4COMPETITION
COALITION

February 7, 2019

EX PARTE PRESENTATION

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th 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:

On February 5, 2019, members of the 4Competition Coalition ("4CC"), as listed in Attachment A, met separately with Erin McGrath, Wireless, Public Safety and International Legal Advisor to Commissioner O'Rielly; Will Adams, Legal Advisor to Commissioner Carr; Daudeline Meme, Acting Chief of Staff and Acting Wireless and International Legal Advisor to Commissioner Starks; Rachael Bender, Wireless and International Advisor to Chairman Pai; and members of the FCC Transaction Team listed on Attachment B. On February 7, 2019, members of 4CC, as listed in Attachment A, met with Umair Javed, Wireless and International Legal Advisor to Commissioner Rosenworcel.

During the meetings, 4CC reiterated its opposition to the proposed merger of T-Mobile US, Inc. ("T-Mobile") and Sprint Corporation ("Sprint") (collectively, the "Applicants") and urged the Commission to deny the transaction.

The Merger Will Harm Consumers

4CC is made up of a diverse array of 23 companies, consumer organizations, labor unions, and industry associations.[1] However, despite these differences, all members are united in their view that the Sprint/T-Mobile merger as currently proposed must be blocked. 4CC believes consumers deserve more choices, not fewer. Lower prices, not higher. Better service, not worse.

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[1] The coalition's current membership of 23 is composed of: AFL-CIO, The American Antitrust Institute, Blue Wireless, Common Cause, C Spire, CWA-Union, Demand Progress Education Fund, DISH Network, Fight for the Future, The Greenlining Institute, Indigo Wireless, Mobile Beacon, the North American Catholic Education Programming Foundation, New America's Open Technology Institute, NTCA-The Rural Broadband Association, Open Markets Institute, Pine Belt Cellular, Public Knowledge, the Rural Wireless Association, Telsasoft, United Wireless Communications, the Wireless Internet Service Providers Association, and Writers Guild of America West.

And this proposed merger is on the wrong side of this divide in all respects. The merger will result in the following harms, among others:

Higher Prices for Consumers. 4CC explained – consistent with the economic submissions of its members – that a reduction in the number of national wireless carriers from four to three would result in higher prices for wireless service across the country. Today, Sprint and T-Mobile are maverick competitors that drive down prices. For example, they have forced AT&T and Verizon to compete on price and match innovative service offerings. If the two mavericks were permitted to combine, the resulting company would be a new incumbent with the ability and incentive to cooperate and collude with these other incumbents.

Evidence from previous mergers in Europe involving Deutsche Telekom confirms the harms to consumers of going from four-to-three carriers. For example, a T-Mobile affiliate was party to a four-to-three merger in the Netherlands. A study examining the four-to-three merger of T-Mobile Nederland and Orange in that country found the merger resulted in price increases of between 10% and 17% compared to control countries.[2] In Austria, a merger of Orange Austria and H3G Austria also resulted in a four-to-three consolidation. While the European Commission imposed facilities-based entry as a condition to approving the merger, these conditions did not materialize, as the spectrum earmarked for the new entrant reverted to H3G. The result? Consumers suffered a 14% to 20% price increase from that merger.[3] The Austrian example is especially instructive for an additional reason: one of the three remaining players was T-Mobile's affiliate, T-Mobile Austria. And, a recent study authored by Rehweel Research further illustrates the harms of wireless consolidation. The study found that "the median gigabyte price in 3-MNO markets is **2x** higher than in 4-MNO markets."[4]

4CC further explained that T-Mobile's recent pledge not to raise "rate plans" for three years is an empty promise that does not provide any real price protection for consumers. In fact, T-Mobile's announcement has confirmed exactly what their own data shows: the merger will eliminate wireless competition and increase prices for consumers. The company's pledge is riddled with loopholes and ensures that any network improvements will allow them to justify higher monthly bills, effectively rendering the pledge meaningless. And, this pledge, which invites government agencies to regulate their behavior, seeks to impose precisely the kind of

[2] RTR, *Ex-post Analysis of the Merger Between H3G Austria and Orange Austria* (March 2016), *available at* https://www.rtr.at/en/inf/Analysis_merger_H3G_Orange/Ex_post_analysis_merger_H3G_Orange_RTR.pdf.

