pay less as a result of the merger is supported by the New T-Mobile business plan,[3] declarations from T-Mobile

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[1] *See, e.g.*, *Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of the Licenses and Authorizations*, WT Docket No. 18-197, Description of Transaction, Public Interest Statement, and Related Demonstrations at i (June 18, 2018) ("Public Interest Statement"); *Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of Licenses and Authorizations*, WT Docket No. 18-197, Joint Opposition of T-Mobile US, Inc. and Sprint Corporation at i (Sept. 17, 2018) ("Joint Opposition").

[2] Public Interest Statement at 51.

[3] *Id.*

executives,[4] merger simulations focused on New T-Mobile prices,[5] and economic work showing all wireless consumers will benefit from a decrease in price per GB due to competitive responses from AT&T and Verizon.[6]

The Public Interest Statement also provided further assurances to existing customers of T-Mobile and Sprint that prices will not go up following the close of the merger. Specifically, the Applicants stated that "New T-Mobile will guarantee each [Sprint] customer a rate plan that is equal or better than the plans they currently enjoy with Sprint."[7] The Applicants also noted the T-Mobile Un-contract rate promise to their customers and that it would be extended to Sprint customers post-closing.[8] These assurances were intended to address any concerns about post-closing price increases and they are fully consistent with the New T-Mobile business plan.

Despite all this, merger opponents tried to raise questions about New T-Mobile's pricing incentives during the three-year period from merger closing until completion of the network combination and customer migration. The Applicants believe that the myriad showings on the record fully answer those questions. However, to remove all doubt and simplify the Commission's review of the merger, the Applicants are providing the following statement to remove any doubts, concerns or ambiguity:

> *New T-Mobile will make available the same or better rate plans as those offered by T-Mobile or Sprint as of today's date for three years following the merger.*

T-Mobile and Sprint legacy rate plans will continue as New T-Mobile plans for three years after the merger or until better plans that offer a lower price or more data are made available,

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[4] Public Interest Statement, Appx C, Declaration of G. Michael Sievert, President and Chief Operating Officer, T-Mobile US, Inc. at ¶21; Public Interest Statement, Appx. D, Declaration of Peter Ewens, Executive Vice President, Corporate Strategy, T-Mobile US, Inc. at ¶8 ("Ewens Decl.").

[5] Joint Opposition, Appx. F, Declaration of Compass Lexecon, Mark Israel, Michael Katz, and Bryan Keating at ¶6; John Asker, Timothy F. Bresnahan, and Kostis Hatzitaskos, *Economic Analysis of the Proposed T-Mobile/Sprint Merger*, Cornerstone Research at 1-6 (Nov. 6, 2018).

[6] Public Interest Statement, Appx. G, Declaration of David S. Evans, Market Platform Dynamics, "Economic Analysis of the Impact of the Proposed Merger of T-Mobile and Sprint on the Deployment of 5G Cellular Technologies, the 5G App Ecosystem, and Consumers, Enterprises, and the Economy," at ¶¶220-44.

[7] Ewens Decl. at ¶8.

[8] *Id.*

whichever occurs first.[9] The retained legacy rate plans may be adjusted to pass through cost increases in taxes, fees and surcharges as well as services from third party partners that are included in the rate plans, as these increased costs are not within the control of New T-Mobile. The legacy plans may also be adjusted to modify or discontinue third party partner benefits based on changes in the terms of the offering initiated by the third party partner, as this is also not within the control of New T-Mobile.[10]

As New T-Mobile CEO John Legere has said, we would be pleased to discuss the details of this commitment with the Chairman, Commissioners and Transaction Team. As noted, this representation is fully consistent with the New T-Mobile business plan and responsive to merger-specific questions that have been raised. For those reasons, the Applicants have no objection to this representation being included as a formal merger condition in the order approving the transaction.

Please direct any questions regarding the foregoing to the undersigned counsel for Deutsche Telekom and T-Mobile.

Respectfully submitted,

DLA Piper LLP (US)

/s/ Nancy Victory

Nancy Victory
Partner

cc: Chairman Ajit Pai
Commissioner Michael O'Rielly
Commissioner Brendan Carr
Commissioner Jessica Rosenworcel
Commissioner Geoffrey Starks
David Lawrence
Kathy Harris
Linda Ray
Kate Matraves

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[9] When a better post-merger plan is offered, New T-Mobile may discontinue a less appealing legacy plan.

[10] Device/handset offerings are not included in this pricing commitment.

Jim Bird
David Krech