



# Agenda

- Who We Are
- Wireless Innovation & Investment
- Inputs
- Outputs

# Who We Are



# T-Mobile USA

- Fourth largest national wireless carrier, providing voice, messaging, and data capable of reaching over 268 million Americans
- More than 32 million customers in the United States
- J.D. Power and Associates award winner August 2009 Customer Care Survey - winner 8 out of last 9 awards in this category
- Highest ranking national wireless carrier in J.D. Power and Associates 2009 Wireless Retail Sales Satisfaction Study<sup>SM</sup>
- Listed on Fortune's 12<sup>th</sup> annual survey of 100 best companies to work for
- About 40,000 employees

# Wireless Innovation & Investment



# Innovative Handsets



G1 with Google

October 2008



myTouch 3G with Google

August 2009



Motorola CLIQ

September 2009

# Innovative Offerings



T-Mobile

- Unlimited HotSpot calling can be used anywhere a WiFi connection is available to the end user.

- T-Mobile @Home provides attractive landline home phone alternative.
- Emerging business models in M2M.



# Money-Saving Innovations

- myFaves provides unlimited calling to any five domestic landline or wireless numbers.
- Unique myFaves interface allows customers to create personalized icons, photos, and ringtones.



# BillShrink.com

## Get your Mobile Makeover™

**Why:** Believe it or not, 8 out of 10 people are unknowingly overpaying for their wireless service.\* We think that's unacceptable.

**What:** A Mobile Makeover is our commitment to helping you find a wireless plan that has the best coverage and price for you — even if it's not with us.

**How:** We'll send you to BillShrink.com, an independent, third-party website that evaluates all of your unique calling needs against every national wireless plan.

**The coverage you need at the price you want.**



See for  
yourself at  
[BillShrink.com](http://BillShrink.com)

T-Mobile  
customers  
start here >

- Independent service that evaluates calling needs and recommends best calling plan across all national wireless carriers

# Investment in Mobile Broadband

- Investment
  - \$4.2 Billion in AWS Licenses
  - \$5+ Billion in Infrastructure Deployment (to date)
- Current 3G Coverage
  - 158 Million Pops
  - 208 Cities
- 3G Coverage by end of 2009
  - 200 Million Pops
  - 250 Cities
- Launched HSPA+ network in Philadelphia
  - 1<sup>st</sup> in U.S. – broader roll out in 2010
  - 3.5G speeds – 21 Mbps downlink



# Inputs

Spectrum

Roaming

Backhaul

Tower Siting



# Important Role for FCC

- Access to key inputs is essential for wireless industry to meet consumer demand for data-intensive applications and services.
- Inputs are fundamental building blocks for next-generation mobile broadband networks.
- FCC oversight of inputs ensures that barriers to entry are removed or reduced so that competition can continue to flourish.

# Spectrum



- Demand for bandwidth has exploded and will only accelerate – G1 and myTouch 3G customers use 50 times the data of the average T-Mobile customer.
- Clear need for additional commercial licensed spectrum – other countries are moving ahead with significant new spectrum allocation (e.g., U.K. – 400 MHz, Germany – 340 MHz, and France – 72 MHz).
- FCC and NTIA should identify for reallocation at least 200 MHz of under-utilized spectrum.
- Harmonize spectrum allocations when possible

# Roaming

- Automatic roaming benefits consumers.
- Roaming is economically efficient.
- Roaming is not resale.
- The home market exclusion will lead to anticompetitive conduct.
- Automatic roaming should be extended to data so that a requesting carrier's customer has access to the same services while travelling as she has at home.



# Backhaul

- New backhaul solutions required for HSPA+ and 4G to meet optimal throughput rates
- Current special access pricing inflated
- Hinders further deployment of mobile broadband – especially in rural areas
- Recommendations
  - A portion of TV White Spaces spectrum should be available for licensed fixed-use
  - Improve oversight of rates, terms, and conditions
  - FCC should act now (additional data to evaluate state of competition not needed)



# Tower Siting

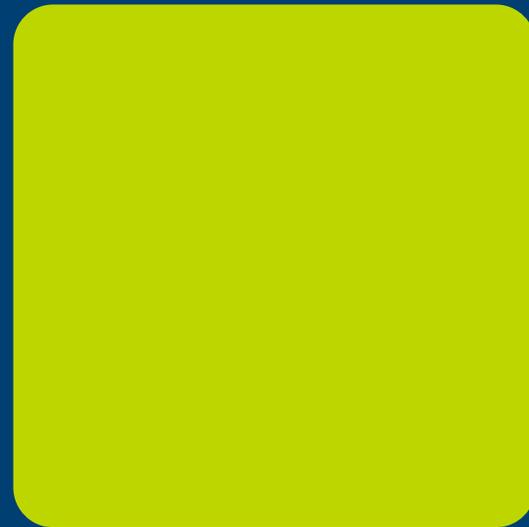


- Obtaining zoning authorizations from local authorities for collocations and towers often causes lengthy delays.
- A federal shot clock of 45 days for final action on collocation requests and 75 days for ruling on all other state and local tower siting applications would accelerate network deployment.
- Timely action on siting applications is particularly important for smaller carriers as they continue efforts to expand footprints and roll out broadband services.

# Outputs

Open Access

Customer/Carrier Relationship



# Harms of Excessive Regulation

- Competition in the wireless industry has delivered substantial benefits to U.S. consumers.
  - More competitive and less concentrated than other OECD countries
  - U.S. market leads the world with lower prices, higher usage, and new and innovative services
- The FCC should proceed cautiously when imposing new regulations to ensure the best outcome to maximize innovation and investment.
  - Gregory Rosston, Deputy Director, Stanford Institute for Economic Policy Research: “[B]lanket rules can . . . reduce the incentives both for incumbents and new entrants to develop innovative new wireless service packages.”
- Failure to strike the right balance could hinder investment, impose unnecessary costs and other burdens on mobile broadband providers, lowering quality of service, raising consumer prices, and limiting consumer choice.

# Open Access

- Consumer demand, not regulation, has spurred the opening of wireless networks.
- Need for reasonable network management remains.
- Spectrum is a shared resource.
- Wireless network operators cannot easily “add capacity” when network becomes congested.
- Consumer demand and competition are driving openness in the wireless market.
- T-Mobile is a leader in network openness, as the first provider to introduce devices using the Android platform
  - Over 10,000 apps available on Android Market
  - Average G1 user has downloaded 40 applications

# Customer/Carrier Relationship

- Customer-friendly practices include clear point-of-sale disclosures, a wide variety of contract and non-contract rate plans, prorating ETFs, and street-level, interactive coverage maps.
- Competitive wireless environment is good for consumers.
- Imposition of detailed regulatory mandates runs the risk of interfering with market-driven initiatives.

