



January 2, 2019

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

DOCKET FILE COPY ORIGINAL

RE: Comments in Opposition to the Merger of Applicants T-Mobile US, Inc. and Sprint Corporation, WT Docket No. 18-197

Dear Ms. Dortch,

The Minnesota AFL-CIO strongly opposes the proposed merger of T-Mobile and Sprint as currently structured. The merger of these two competitors in the mobile telephone/broadband services and prepaid wireless retail services markets should be rejected.

The proposed merger between T-Mobile and Sprint raises serious concerns about further market concentration in which T-Mobile, Sprint, Verizon, and AT&T account for 98 percent of the mobile service revenues in the United States. After this proposed merger a new T-Mobile would hold more than one-third of available spectrum in counties comprising 92 percent of the U.S. population. Even more alarming, this proposed merger would be harmful to U.S. workers and consumers.

The proposed merger is bad for workers. The applicants have failed to meet the burden of demonstrating that the proposed merger would create new jobs. Rather, this merger would lead to substantial job loss.

Both T-Mobile and Sprint have public commitments to build out 5G wireless networks. The companies' claims of job creation, via the merger, ring hollow. Perhaps, more jobs would be created if both companies follow through on their plans to create independent national 5G networks. But if the merger is completed they would be building one 5G network – not two. So where are the job gains? They do not exist, and in fact job losses would be the result, but this is not the only place jobs would be lost.

The elimination of overlapping retail locations would result in massive job loss. John Legere, T-Mobile CEO, has already confirmed this fact. Much of the savings the two firms would realize from the merger is due to the closure of retail locations. The layoffs would be 15,000–24,000 retail workers with another 4,500–5,000 jobs lost from the elimination of corporate headquarters jobs.

Job loss is bad enough but this merger would also lead to downward pressure on wages, benefits, and working conditions for remaining workers. To compound matters, T-Mobile and Sprint have had a long history of violating federal labor and employment laws. So this application should be rejected for its adverse effect on workers. Consumers can expect no better treatment.

The proposed merger is bad for consumers. Despite the applicants saying a merger would be good for consumers, they offer no evidence. Fewer wireless competitors will mean the merged company will have more market power. Consumers will be harmed in the form of higher prices, reduced choice and ultimately lower quality service.

Direct competition between T-Mobile and Sprint currently has had a very, positive noticeable effect on consumers. Unlimited data plans for wireless customers is a direct result of competition between T-Mobile and Sprint. They are each other's closest competitors in prepaid and postpaid wireless service.

The applicants also cite the benefits to rural consumers. These claims do not hold water. Little or no benefit is verifiable. The Rural Wireless Association has filed a petition in opposition to the merger. In their filing they demonstrate that T-Mobile's current rural market practices and the likely price increases and loss of choice for rural consumers that will result from the merger. The applicants have shown no verifiable benefit to consumers. To protect consumers, the Commission must deny the merger as currently structured.

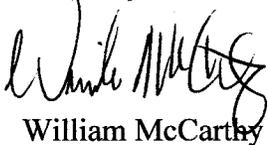
This merger is certainly not in the United States' public interest as it may also compromise national security. The applicant's majority-owners have histories of using telecommunication equipment manufactured by Chinese firms that may contain security risks. But don't take our word for it.

The House Select Committee on Intelligence has warned about national security threats with the use of equipment made by Chinese firms. Additionally, the FCC's own review has found concerns with Sprint and the Huawei Chinese Telecommunications company equipment. Finally, the United States Committee on Foreign Investment is reviewing the proposed merger for national security concerns.

In summary, the proposed merger between T-Mobile and Sprint will be bad for workers and consumers and may compromise national security. The proposed merger is not in the public interest and should be rejected by the Commission.

We appreciate the Commission's time and consideration of our comments. Should you have any questions please contact us. Thank you.

Sincerely,



William McCarthy
President



Brad Lehto
Secretary-Treasurer

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