

**Communications
Workers of America**
AFL-CIO, CLC

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May 7, 2019

BY ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, D.C. 20554

RE: Notice of Ex Parte Meeting, Consolidated 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 May 3, Debbie Goldman of the Communications Workers of America (CWA), Allen Grunes, CWA outside counsel, and Dr. Andrew Afflerbach, CEO & Chief Technology Officer at CTC Technology & Energy held a meeting with Commissioner Geoffrey Starks and William Davenport to discuss the T-Mobile/Sprint transaction. The attached PowerPoint presentation formed the basis for the discussion.

Ms. Goldman presented maps of T-Mobile and Sprint retail stores and Metro and Boost retail stores showing that the companies' retail stores are often located within blocks and even across the street from each other. The combination of Sprint and T-Mobile's retail operations will create retail networks that vastly exceed those of competitors. After the merger, CWA expects that T-Mobile will close duplicative stores, resulting in significant job loss for employees at the shuttered stores. CWA's comprehensive analysis finds that the proposed merger would result in the loss of 30,000 jobs nationwide. Approximately 25,500 jobs would be eliminated as a result of overlapping retail store closures at postpaid and prepaid locations. Another 4,500 jobs would be eliminated due to duplicative functions at corporate headquarters in Overland Park, KS and Bellevue, WA.¹

Ms. Goldman further explained that T-Mobile and Sprint sell wireless products and services at both corporate-owned stores and stores operated by independent authorized dealers. T-Mobile identifies employees working at corporate-owned stores as "internal" employees and employees working for authorized dealers as "external" employees. CWA estimates there are 120,000 people selling T-Mobile and Sprint wireless services and products; about 75 percent of

¹ See CWA Reply Comments, WTB Docket No. 18-197, Oct. 31, 2018 at 2-13.

them – or 88,000 workers – work at stores operated by authorized dealers.² In her discussion of duplicative stores, Ms. Goldman shared the attached maps of T-Mobile, Sprint, Metro, and Boost retail outlet locations in Kansas City and Wichita.

Dr. Andrew Afflerbach of CTC Technology and Energy noted that the proposed merger would have marginal impact in rural areas. This is because T-Mobile already holds low-band spectrum best suited for long distances in rural America, but not at high speeds. At the same time, Sprint contributes very little rural infrastructure, and its mid-band spectrum is poorly suited for rural areas because it has shorter range and is easily obstructed by foliage and terrain. Dr. Afflerbach pointed to the Applicants' Public Interest Statement which shows that post-merger, the New T-Mobile's mid-band coverage would not reach 84.6 million Americans by 2021 and would leave 45.9 million rural Americans unserved in 2024.³

Ms. Goldman also emphasized that Sprint is not a failing firm. She cited the testimony of Brandon Dow Draper, Sprint Chief Commercial Officer, before the California Public Utilities Commission Hearing on February 6, 2019. In response to questioning, Mr. Draper stated: “[T]here’s nothing in my rebuttal testimony, again, that says Sprint is going out of business, that Sprint is not going to build a 5G network, that Sprint is not going to be a competitor in the future.”⁴ Mr. Draper further stated that “[W]e are a stable company. Sprint is not going bankrupt. We are not a failing firm.”⁵ And in response to the question: “Just for the record: it’s your opinion that Sprint will survive on a standalone basis?” Mr. Draper replied: “Absolutely.”⁶

Sincerely,



Debbie Goldman
Communications Workers of America

Attachments:

CWA PowerPoint Presentation on Proposed Sprint/T-Mobile Merger, May 3, 2019
Distribution of Sprint and T-Mobile's postpaid and Metro and Boost's prepaid stores in Kansas City and Wichita KS
Confidential: T-Mobile Model of Coverage in Kansas and Pennsylvania in 2024

² Company websites (accessed in 2018 for number of pre-paid and post-paid stores); Analyst reports, company websites, news reports, and T-Mobile/Sprint Public Interest Statement (for number of employees per store). *See* slide 11 in the attached presentation.

³ Description of Transaction, Public Interest Statement, and Related Demonstrations, WT Docket No. 18-197, June 18, 2018 at 46-47, table 9 and figure 10.

⁴ California Public Utilities Commission, Joint Application of Sprint Communications Company L.P. (U-5112) and T-Mobile USA, Inc., a Delaware Corporation, for Approval of Transfer of Control of Sprint Communications Company L.P. Pursuant to California Public Utilities Code Section 854(c), Application 18-07-011, Application 18-06-012, Evidentiary Hearing Transcript (Public Version) at 673.

⁵ *Id.* at 635.

⁶ *Id.* at 686.

cc: Commissioner Geoffrey Starks

William Davenport

Kathy Harris

Jim Bird

Linda Ray,

David Krech

Catherine Matraves