

Verizon Communication's are unionized Verizon Wireless workers so far are not. Wall Street has advised that its best for Verizon to exit the landline business completely but this may be bad for consumers having fewer choices. Keeping the above facts in mind about Verizon Communications workers belonging to unions and Verizon Wireless not having unions consider in any case how this transaction affects jobs. If this deal occurs Verizon Communications could layoff workers. I don't think unions would be happy seeing union jobs in the communications marketplace being eliminated but in any case the F.C.C. has to examine how many jobs are lost or created overall. In the AT&T T-Mobil merger the CWA Union maintained that merger would create more union jobs but the record revealed a net loss of overall jobs.

The Federal Communications Commission's Wire-line Competition Bureau should review and investigate this transaction with the assistance of the Wire-line Competition Bureau as the non-compete agreement in Verizon Wireless's spectrum deal with the cable companies affects competition in the wire-line market for phone and Internet service. Verizon says unlike the AT&T T-Mobil merger that was denied and ultimately died its transaction is entirely spectrum based so there's no anti competitive harm for the F.C.C. to review. However, because of the non-compete agreement that's hardly true and should be investigated fully. Please remember the intent of Congress when it last reformed the Communications Act in 1996 and leave no stone unturned while reviewing the deal's impact on competition and consumers. The cable companies might no longer want this spectrum and Verizon Wireless might want it but do they need it? What does this deal do competition?

Verizon Wireless certainly wants additional wireless spectrum and wants the spectrum from Spectrum Co., and Cox Communications along with other cable companies it has struck deals to acquire spectrum from but does it need the spectrum? From Verizon's statements heard in the news media they have sufficient wireless spectrum till at least 2015. Verizon says that unlike the AT&T T-Mobil merger its deal is purely a spectrum transaction but that's hardly true considering their non-compete agreement, which could result in Verizon Communications ditching FIOS services that compete with the cable companies services. Verizon Wireless would enter into an anti competitive deal where Verizon agrees to stay out of the fixed Internet, phone and TV business and in exchange the cable companies would resell Verizon Wireless service. In addition Verizon Wireless would resell the cable companies services. The two Twin Bells AT&T Inc., and Verizon Communications are so big and anti competitive in their own right and had the AT&T T-Mobil merger occurred we would have likely moved closer to a near duopoly of Twin Bells AT&T Mobility and Verizon Wireless.

Fortunately Ma Bell (AT&T) was denied a Ma Cell. While its transaction for Qualcomm's unused wireless spectrum was approved conditionally the T-Mobile merger was denied as it was proven AT&T was a spectrum hog trying to deprive smaller carriers of vital spectrum. In the end AT&T asked smaller carriers to buy spectrum to try and save its T-Mobile merger proving it didn't have a spectrum shortage. If anyone has a spectrum shortage its smaller carriers like Leap Wireless (Cricket), MetroPCS, C-Spire (formerly Cellular South) etc. Wireless spectrum is a finite and limited resource that we cannot make more of. It has to be utilized wisely and if we can free up valuable spectrum by getting companies who own it and are not using it to transfer it to companies who may use it that would be great. The F.C.C. needs to ensure the spectrum is being allocated or re-allocated wisely though.

Would this spectrum be better suited being sold to a company other than Verizon Wireless or AT&T? These companies certainly don't want to keep this spectrum, as they don't plan to use it. It was recently reported FCC Commissioner Robert McDowell a Republican was upset at Comcast for revealing wireless spectrum it bought and now also wants to sell to Verizon Wireless they never intended to use. I think the F.C.C. in future spectrum incentive auctions should only allow companies likely to use the spectrum to make bids for it. If a company wants to buy spectrum to use it then let them buy it and if there's some concern for anti competitive harm which could be addressed with regulation tie regulatory conditions to the transaction. If a transaction is too anti competitive and against the public interest though the right thing obviously is to send it to an administrative law judge for review. Now sometimes companies buy wireless spectrum with the intention of using it and try to use it but the service they launch using it does not take off and they decide to stop using it. For example Qualcomm bought wireless spectrum and used it for their now defunct Media Flo wireless TV service. After discontinuing it they made a deal with AT&T to sell their unused wireless spectrum to that company pursuant F.C.C. and Justice Department approval. However, if a company willfully seeks to defraud the F.C.C. to buy spectrum it never intended to use so it can then try and sell it to other companies as Comcast is now doing that should not be permitted.