[3] BUNDESWETTBEWERBSBEHÖRDE, THE AUSTRIAN MARKET FOR MOBILE TELECOMMUNICATION SERVICES TO PRIVATE CUSTOMERS: AN EX-POST EVALUATION OF THE MERGERS H3G/ORANGE AND TA/YESSS!, SECTORAL INQUIRY BWB/AW-393, FINAL REPORT at 3 (March 2016), *available at* https://www.bwb.gv.at/fileadmin/user_upload/PDFs/BWB2016-re-Ex-post_evaluation_of_the_mobile_telecommunications_market.pdf.

[4] Rewheel Research, *The State of 4G Pricing - 2H2018* at 2 (Oct. 28, 2018), *available at* http://research.rewheel.fi/downloads/The_state_of_4G_pricing_DFMonitor_10th_release_2H2018_PUBLIC.pdf. (emphasis added).

behavioral conditions that regulators have found ineffective and unenforceable in merger reviews.

Harms to Rural Consumers. 4CC also noted that Sprint and T-Mobile's claims of improved rural coverage are contradicted by their own filings to the FCC, as well as the lack of desire of either entity to build out rural networks in the past. The truth is the deal does nothing to help out rural Americans and will likely lead to higher prices or the loss of coverage altogether.

Among other harms for rural consumers, this transaction will likely raise prices for these customers due to the increased cost of roaming that will result from the elimination of Sprint from the wireless marketplace. With this decreased competition, New T-Mobile will be in a position to deny competitive carriers an essential business input. New T-Mobile also will have little if any incentive to negotiate fair roaming agreements with regional carriers. As 4CC explained, T-Mobile's conduct, both before and after this transaction was announced, belies the claim that New T-Mobile will offer competitive carriers long-term roaming access and MVNO arrangements on favorable, industry-leading terms. A broad cross-section of competitive carriers have indicated that Sprint has been the market leader in terms of working cooperatively with competitive carriers to fashion sustainable wholesale arrangements. In contrast, T-Mobile has been largely uncooperative and non-responsive, and its intransigence has increased of late. For example, despite having announced a willingness to meet individually with competitive carriers since the announcement of the transaction to discuss inter-carrier arrangements, T-Mobile has refused to meet with C Spire and other carriers who share the common trait of having commented on the transaction. By its conduct, T-Mobile is signaling its intention to use its control of a "must-have" network to deny competitive carriers wholesale access on reasonable terms.

In addition, 4CC expressed concerns about the more than 1600 leases Sprint currently has with EBS licensees. Among other reasons, T-Mobile has not made any public statements that it would honor the EBS leases, or any public statements *at all* concerning the leases, meaning the transaction has the very real potential to harm the hundreds of thousands of students, low-income families, and rural Americans who rely on this service. Instead, T-Mobile is advocating that the Commission eliminate any requirement to continue to provide educational benefits to EBS licensees.[5] This lack of recognition by T-Mobile of a significant service through existing EBS leases is troubling as the EBS customers served under these agreements often do not otherwise have broadband access.[6]

Harms to Low-Income, Minority and Senior Consumers. In addition, 4CC explained – consistent with the evidence in the FCC's record – that the price impact of the transaction would

[5] Comments of T-Mobile USA, Inc., WT Docket No. 18-120, at p. 2 (filed Aug. 8, 2018) (arguing that "the FCC should eliminate the requirements to utilize a percentage of EBS spectrum for educational purposes, and any related EBS programming requirements.").

