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April 5, 2012

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
The Portals
445 12th Street, S.W.
Washington, DC 20554

Re: *Ex Parte* Communication – WT Docket 12-4 and WT Docket No. 12-21

Dear Ms. Dortch:

On behalf of T-Mobile USA, Inc. ("T-Mobile" or "Company"), and pursuant to Section 1.1206 of the Commission's Rules, 47 C.F.R. § 1.1206, this is to provide notice of *ex parte* meetings held on April 4, 2012, in connection with WT Docket No. 12-4. The meetings were attended by Thomas J. Sugrue, Senior Vice President of Government Affairs, Kathleen O'Brien Ham, Vice President, Federal Regulatory Affairs, Steve B. Sharkey, Director, Federal Regulatory Affairs and Chief, Engineering and Technology Policy, Joshua L. Roland, Senior Corporate Counsel, and Christopher A. Wieczorek, Corporate Counsel, of T-Mobile, Kenneth J. Zdunek, Vice President and Chief Technology Officer of Roberson and Associates, LLC, and the undersigned (together, the "T-Mobile Representatives"). The T-Mobile Representatives met with Sandra Danner, Paul Murray, Tom Peters, Jim Schlichting, Susan Singer, Ziad Sleem, Melissa Tye, and Aleks Yankelvich of the Wireless Telecommunications Bureau; Jim Bird, Neil Dellar, Virginia Metallo, and Joel Rabinovitz of the Office of General Counsel; Ty Bream of the Media Bureau; Eric Ralph of the Wireline Competition Bureau; and Paul LaFontaine of the Office of Strategic Planning; and, separately, Louis Peraetz, Legal Advisor to Commissioner Mignon Clyburn (together, the "FCC Representatives") met with Mr. Sharkey and Mr. Zdunek.

During the course of the meetings, the T-Mobile Representatives discussed the matters raised in T-Mobile's Petition to Deny ("Petition") filed on February 21, 2012, and Reply to Opposition ("Reply") filed on March 26, 2012 in WT Docket No. 12-4. In particular, they discussed the matters set forth in the attached outline, a copy of which was provided to the FCC Participants. They also briefly discussed that Commission approval of the applications pending in WT Docket No. 12-21 is an important prerequisite to the refarming plans that will enable the Company to move toward its planned deployment of LTE in 2013. But even with that spectrum and pursuing a challenging refarming effort, the T-Mobile Representatives indicated that the Company requires additional AWS spectrum.

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Should any additional information be required with respect to this *ex parte* notice, please do not hesitate to contact me.

Very truly yours,

/s/ Jean L. Kiddoo

Jean L. Kiddoo
Counsel to T-Mobile USA, Inc.

Attachment
cc (by email): FCC Representatives
T-Mobile Representatives

T-Mobile Presentation to FCC

WT Dkt. 12-4

2012 WORLD'S MOST ETHICAL COMPANIES
WWW.ETHISPHERE.COM

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Competitive Harm Outweighs Benefit

- Commission Must Evaluate the Spectrum Transaction in a Way That Appropriately Recognizes and Accounts for the Competitive and Technical Realities of Today's Wireless Marketplace
  - FCC use of caps and screens has consistently recognized that allowing any carrier to acquire excessive spectrum inputs could harm competition
- Merger Analysis Must Look at Whether the Transactions are in the Public Interest, Not Whether They Trigger an Outmoded Screen Threshold
  - Current screen would allow a single carrier to hold all the low frequency spectrum (700 MHz, SMR, Cellular)
- The Competitive Harms Outweigh the Individual Benefit to Verizon Wireless
  - Undue concentration of scarce spectrum
  - Verizon Wireless has held large quantity of unused spectrum since 2006
  - Verizon has a competitive incentive to hoard spectrum to foreclose other competitors
  - Reduces motivation to use spectrum efficiently

Screen is a Flexible Guideline, Not a Bright Line

- Screen Intended to be Case-by-Case to Allow Flexibility to Meet "Circumstances of Particular Case"
  - 2001 Eliminated spectrum cap in favor or case-by-case review
  - 2004 Adopted initial screen analysis in a merger context (AT&T/Cingular)
  - Numerous parties, including Verizon Wireless (*e.g.*, Alltel), have sought changes to screen in context of specific mergers since then
  - 2007 & 2008 increased included spectrum (AT&T/Dobson, AT&T/Aloha, Sprint/Clearwire, Verizon/Alltel)

- 2011 AT&T/Qualcomm – Commission Provided Notice that Additional Modifications may be Needed but Did Not Resolve the Uncertainty Because it Did Not Need to Reach a Decision
  - 2012 Marketplace vastly different from 2004 - *e.g.*, greater concentration, mobile broadband
  - Application of historic screen to this transaction would permit undue concentration of spectrum
  - Updated screen would provide greater certainty for other transactions

The Spectrum Screen Must Be Revised

Current Screen is Ineffective in Measuring the Competitive Effects of Spectrum Acquisitions

- Treats all mobile broadband spectrum as equal regardless of its frequency

Spectrum Below 1 GHz Provides Much Improved Coverage Breadth and Depth Compared With Spectrum Above 1 GHz.

