T-Mobile

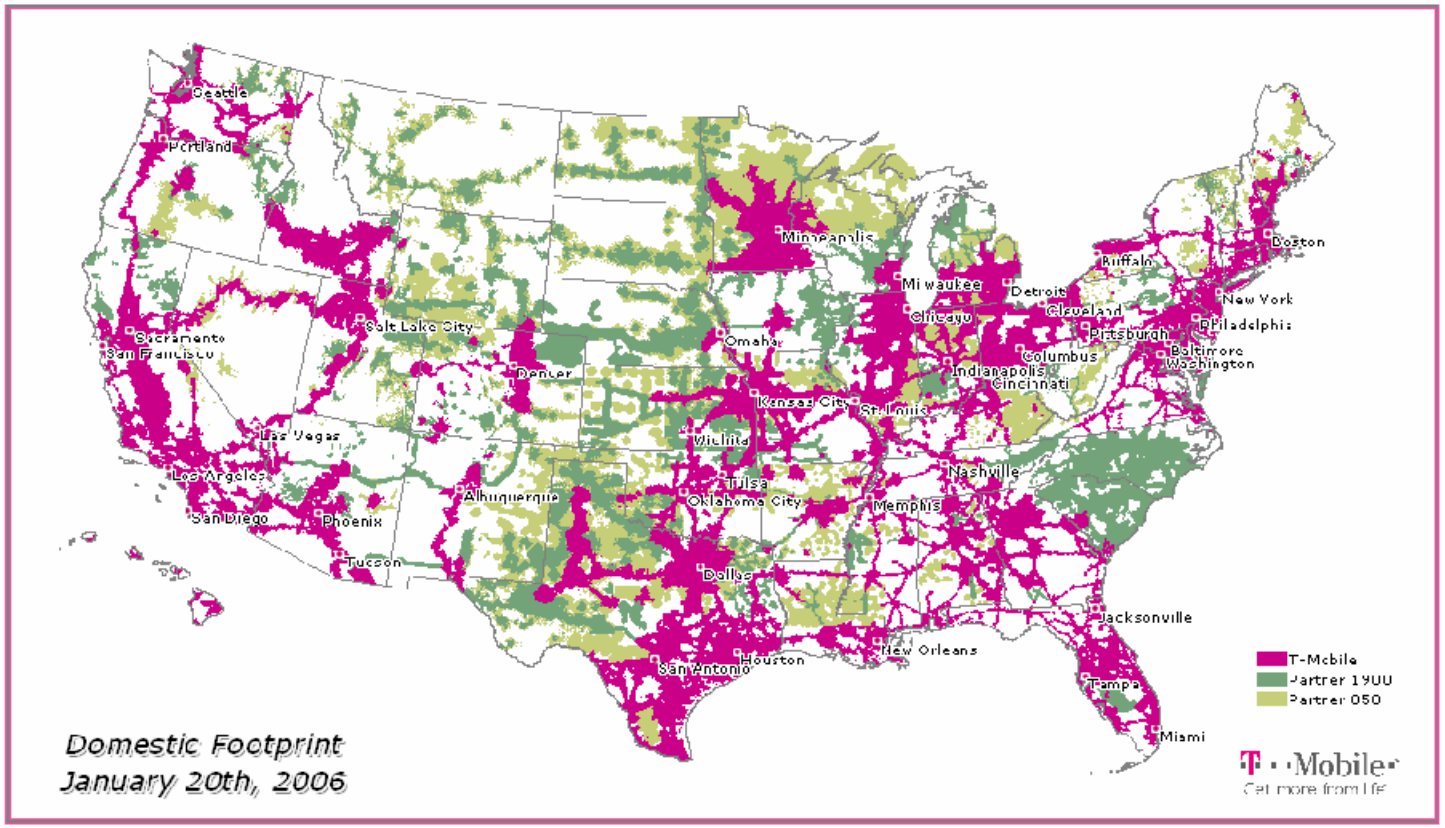
# T-Mobile USA, Inc.
# Ex Parte Presentation
# WT Docket No. 05-265
# March 10, 2006

## CMRS Roaming: A Competitive Success

# Roaming Is Essential To T-Mobile's Business Strategy

- As the fourth largest "national" U.S. carrier, T-Mobile relies on extensive roaming agreements with other GSM/GPRS carriers to fill out its footprint, especially in rural areas.
- Successful roaming relationships are essential to T-Mobile's strategy to keep existing and attract new customers.
- To increase its coverage area and roaming capacity, T-Mobile's roaming arrangements now apply to its operations at both 850 MHz and 1900 MHz.