[6] *See* Samantha Shartman-Cycyk & Katherine Messier, BRIDGING THE GAP: WHAT AFFORDABLE, UNCAPPED INTERNET MEANS FOR DIGITAL INCLUSION 4 (2017), https://www.mobilebeacon.org/research/; *see also* Comments of NACEPF/Mobile Beacon, WT Docket No. 18-120, p. 25 (filed Aug. 8, 2018).

be felt acutely by prepaid wireless users, since the combined company would control more than 50 percent of that market. Furthermore, 4CC explained that the Applicants' Cornerstone Report's justification that low-income customers are willing to stomach price increases because they may be more likely to "heavily rely on their smartphone for their communications and media consumption"[7] is as tone-deaf as it is wrong.

This merger also would drastically reduce the quality and affordability of Lifeline services, which are dependent on a healthy wholesale market. Sprint is not only a key provider of that wholesale capacity, but also the only remaining national, facilities-based wireless carrier that offers a "free" wireless Lifeline plan. T-Mobile, on the other hand, has abandoned its Lifeline wireless offerings.

Furthermore, the potential loss of access to the Sprint CDMA network without a definite and sufficient transitional period will harm wireless consumers who have CDMA-only handsets for voice services – many of which are low-income and/or senior citizens. Prior to the transaction, C Spire and other carriers have been in the process of migrating customers with CDMA-only handsets to more advanced technologies over a glide path that coincided with Sprint's plans and timetable concerning the evolution of its nationwide CDMA network. But, as a direct result of the transaction, New T-Mobile is planning to dismantle the legacy Sprint CDMA network on an accelerated timetable. The Applicants have told the Commission that the decommissioning of CDMA sites is "expected" to commence in January 2021, which would put CDMA roaming partners of Sprint in an untenable position. The claim by the Applicants that New T-Mobile will honor Sprint roaming agreements is of little or no value if Sprint dismantles the technically compatible network on which customers need to roam.

<u>Foreclosing New Competition</u>. 4CC also explained that this merger, if approved, would result in New T-Mobile blocking potential new competitors from entering the wireless market – both emerging services as well as traditional services. Full infrastructure MVNOs – those that only use the "last mile" of the carrier's network and manage the rest of the wireless service through their own networks – are emerging as potential new entrants. These companies are best positioned to bring wireless competition because they rely mostly on their own technology to provide service and can innovate on products and pricing. Allowing Sprint and T-Mobile to merge significantly undercuts this dynamic because Sprint has historically been the main partner for MVNOs – meaning most of these upstart firms would lose a nationwide provider that was willing to work with them. Even worse, T-Mobile has shown open hostility towards these full-infrastructure MVNOs and has repeatedly chosen not to commit to support such MVNOs.

<u>Job Losses</u>. Allowing these two companies to combine is a bad deal for workers.[8] While Sprint and T-Mobile have promised billions in "cost synergies," this is corporate-speak for job

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[7] *See* Response to DISH and CWA Comments, John Asker, Timothy F. Bresnahan, and Kostis Hatzitaskos, Attachment A to Letter from Nancy Victory, T-Mobile Counsel to Marlene Dortch, FCC, WT Docket No. 18-197, ¶ 59 (Dec. 18, 2018).

[8] During the meetings, CWA also described a recent report that demonstrates that the impact to the labor market is relevant to the FCC's merger analysis. *See* ADIL ABDELA & MARSHALL

cuts. Indeed, the only way to save that amount of money is by destroying jobs. Even T-Mobile CEO John Legere conceded that there'll be a "rationalization of jobs in the first year."[9] The deal threatens to eliminate as many as 30,000 jobs across the country, according to an analysis conducted by 4CC member Communications Workers of America.[10] Domestic positions that would purportedly be created through New T-Mobile's new customer experience centers, "up to 5,600 jobs" by 2021, would not come close to offsetting the 30,000 jobs that would be lost due to the merger.[11]