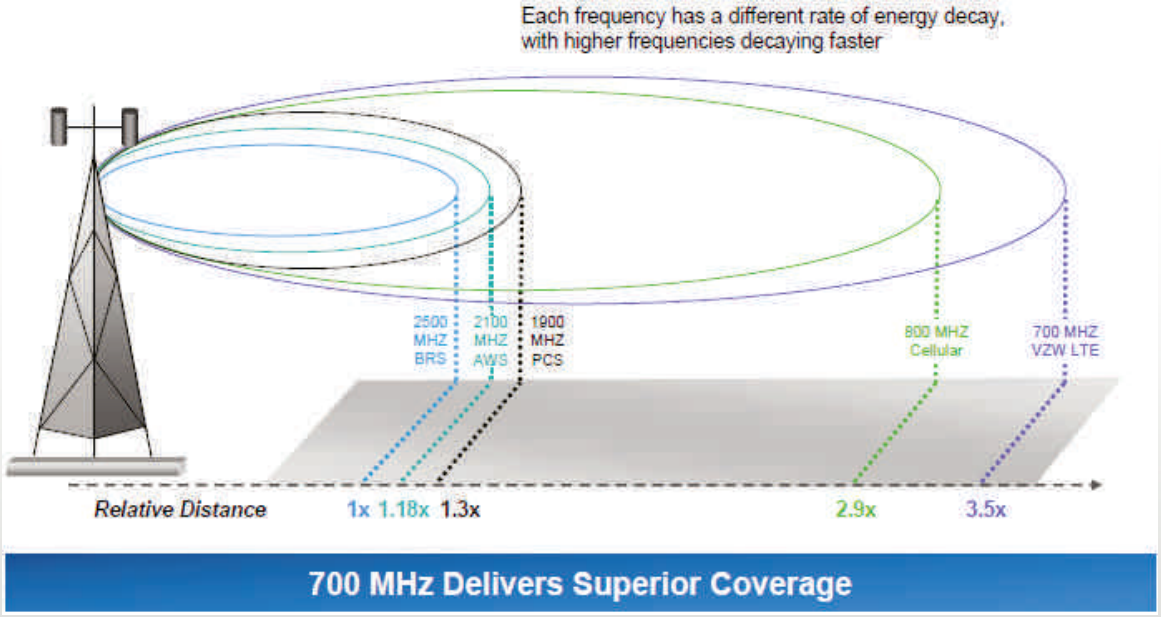
- Competitive advantage
- Low-frequency spectrum is more valuable than high-frequency spectrum

Screen is Meant to Establish a Safe-Harbor Presumption of No Anticompetitive Effect

- Yet allows a concentration of the most valuable spectrum

Value Weighting Provides a More Meaningful Screen

- Based on recognized economic evaluations



Band	Value weight
Cellular	1.7
700 MHz	1.5
SMR	1.5
AWS/PCS	.75
BRS	.20

Graphic from Verizon CTO Presentation to Wells Fargo Conference - Nov. 10, 2010

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Verizon Would Exceed a Properly Weighted Spectrum Screen

Market Rank	Count
Top 25 Markets	12
Top 50 Markets	24
Top 100 Markets	46

T-Mobile

Verizon Efficiency Claim Presents a Distorted View

Verizon Claim – *"….this usage makes Verizon Wireless the most spectrally efficient wireless provider….."* -- *Joint Opposition to Petitions to Deny and Comments* March 2, 2012 (WT Dkt. 12-4)

Why is Verizon's Claim Misleading?

