

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)
Applications of T-Mobile US, Inc. and Sprint) WT Docket No. 18-197
Corporation for Consent to Transfer Control of)
Licenses and Authorizations)

COMMENTS OF PREPAID WIRELESS GROUP

Prepaid Wireless Group (“PWG”) supports the proposed merger of T-Mobile and Sprint. PWG’s support is based on our assessment that the merger will create a New T-Mobile that will be able to more quickly create a robust and competitive 5G network that PWG’s Mobile Virtual Network Operators (“MVNO”) partners can leverage to keep wireless markets competitive throughout the country, particularly in underserved areas like rural America.

PWG offers customers reliable, affordable, and next-generation wireless service options. PWG connects MVNOs to the extra capacity of the nationwide wireless networks run by facilities-based carriers, including AT&T, Verizon, T-Mobile, and Sprint. Through partnerships like these, nationwide facilities-based carriers compete to sell their excess capacity to MVNOs, which then offer affordable prepaid and other innovative wireless services and compete head-to-head for customers. PWG’s business model helps unleash the full power of our nation’s wireless networks, which might otherwise go unused as facilities-based carriers hold out for higher priced contract customers.

As the next-generation of mobile broadband, 5G is expected to unleash new and unknown technologies and applications that today are not possible to deliver over existing networks. 5G will deliver faster speeds and lower latency, which will enable new applications in

areas including mobile telehealth and interconnected infrastructures for smart cities. A study commissioned by CTIA estimates that 5G will ultimately connect 100 times more devices at 100x faster speeds than carriers can offer today.¹

The New T-Mobile will enable PWG to keep the wireless market competitive into the 5G era. PWG's customers need to have access to the latest devices on the latest networks, and as 5G wireless handsets and use cases come online, PWG will need to be able to provide our customers with access to the strongest array of 5G networks. The market will not remain competitive if Verizon and AT&T are the only operators of meaningful 5G networks, which is why PWG supports T-Mobile and Sprint's decision to join forces to form an entity with the scale and spectrum needed to build a more powerful 5G network faster than otherwise possible.

Although PWG currently has relationships with all the major wireless network operators, T-Mobile and Sprint have stood out in their support of our mission and MVNOs. T-Mobile has allowed PWG to activate over 4 million connections through approximately 50 MVNO and prepaid distributors. T-Mobile's "Un-carrier" attitude flows through to every aspect of its business and has allowed the company, through partners like PWG, to support all types of customers, regardless of income level. PWG is constantly impressed with T-Mobile's level of support and commitment to the wholesale market for wireless network capacity and services.

With the combined scale of T-Mobile and Sprint, the New T-Mobile will be able to launch and support a robust 5G network faster than the big two carriers are doing it today. This will likely force the big two network operators to build their own networks better and faster. More rapid 5G deployment will benefit consumers greatly, as many consumers are set to buy 5G phones that are now coming into the marketplace without a 5G network to connect them to. This

¹ See Accenture, *Smart Cities: How 5G Can Help Municipalities Become Vibrant Smart Cities* 1 (2017), <https://bit.ly/2pMuM4y>.

accelerated deployment will ensure that Americans have quicker access to the realm of 5G innovations which are sure to follow.

With access to three world-leading 5G networks, PWG and its MVNO partners will be well positioned to keep the market for wireless services competitive throughout the country. PWG's business model – which prevents network capacity from going unused – will carry over into the 5G era with wholesale partnerships fueling competition. Competition will put downward pressure on prices – especially for lower income consumers who are more reliant on prepaid wireless voice and broadband services. Ensuring access to three world-leading 5G networks is particularly important in rural America, where MVNOs have found that Verizon and AT&T are often the only choices for a strong 4G network. The New T-Mobile's planned investment of nearly \$40 billion, in the next three years alone, is expected to allow it to create a strong third wireless competitor in rural America. PWG believes that this investment from the New T-Mobile will promote MVNO competition in the near term with improved 4G coverage and lead to a competitive 5G market going forward across the entire nation, including in rural areas.

T-Mobile and Sprint understand that for the wireless market to be competitive, customers need a lower priced option that does not feel like a compromise. The New T-Mobile will have the scale necessary to stay ahead of consumer demand, which will enable PWG and its MVNO partners to deliver competitive, 5G-enabled prepaid products to consumers that would not be possible with only two robust nationwide 5G networks. With its commitment to the wholesale market for wireless network capacity and services, the New T-Mobile will help PWG unleash the full power of our nation's wireless networks, and keep the wireless market competitive into the era of advanced 5G technology.

For the foregoing reasons, PWG respectfully submits that the Commission should expeditiously approve the proposed merger of T-Mobile and Sprint.

Respectfully submitted,

PREPAID WIRELESS GROUP

/s/ Paul Greene

Paul Greene

CEO of Prepaid Wireless Group

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