The Merger is Not Necessary for 5G

While the Applicants claim that this merger is necessary for 5G deployment, their own words prove them wrong. As 4CC explained, before the Applicants announced the merger, both companies aggressively touted their ability and plans to independently launch 5G networks. For example, T-Mobile said in 2017 that the company would "leapfrog" Verizon and AT&T and be the first to "real, mobile, nationwide 5G" by 2020.[12] And, Sprint said in February 2018 that the carrier would launch a nationwide 5G network in 2019.[13] This deal also will not provide additional 5G investment; according to their statements to Wall Street, the two companies were already planning to spend on deploying 5G roughly the same amount that they told the FCC they would spend if they were allowed to combine. In addition, the Applicants' arguments that the United States needs this deal to maintain its leadership in 5G is also a myth. AT&T and Verizon are both building out and launching their own 5G networks in various markets.[14] And, not only

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STEINBAUM, ECONOMIC POLICY INSTITUTE & ROOSEVELT INSTITUTE, LABOR MARKET IMPACT OF THE PROPOSED SPRINT/T-MOBILE MERGER 8 (Dec. 17, 2018) *available at* http://rooseveltinstitute.org/wp-content/uploads/2018/12/The-Labor-Market-Impact-of-the-Proposed-Sprint-TMobile-Merger-2018-EPI-RI-Report.pdf.

[9] Mike Dano, *Editor's Corner – 4 Takeaways from the Sprint/T-Mobile Merger Hearing*, FIERCE WIRELESS, June 27, 2018, https://www.fiercewireless.com/wireless/editor-s-corner-4-takeaways-from-sprint-t-mobile-senate-merger-hearing.

[10] T-Mobile & Sprint Facts, https://www.tmobilesprintfacts.org/news/cwa-t-mobile-customer-center-announcement-does-not-come-close-offsetting (last visited Feb. 6, 2019).

[11] *See* Reply Comments of Communications Workers of America, WT Docket No, 18-197 (filed Oct. 31, 2018); *see also* T-Mobile & Sprint Facts, https://www.tmobilesprintfacts.org/t-mobilesprint-merger-state-facts (last visited Feb. 6, 2019) (providing a state-specific breakdown of store closures and job losses).

[12] John Legere, *The Revolution Continues*, T-MOBILE NEWSROOM, Dec. 27, 2017, https://www.t-mobile.com/news/legere-2018-predictions.

[13] Mike Dano, *Sprint Promises to Launch Nationwide Mobile 5G Network in First Half of 2019*, FIERCE WIRELESS, Feb. 2, 2018, https://www.fiercewireless.com/5g/sprint-promises-to-launch-nationwide-mobile-5g-network-first-half-2019-and-to-raise-unlimited.

[14] *See*, *e.g.*, Chris Welch, *Verizon's First 5G Hotspot Will Launch in 2019*, THE VERGE, Dec. 4, 2018, https://www.theverge.com/2018/12/4/18125605/verizon-5g-hotspot-inseego-release-date-features, *see also First in the U.S. to Mobile 5G – What's Next? Defining AT&T's Network Path*

are the nationwide carriers looking to 5G, but numerous smaller carriers are moving towards 5G as well. For instance, 4CC member C Spire explained in the meetings that it is evolving to 5G, has conducted numerous 5G tests,[15] and also has tested certain 5G services in unlicensed bands. As C Spire's experience demonstrates, a company does not need scale to move to 5G, rather it needs to make smart investments and develop reasoned business plans. In short, if a company does not choose to invest, it will fall behind competitively.

Sprint is Performing Admirably and Continues to Invest in 5G

In addition, 4CC explained that assertions by the Applicants that Sprint is a "failing firm" (or close to it), or that the Applicants can only launch 5G networks if allowed to merge, should be met with heavy skepticism.[16] Sprint's latest financial figures illustrate the company's solid performance and ample ability to compete. For example, Sprint added more than 300,000 post-paid customers in the third quarter of 2018, highlighting that many Americans continue to desire the ability to choose Sprint's service over a competitor like T-Mobile – a choice that would be lost if the merger were approved.[17] The company also invested $1.4 billion in its network in the last quarter and says it remains "on track for mobile 5G launch in the coming months."[18] In addition, Sprint's CEO recently described Sprint's standalone transition of the 2.5 GHz band (described as prohibitively cumbersome by the Applicants) as something that can be accomplished at the "flick of the switch,"[19] explaining:

> We've just started to deploy Massive MIMO. Very, very pleased with the progress so far. Where we've deployed that technology, we are seeing quadruple the speeds compared to the previous technology as well as providing a little bit of coverage, benefit and some improvement in cell edge performance as well. So really pleased with the Massive MIMO. Focusing obviously on then deploying the 2.5 GHz across all of the network. Again, making solid progress there. The

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in 2019 and Beyond, AT&T, Jan. 9, 2019, https://about.att.com/story/2019/2019_and_beyond.html.

[15] *See C Spire tests leading edge 5G technology for first time in Mississippi today*, CISION PRNEWSWIRE, Feb. 20, 2018, https://www.prnewswire.com/news-releases/c-spire-tests-leading-edge-5g-technology-for-first-time-in-mississippi-today-300601222.html.

[16] Indeed, under the Department of Justice ("DOJ") Horizontal Merger guidelines, a company only qualifies for consideration as a failing firm if, among other things, it is unable to meet its obligations as they come due, and would not be able to reorganize successfully in bankruptcy. U.S. Dep't of Justice & Fed. Trade Comm'n, Horizontal Merger Guidelines § 11 (2010), *available at* http://www.justice.gov/atr/public/guidelines/hmg-2010.html.

[17] Sprint, *Sprint Reports Continued Year-Over-Year Growth in Wireless Service Revenue with Fiscal Year 2018 Third Quarter Results*, Jan. 31, 2019, https://newsroom.sprint.com/sprint-reports-continued-year-over-year-growth-in-wireless-service-revenue-with-fiscal-year-2018-third-quarter-results.htm.

[18] *Id.*

[19] Transcript, Sprint Presentation at Deutsche Bank Leveraged Finance Conference, Fair Disclosure Wire (Oct. 2, 2018).

> intention being, which we are currently on track for, that by the end of this year, the vast majority of our macro sites will be tribanded. 2.5 GHz is great spectrum for us. We can deploy it and still allow it to carry both LTE and 5G traffic. The technology itself is software-upgradable. ***So as the 5G standards become definitized, it is literally flick the switch to convert to 5G rather than having to reclaim the tower one more time et cetera, et cetera***. So again, really pleased with the 2.5 rollout. Fundamentally -- more fundamentally, we see we can gain competitive advantage by being the first operator to offer a truly mobile 5G network, and we are still on track to be able to do a commercial launch of that by middle of next year.[20]

Sprint further confirmed that the company was on track for a 5G rollout in the first half of 2019: On October 31, 2018, Sprint explained that early results are "very encouraging" and feature "7x improvement in capacity, at least 4x improvement in speed."[21] Once in place, these massive MIMO sites will require a "software and line-cut upgrade only" and will allow the company to "enable both LTE and 5G simultaneously on the same sites."[22]

These statements may offer striking contradictions of the Applicants' claims, but they are far from the only ones. Attachment C to this filing provides a comparison of what Sprint has said to the Commission and other statements it has made to investors.[23]

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[20] *Id.*

[21] Transcript, Sprint Corp., Q2 2018 Earnings Call, S&P Global (Oct. 31, 2018).

[22] *Id.*

[23] *See* Attachment C.

For these reasons, among others, 4CC urged the FCC to reject the merger as proposed.

This *ex parte* notification is being filed electronically with your office pursuant to Section 1.1206 of the Commission's rules, 47 C.F.R. §1.1206. Please do not hesitate to contact us with any questions or concerns.

