

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

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

**COMMENTS OF THE LATINO COALITION**

The Latino Coalition (“TLC”) supports the T-Mobile US, Inc. (“T-Mobile”) and Sprint Corporation (“Sprint”) merger.<sup>1</sup> As we have always done, Latinos are contributing in extraordinary ways to America’s communities and to the very fabric of our great nation. But there is still work to be done so that the Hispanic community may fulfill its considerable economic and social potential. As the fastest-growing segment of the small business population—Latinos are starting companies 50 times faster than any other demographic group<sup>2</sup> and becoming a bigger part of the total U.S. consumer market every day<sup>3</sup>—Hispanic entrepreneurs need access to affordable, high-speed, reliable connectivity. The combined Sprint and T-Mobile entity (“New T-Mobile”) promises to expand access to high-quality broadband and deliver a super-charged network that will create additional opportunities for entrepreneurship and innovation, expand the market for Hispanic businesses’ products and services, and support the

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<sup>1</sup> *Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of Licenses and Authorizations*, Public Interest Statement, WT Docket No. 18-197 (filed June 18, 2018) (“Public Interest Statement”).

<sup>2</sup> Scott Astrada & Carolina Rizzo, *The New Face of Small Business: The Role of the Latino Entrepreneur in the Revitalization of the US Economy*, Georgetown Public Policy Review, <https://goo.gl/SwfCrC> (last visited Sept. 11, 2018) (“*The New Face of Small Business*”).

<sup>3</sup> Cf. Parker Morse, *Six Facts About The Hispanic Market That May Surprise You*, Forbes (Jan. 9, 2018), <https://goo.gl/BYC3sP> (“*Six Facts About The Hispanic Market*”) (citing *Buying Power of Hispanic consumers in the United States from 1990-2017 (in trillion U.S. dollars)*, Statista, <https://goo.gl/qGnpWd> (last visited Sept. 12, 2018)).

operations of Latino-owned firms. This will help ensure that the opportunity for upward economic mobility that comes with business ownership is accessible to all Latinos in the United States.

## **I. BACKGROUND**

TLC is a non-profit nationwide organization, founded in 1995 by a group of Hispanic business owners from across the country to research and develop policies that directly affect the well-being of Hispanics in the United States. TLC works to develop initiatives and partnerships that will foster economic equivalency and enhance the overall business, economic and social development of Latinos. Supporting issues that improve the business environment for Latinos and creates wealth is TLC's number one priority. TLC's agenda is thus centered in the "four C's" that all business owners need: Capital, Capacity building, Contracts and Cost control. Together, the four C's create a platform for success for current and future generations of Latinos.

## **II. THE CAPABILITIES OF THE NEW T-MOBILE NETWORK WILL CREATE OPPORTUNITIES FOR ENTREPRENEURSHIP AND INNOVATION, EXPAND THE MARKET FOR HISPANIC BUSINESSES, AND SUPPORT THE OPERATIONS OF LATINO-OWNED FIRMS, FOSTERING BUSINESS OWNERSHIP IN THE HISPANIC COMMUNITY**

### **A. The New T-Mobile Network Will Create New Opportunities for Entrepreneurship**

Entrepreneurship and innovation—two pillars of American exceptionalism—today depend on reliable access to high-speed broadband connectivity. New T-Mobile promises to expand access to this essential input to Americans all across the United States. Greater access to next-generation networks and services will ensure Latinos continue to play a key role in economic growth and job creation.<sup>4</sup>

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<sup>4</sup> Cf. *The New Face of Small Business* (citing *Latino Entrepreneurs May Be the U.S. Economy's Best Bet*, The Atlantic, <https://goo.gl/9JdQqw> (last visited Sept. 11, 2018)).

T-Mobile and Sprint have announced that the New T-Mobile will invest approximately \$40 billion to combine the spectrum, sites, and assets of T-Mobile and Sprint into a nationwide 5G network with world-class capabilities.<sup>5</sup> Compared to the networks of the stand-alone companies, the New T-Mobile network will offer greater coverage, dramatically increased capacity and speed, and improved signal quality, all at lower prices to consumers.<sup>6</sup> By making fiber-like data speeds that enable real-time interactivity and allow for the near-instantaneous sharing and downloading of content available to Americans all across the nation,<sup>7</sup> New T-Mobile will open the door to opportunity for free enterprise and innovation to a wider segment of society. Especially for the 54% of Latinos who currently lack broadband service at home,<sup>8</sup> the availability of next-generation connectivity promises to be truly life-changing.

**B. The New T-Mobile Network Will Expand the Reach of Existing Hispanic Businesses and Support their Operations**

The benefits of the New T-Mobile network are just as significant with respect to today's Hispanic business owners. The powerful New T-Mobile 5G network will help expand the market for Latino-owned businesses' products and services, and support their operations.

Hispanic entrepreneurs are more likely than non-Hispanics to use digital tools and social media to run their businesses.<sup>9</sup> Although Latino firms are located all over the United States, with

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<sup>5</sup> Public Interest Statement at i.

<sup>6</sup> *See id.* at i-ii.

<sup>7</sup> *Id.* at ii, 55-56.

