

Brandon Burgess
Chairman and Chief Executive Officer

May 10, 2019



Via ECFS

Chairman Ajit Pai
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Applications of T-Mobile US, Inc. and Sprint Corporation, WT Docket No. 18-197

Dear Chairman Pai:

On behalf of ION Media (“ION”), I want to express my support for the merger of T-Mobile and Sprint. The deployment of 5G networks promises to create a new alternative for video distribution for consumers all over the United States. The New T-Mobile’s network, which is expected to deliver coverage, speeds, and capacity far superior to what either T-Mobile or Sprint could offer on their own, will enhance ION’s ability to provide the highest quality entertainment to consumers, at home and on the go. Thanks to its nationwide footprint, the New T-Mobile’s network will provide additional viewing options for ION’s audience, particularly in rural areas with limited choices for receiving high-quality video content.

With stations in 24 of the top 25 markets and 70 stations nationwide, ION is a leading independent broadcast station owner and an industry leader when it comes to digital media, providing high quality video to all Americans, in particular those who rely on over-the-air television. ION’s flagship brand, ION Television, is a top-five ranked U.S. general entertainment network. ION also owns and operates two digital networks: Qubo, which features premium children’s programming available for free in both Spanish and English, and ION Life, which features hit dramas and original series. Qubo and ION Life, which launched in 2007, were the first multicast networks offered by a broadcast media company.

Today, ION successfully distributes its programming on traditional video platforms, over the air, and on new broadband-only platforms. But convergence between the video and broadband markets—and within the fixed and mobile broadband segments—is changing the customer experience. Americans want their mobile devices to provide connectivity comparable to what they have at home, and they are transitioning to over-the-top digital platforms that allow them access to content 24/7, wherever they go. As more consumers have begun to subscribe to new video distribution platforms, advertisers have followed. According to a recent PwC report, in 2017, online advertising spending surpassed the combined total of TV, broadcast and cable advertising for the first time.¹ An impressive 57 percent of that was driven by advertising delivered on mobile devices,

¹ See PWC, *IAB Internet Advertising Revenue Report* (May 2018), https://www.iab.com/wp-content/uploads/2018/05/IAB-2017-Full-Year-Internet-Advertising-Revenue-Report.REV_.pdf.

which accounted for nearly \$50 billion in digital revenue.² ION believes that new fixed and mobile platforms represent an important opportunity to reach additional viewers, and to better serve advertisers.

This change in consumer preferences and advertising spending has only been possible because improvements in mobile networks' capabilities have allowed more people to consume more of their favorite entertainment on their mobile devices. But wireless operators' bandwidth constraints, spotty coverage, and lower speeds still limit content providers' ability to provide the best viewing experience to consumers. The deployment of robust nationwide 5G networks, like the New T-Mobile's network, will eliminate these technical constraints and create a strong, competitive alternative platform for content distribution.

By 2021, the New T-Mobile's 5G network is expected to deliver broadband service with speeds in excess of 100 Mbps to nearly two-thirds of the U.S. population. These speeds, which will support HD and 4K video streaming to the device of the customer's choosing, will cover 90 percent of the population by 2024, and provide ION with an additional high-quality distribution platform for streaming video programming to consumers nationwide.

In addition, the New T-Mobile's extensive rural footprint will expand ION's potential viewer market. Rural viewers often have fewer choices, either because they live outside of the broadcast contour, or have limited access to wired and wireless networks capable of carrying high quality video. But with outdoor wireless coverage for nearly 96 percent of America's 62 million rural residents, and indoor wireless coverage reaching 31 million rural residents, the New T-Mobile's 5G network will allow ION's video content to reach consumers even in the most rural and remote areas of the United States.

We are confident that the public interest gains of a T-Mobile-Sprint merger are not limited to ION and its viewers. The competitive benefits of New T-Mobile's accelerated 5G deployment promise tremendous opportunities across the media and technology sector,

² See id. at 2.

and should provide consumers with cost savings and service quality improvements as well as access to richer, more engaging content and services. With so much investment and innovation on the horizon, ION urges the Commission to approve the T-Mobile and Sprint merger without delay.

Respectfully submitted,

A handwritten signature in black ink that reads "Burgess." The signature is written in a cursive, flowing style.

Brandon Burgess
Chairman & CEO
ION Media Networks