/s/
4Competition Coalition

Attachments
cc (via email): Erin McGrath
Will Adams
FCC Transaction Team (as listed on Attachment B)
Daudeline Meme
Rachael Bender
Linda Ray
David Krech

4COMPETITION COALITION

Attachment A
4Competition Coalition Meeting Attendees

The following individuals attended all FCC meetings on February 5, 2019 on behalf of the 4Competition Coalition unless otherwise noted:

Hooman Hedayati, Strategic Research Associate for Telecommunications Policy, *Communications Workers of America (CWA)*
David Goodfriend, Consultant, *CWA*
Alan Hill, Consultant, *North American Catholic Educational Programming Foundation (NACEPF)/Mobile Beacon*
Katherine Messier, Executive Director, *NACEPF/Mobile Beacon*
Stephen Bye, President, *Cellular South Inc. d/b/a C Spire*
Eric Graham, SVP, Strategic Relations, *C Spire*
Ben Moncrief, VP, Government Relations, *C Spire*
Jessica Gyllstrom, Counsel to C Spire, *Telecommunications Law Professionals PLLC*
Jeff Blum, SVP, Public Policy and Government Affairs, *DISH Network Corporation (DISH)*
Hadass Kogan, Corporate Counsel, *DISH*
Brian Gelfand, VP, *Buffalo-Lake Erie Wireless Systems Co. LLC d/b/a Blue Wireless*[1]
Becky Chao, Policy Analyst, *New America's Open Technology Institute (OTI)*
Michael Calabrese, Director, Wireless Future Program & Senior Research Fellow, *New America's Open Technology Institute (OTI)*[2]
Phillip Berenbroick, Senior Policy Counsel, *Public Knowledge*[3]
Lindsay Stern, Policy Fellow, *Public Knowledge*
George Slover, Senior Policy Counsel, *Consumers Union*

The following individuals attended the February 7, 2019 meeting with Umair Javed on behalf of the 4Competition Coalition:

Hooman Hedayati, Strategic Research Associate for Telecommunications Policy, *CWA*
Jeff Blum, SVP, Public Policy and Government Affairs, *DISH*
Hadass Kogan, Corporate Counsel, *DISH*
George Slover, Senior Policy Counsel, *Consumers Union*
Alan Hill, Consultant, *NACEPF/Mobile Beacon*
Carl Northrop, Counsel to C Spire, *Telecommunications Law Professionals PLLC*

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[1] Mr. Gelfand did not attend the meeting with Rachael Bender.

[2] Mr. Calabrese did not attend the meetings with Erin McGrath, Will Adams, and the Transaction Team.

[3] Mr. Berenbroick did not attend the meetings with Erin McGrath and Will Adams.

Attachment B
Transaction Team Meeting Attendees

David Lawrence, Task Force
Charles Mathias, Task Force/WTB
Kathy Harris, WTB
Chris Smeenk, WTB, CIPD
Monica Delong, WTB, CIPD
Stacy Ferraro, WTB/CIPD
Ziad Sleem, WTB/CIPD
Pramesh Jobanputra, OEA/WTB
Max Staloff, OGC
Jim Bird, OGC
Joel Rabinovitz, OGC
Saurbh Chhabra, WTB (via teleconference)
Kate Matraves, OEA (via teleconference)

4COMPETITION COALITION

Attachment C
Sprint Inconsistencies

Below is a comparison of what Sprint has said to the Commission and other statements it has made to investors:

What Sprint Says to the Commission	What Sprint Says to Investors
"Despite achieving substantial cost reductions and stabilizing its financial position, Sprint has not been able to turn the corner with respect to its core business challenges[.] Sprint tried a more localized approach in an attempt to drive growth, but continues to face declining subscribers and revenue[.]"[4]	"By balancing growth and profitability, we were able to grow wireless service revenue sequentially, continue to add retail phone customers, generate net income for the third consecutive quarter, and improve the network."[5]
"FY 2017 is first profitable year in 11 years[.]"[6]	"Sprint reported its third consecutive quarter of net income, its 10th consecutive quarter of operating income, and its highest adjusted EBITDA in more than 11 years, all excluding the positive impact of the new revenue recognition standard. The new revenue recognition standard had a positive impact of $152 million on reported net income and $192 million on reported operating income and adjusted EBITDA in the quarter."[7]
"Network Shortcomings Limit Our Ability to Attract and Retain Subscribers . . . Coverage and consistency challenges impact both network performance and customer perception[.] Sprint's network perception lags far behind the other carriers, making it very difficult to sell our network[.] Poor network experience is a leading cause of Sprint's subscriber churn[.]"[8]	"Network Built for Unlimited Keeps Getting Better[.] With more than 200 MHz of sub-6 GHz spectrum, Sprint has the Network Built for Unlimited and made continued progress on executing its Next-Gen Network plan in the quarter. . . . These deployments are contributing to Sprint providing customers with a better network experience. In fact, Sprint is the most