Aggregates Customers but Averages Spectrum Across the Entire US	•This Approach Produces a Meaningless Result •Customer Share and Spectrum Holdings Vary Market by Market
Includes Spectrum that T-Mobile Doesn't Have	•Included AT&T Breakup Spectrum Not Yet Available to TMO, But Does Not Include SpectrumCo, Cox and Leap Spectrum
Doesn't Take into Account Smartphone Mix	•T-Mobile has a Higher Percentage of Smartphone Customers •Smartphones use approx. 35 Times More Capacity Than Featurephones
Doesn't Account for Variation in Spectrum Performance	•Low Band Spectrum is Inherently More Efficient than High Band Spectrum

Reality - T-Mobile Spectral Efficiency Exceeds Verizon

5 of the top 5 CMAs	8 of the top 10 CMAs	31 of the top 49 CMAs	Spectral Efficiency average 50% greater than VZ

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Operator Efficiency Analysis

- Verizon Nationwide Analysis Concluded Verizon More Efficient
  - Spectral Efficiency: subs/MHz
    - Verizon: 109M subs/89 MHz = 1.22M subs/MHz
    - T-Mobile: 600K subs/MHz
  - Spectrum Share to Customer Connections Share Ratio
    - Verizon: 21% spectrum share; 33% connections share; Ratio = 0.65 (smaller is better)
    - T-Mobile: 13% spectrum share; 10% connections share; Ratio = 1.3

- Roberson Analysis Approach: Market by Market for 50 CMAs*
  - T-Mobile spectrum holdings exclude spectrum not yet acquired by T-Mobile
  - Verizon spectrum holdings exclude spectrum not yet acquired by Verizon
  - Weight T-Mobile subscriber counts by 1.2x based on Smart Phone mix
    - Smartphones consume 35x bandwidth of Featurephones
    - Smartphone Mix: VZ: 40%; T-Mobile 50%
  - Weight Efficiency of low-band vs. high-band Spectrum by 2:1
  - Calculations with AT&T 'break-up' spectrum for T-Mobile and SpectrumCo/Cox spectrum for Verizon yield similar results

* *Market #21 (Puerto Rico) Excluded*

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Roberson Analysis Shows T-Mobile Efficiency Advantage

Analysis with Subscriber and Spectrum Weighting (excluding spectrum not yet acquired) Demonstrates:

- T-Mobile 49 Market spectral efficiency average 50% greater than VZ
- T-Mobile 49 Market Ratio Average= 0.42 ; Verizon Average = 0.63 (lower ratio is better)

	T-Mobile CMA Advantage		
Spectral Efficiency, and Spectrum Share to Customer Share Ratio	**5 of top 5**	**8 of top 10**	**31 of top 49**

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TMUS Double Re-Farming Explained

(Assumes AT&T 'break-up' Spectrum will be approved/utilized)

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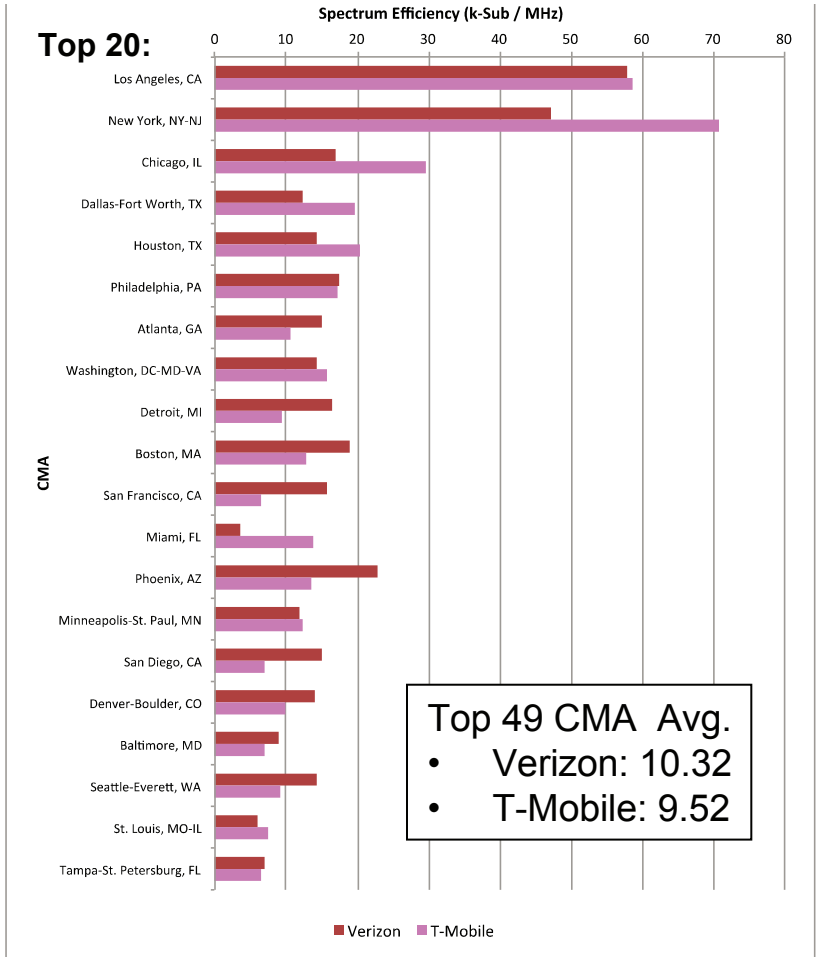
Appendix