<sup>8</sup> *See* Anna Brown, Gustavo López & Mark Hugo Lopez, *Digital Divide Narrows for Latinos as More Spanish Speakers and Immigrants Go Online*, Pew Research Center 5-6 (July 20, 2016) ("*Digital Divide Narrows for Latinos*"), <https://goo.gl/2iHjg3>.

<sup>9</sup> Press Release, Bank of America, *Hispanic Small Business Owners Set Sights on Significant Growth in 2018 and Beyond* (Mar. 7, 2018), <https://goo.gl/ASbaQV>. According to a recent Bank of America survey, Hispanics lead their non-Hispanic peers by 20 percentage points in the use of digital tools to run their business (93%, compared to 73% of non-Hispanics). *See id.* Three-

75% in majority non-Latino neighborhoods serving mostly non-Latino customers,<sup>10</sup> Hispanic business owners are attuned to the Hispanic community's online habits. Hispanic users spend nearly 10.5 hours per week using the internet on their smartphones, over two hours more than the nationwide average of 8.4 hours.<sup>11</sup> In addition, almost 50% of Hispanic millennials said they had talked about a brand online with others, or used a brand's hashtag, compared to 17% of non-Hispanics.<sup>12</sup> Hispanics are, overall, digitally-savvy users more likely than the general population to perform tasks on their smartphones.<sup>13</sup> Given these factors, New T-Mobile's 5G network capabilities will enable Hispanic business owners to expand their reach and more effectively tap into the Hispanic's community purchasing power of \$1.7 trillion.<sup>14</sup>

The New T-Mobile's 5G network performance, reliability, and coverage will also provide Hispanic-owned businesses a competitive alternative to support their operations. The combination of Sprint and T-Mobile will allow New T-Mobile to offer higher quality enterprise services at a substantially better value.<sup>15</sup> This includes superior quality traditional data and voice

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quarters of Hispanics surveyed also reported that they rely on social media in running their business, versus just 40% of their non-Hispanic counterparts. *See id.*

<sup>10</sup> *The Untapped Hispanic Market: Hispanic-Owned Businesses*, Tech Latino (May 23, 2017), <https://goo.gl/JFNJbd> (citing Stanford Latino Entrepreneurship Initiative, State of Latino Entrepreneurship Report (2017), <https://goo.gl/7dGKii>).

<sup>11</sup> *Six Facts About The Hispanic Market*.

<sup>12</sup> Jon Schulz, *Everything You Need to Know About Hispanic Millennials*, Viant (July 27, 2017), <https://goo.gl/BSvR73>; *Six Facts About The Hispanic Market*.

<sup>13</sup> *See id.*; cf. *Digital Divide Narrows for Latinos* at 4 (“While Latinos have lagged other groups in accessing the internet and having broadband at home, they have been among the most likely to own a smartphone, to live in a household without a landline phone where only a cellphone is available and to access the internet from a mobile device.”).

<sup>14</sup> *Six Facts About The Hispanic Market*.

<sup>15</sup> *See Public Interest Statement* at 72.

products, as well as advanced IP-based services and Ethernet-related products.<sup>16</sup> And because New T-Mobile's offerings will compete with both traditional wireless and wireline providers in the enterprise segment,<sup>17</sup> businesses, including our members, are likely to benefit from reduced costs and innovative service offerings regardless of who they select as their service provider.

**C. New T-Mobile Will Create Additional Opportunities for Minority-Owned Businesses Through its Diversity Programs**

Finally, TLC is especially proud to support T-Mobile's proposed merger with Sprint endeavor because T-Mobile has consistently shown its support for Hispanic-owned (and other minority-owned) businesses. T-Mobile's Supplier Diversity Program, for example, has historically created opportunities for Hispanic-owned businesses such as our members' firms.<sup>18</sup> Importantly, T-Mobile has put its money where its mouth is, increasing the company's spend on Women, Minority, Disabled Veteran, and Lesbian, Gay, Bisexual and Transgender-owned Business Enterprises by over \$119 million in 2017, a 22% over the previous year's total.<sup>19</sup> T-Mobile's evidenced commitment to provide access and fair and equitable opportunity to diverse businesses makes us enthusiastic about collaborating with the New T-Mobile in the future.

**III. CONCLUSION**

The New T-Mobile promises to help ensure that the opportunity for upward economic mobility that comes with business ownership is accessible to all Latinos in the United States by creating new opportunities for entrepreneurship and innovation, helping expand the reach of

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<sup>16</sup> See *id.*, App. C, Declaration of G. Michael Sievert at 19.

<sup>17</sup> See *id.*

<sup>18</sup> See *Supplier Diversity Program*, T-Mobile, <https://goo.gl/gT7e5E> (last visited Sept. 12, 2018).

<sup>19</sup> T-Mobile West LLC dba T-Mobile and MetroPCS California, LLC dba MetroPCS, 2017 Annual Report and 2018 Plan, Women, Minority, Disabled Veteran and Lesbian, Gay, Bisexual and Transgender Business Enterprises (WMDVLGBTBE) Procurement (Mar. 1, 2018) at 5-6, <https://goo.gl/Dt8bsa>.

existing Hispanic businesses and supporting their operations. This will measurably improve the business environment for Latinos and create wealth for this growing segment of the population, to the benefit of the American economy. Accordingly, TLC urges the FCC to approve the Sprint and T-Mobile merger.

Respectfully submitted,

**THE LATINO COALITION**

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