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[4] Letter from Regina M. Keeney, Counsel for Sprint Corp., to Marlene Dortch, Secretary, FCC, WT Docket No. 18-197, Attachment C at 2 (Sept. 25, 2018) ("Dow Draper Ex Parte Presentation").

[5] Sprint Aug. 1, 2018 Press Release, *available at* https://investors.sprint.com/news-and-events/press-releases/press-release-details/2018/Sprint-Reports-Inflection-In-Wireless-Service-Revenue-With-Fiscal-Year-2018-First-Quarter-Results/default.aspx. ("Sprint Aug. 1, 2018 Press Release")

[6] Dow Draper Ex Parte Presentation at 3.

[7] Sprint Aug. 1, 2018 Press Release at 1.

[8] Dow Draper Ex Parte Presentation at 6.

4COMPETITION COALITION

What Sprint Says to the Commission	What Sprint Says to Investors
	improved network according to Ookla as shown in Speedtest Intelligence data, and PCMag's 2018 Fastest Mobile Networks. In both, the company's year-over-year increase in national average download speeds outpaced the competitors, including an 87 percent lift reported in PCMag's annual tests."[9]
"Sprint Struggles to Retain Its Base and Attract New Subscribers[.] As a result of our network performance limitations and perception, Sprint has consistently had the highest churn in the industry and failed to retain its subscriber base . . . ."[10]	"Sprint Adds Nearly 1 Million Retail Phone Customers in Fiscal Year 2017[.] Sprint's focus on both its postpaid and prepaid businesses resulted in nearly 1 million retail phone net additions in fiscal year 2017, an improvement of more than 1 million compared to the prior year."[11]
"Sprint Is Also Challenged in the Prepaid Segment."[12]	"Prepaid net additions of 363,000 compared to net losses of 1 million in the prior year, an improvement of nearly 1.4 million driven by a resurgence in the Boost brand. Prepaid churn of 4.58 percent, the lowest in three years, improved by 80 basis points year-over-year. For the fourth quarter, prepaid net additions were 170,000, including the highest share of gross additions in two years and year-over-year improvement in churn for the seventh consecutive quarter."[13]
"Sprint is Unable to Consistently Make Necessary Network Investments[.] Sprint has not been able to invest sufficient capital to achieve network performance necessary to attract and retain enough subscribers to improve its scale."[14]	"Sprint's deployment of Massive MIMO radios, a key technology for 5G, is underway and the company continues to expect to launch the first mobile 5G network in the U.S. in the first half of 2019."[15]

[9] Sprint Aug. 1, 2018 Press Release at 2-3.

[10] Dow Draper Ex Parte Presentation at 7.

[11] Sprint May 2, 2018 Press Release, *available at* https://investors.sprint.com/news-and-events/press-releases/press-release-details/2018/Sprint-Delivers-Best-Financial-Results-In-Company-History-With-Highest-Ever-Net-Income-And-Operating-Income-In-Fiscal-Year-2017/default.aspx (Sprint May 2, 2018 Press Release).

[12] Dow Draper Ex Parte Presentation at 9.

[13] Sprint May 2, 2018 Press Release at 2.

[14] Dow Draper Ex Parte Presentation at 12.

[15] Sprint Aug. 1, 2018 Press Release at 3.