Efficiency Comparison

Equally Weighted Spectrum*

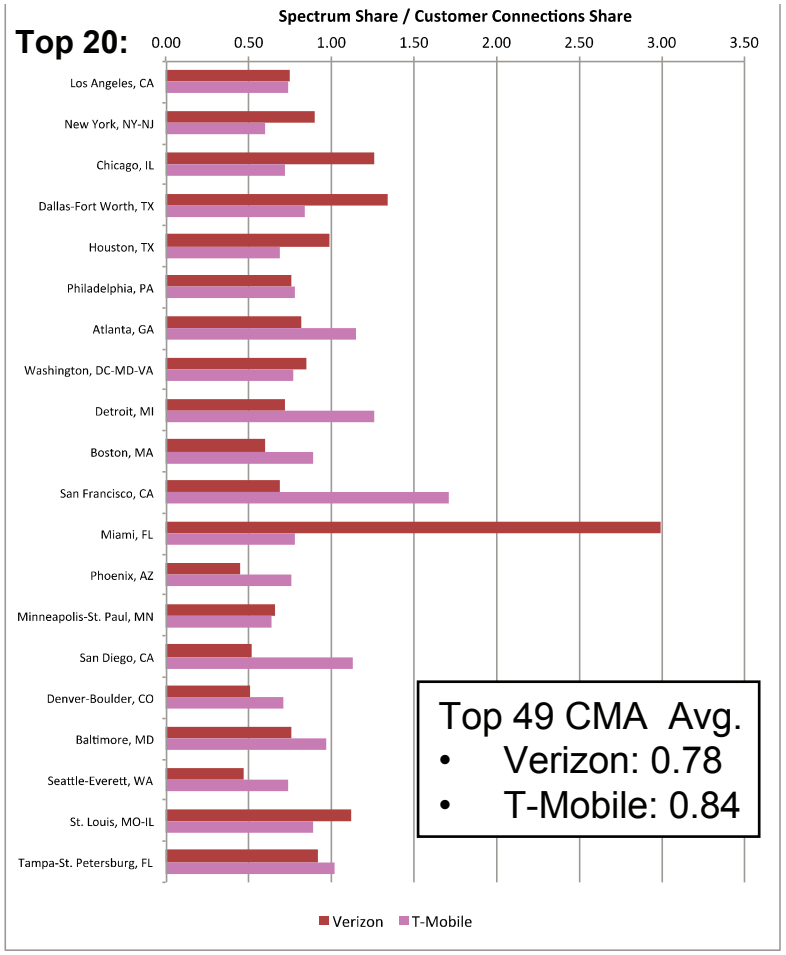
Smartphone Mix: 40% VZ; 50% T-Mobile

K-Subs / MHz (Larger Better)



Top 49 CMA Avg.
- Verizon: 10.32
- T-Mobile: 9.52

Spectrum Share / CCS (Smaller Better)



