

AT&T's T-Mobile merger made no sense from a consumer standpoint. AT&T's leaked internal documents to the FCC they later redacted proved that they did not need T-Mobile's spectrum to deploy 4G LTE. In fact acquiring T-Mobile would not result in faster deployment as AT&T claimed. In fact the FCC Staff Report blasting the merger found that competition from Verizon Wireless would force AT&T to expand their deployment of 4G LTE service. In fact AT&T could deliver on its promise of expanding 4G LTE deployment with a \$3.8 billion investment in its own network infrastructure. The merger in contrast was valued at \$39 billion. Upgrading its own network would cost less than buying T-Mobile.

However, AT&T didn't care about upgrading its own network it just wanted to take out a low-cost competitor that helped keep prices in the market for wireless service down. AT&T was so confident the merger was a done deal before it had been vetted by the Department of Justice and the Federal Communications Commission that they agreed to a breakup fee valued at \$4 billion which included a \$3 billion cash transfer and \$1 billion in spectrum. Since abandoning its takeover of T-Mobile AT&T has now requested FCC permission to transfer some of their spectrum licenses to T-Mobile. I urge the FCC to approve this deal providing T-Mobile with a much needed cash and spectrum infusion.

This spectrum transfer helps strengthen an already struggling T-Mobile USA remain competitive and viable in the wireless communications market. No doubt Deutsche Telekom AG might still want to exit the U.S. wireless business by selling off T-Mobile but it can do so to another buyer with a deal that would hopefully keep T-Mobile in business. If they do look for alternative buyers T-Mobile USA with its newfound cash and spectrum infusion courtesy of AT&T could be more attractive to other buyers.

T-Mobile will become a more valuable company with this cash and spectrum infusion and perhaps there is the slight chance that Deutsche Telekom AG might change their mind about exiting the U.S. wireless business and find a stronger T-Mobile valuable enough to keep. If T-Mobile is to survive though it needs more spectrum. The FCC should not hold up this transaction too long. None of the concerns voiced by critics of the defunct AT&T T-Mobile merger affect this transaction. I know as I was one of the loudest critics of the merger. I strongly support the successful completion of this transaction.