# T-Mobile Is Expanding Its Coverage Area




T-Mobile expanded its coverage area by 56% in 2005 due to new automatic roaming agreements and building out its facilities-based network. (RCR Wireless News, 1/23/06)

# Position Overview

- The FCC should maintain its pro-competitive policies regarding roaming. The FCC should not adopt nationwide roaming regulations at this time.
- Hundreds of successful automatic roaming relationships have developed in the U.S. without regulatory intervention.
- New roaming rules will harm continued development and innovation in the wireless marketplace and consumers.
- The FCC should promote innovation by relying on competition and enforcement to govern roaming, not regulations.

# T-Mobile Has Active Or Pending Roaming Agreements With All Other GSM/GPRS Providers In The U.S.

- Successful roaming relationships are essential to T-Mobile's business.
- Coverage area and roaming ability are key distinguishing factors by which wireless carriers compete.
- Whenever possible, T-Mobile does not distinguish between the use of its network or a roaming partner's network from a service or billing perspective.
- T-Mobile has entered into more than 45 roaming agreements with smaller and larger GSM carriers. It will negotiate additional roaming agreements as new opportunities arise.
- Smaller GSM providers do not depend solely on T-Mobile, but also enter into agreements with Cingular, the largest GSM/GPRS provider, as well as other smaller carriers.

# T-Mobile Competes Aggressively With All Wireless Carriers In The U.S.

- T-Mobile competes for end users with other larger nationwide carriers as well as the many regional and smaller carriers that operate throughout the U.S.
  - Competition is based on coverage, price, customer service, service offerings, handsets and devices, and network quality.
  - T-Mobile has responded with increased coverage, innovative service offerings, and superior customer service. It has been ranked consistently as the top provider of customer service by J.D. Power and Associates.
- If customers are dissatisfied with T-Mobile's service, including roaming, they can switch providers, regardless of technical standard (GSM, CDMA, iDEN).
- Customers' ability to choose among wireless service providers disciplines how those providers treat each other.

# Roaming Agreements Are Complex

- T-Mobile's roaming agreements are typically complex, addressing factors such as volume commitments, location of service, network quality requirements, and the characteristics of the networks involved.
- They may represent only one aspect of T-Mobile's commercial relationships with its roaming partners.
- Roaming agreements are often coupled with spectrum leases, partitions, or other commercial relationships between roaming partners.
- Their negotiation may involve trade-offs among all of the commercial issues between the parties.

# The FCC Should Not Adopt Nationwide Rules Regarding Roaming

- Although parties criticize some wireless carriers, T-Mobile should not be subjected to regulations that seek to address issues that do not apply to it.
- Rules should not be adopted to favor individual competitors or resolve individual disputes.
- A nationwide rate benchmark or cap is unnecessary in light of existing competition.
- Wireless service providers should file complaints with the FCC if they believe that other providers' actions violate the Communications Act.

# The FCC Should Not Adopt Industry-Wide Rules Regarding Roaming Arrangements

- Carriers of all sizes acknowledge that roaming arrangements are functioning efficiently and that all carriers are dependent on them.
- At present, the wireless marketplace is so competitive that regulation is unnecessary.
- The presence of numerous competitors disciplines T-Mobile's roaming rates, terms and conditions.
- Customers are free to switch carriers and technologies.
- Regulations could not adequately address all of the elements of value to consumers and providers in a roaming agreement.

# The FCC Should Promote Innovation By Relying On The Marketplace, Not Industry-Wide Regulation

- National roaming rules will hinder innovation and technological development.
- Innovations such as multimode handsets that can operate using more than one digital standard will make roaming even more competitive.
- The FCC should eliminate the manual roaming requirement, which has outlived its usefulness.

# Conclusion

- The record in this proceeding demonstrates that new regulations on roaming or roaming agreements are unnecessary at this time.
- There are existing enforcement and complaint mechanisms already in place to address specific allegations of misconduct by certain wireless providers.
- Accordingly, the FCC should continue to allow the marketplace to establish roaming arrangements.

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