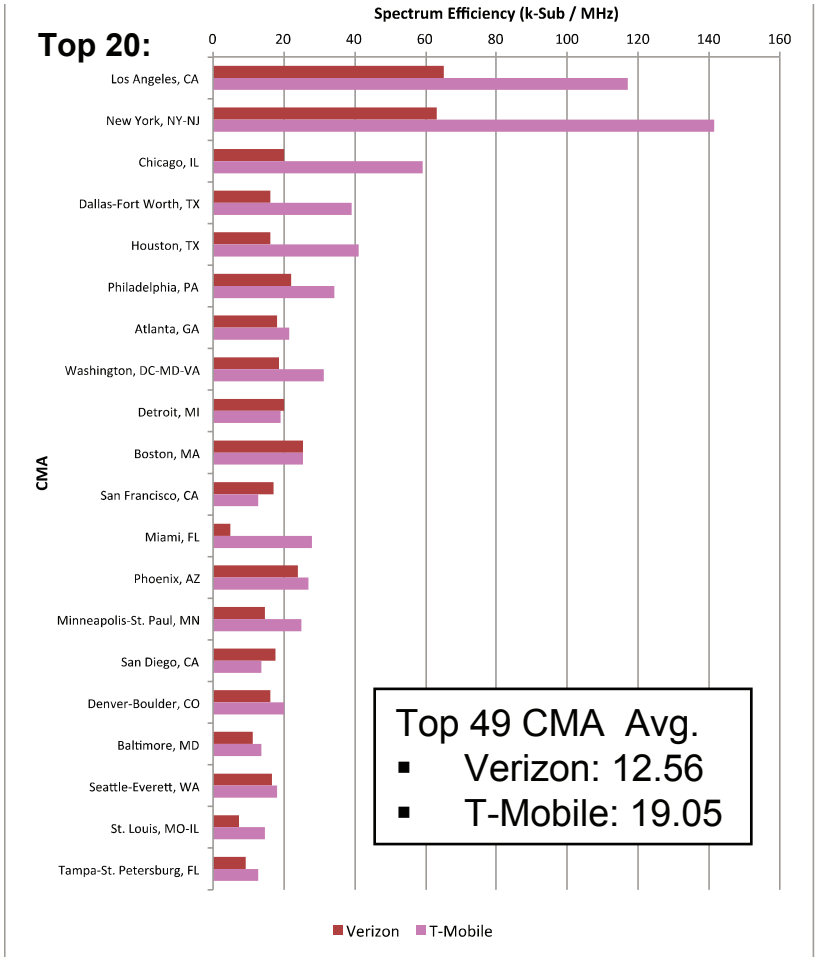
Top 49 CMA Avg.
- Verizon: 0.78
- T-Mobile: 0.84

** Pre-Spectrum Acquisitions*

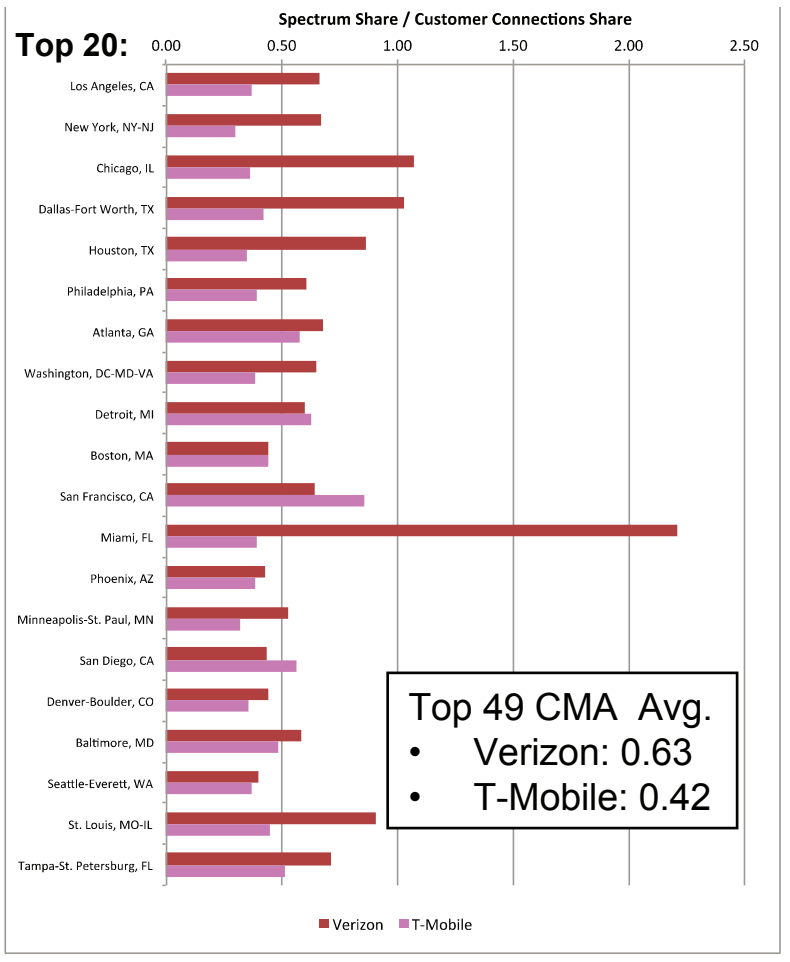
Efficiency Comparison
Low- and High-Band Weighted Spectrum*

Smartphone Mix: 40% VZ; 50% T-Mobile

K-Subs / MHz (Larger Better)



Spectrum Share / CCS (Smaller Better)



** Pre-Spectrum Acquisitions*