

Partial Opposition to Verizon T-
Mobile Swap

12-175

Opposition to Verizon Cellco d/ba
SpectrumCo & Cox applications

12-4

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Introduction:

The proposed transaction between Verizon and T-Mobile as Public Knowledge has stated in a notice of ex parte to FCC proceeding (12-4) on the Verizon Cable deals does not address the core concerns of public interest groups like Public Knowledge, Free Press, the now defunct Media Access Project, and other existing groups opposed to those deals. In fact, Public Knowledge has consistently expressed concern with regard to the agency deals and joint operating entity agreements (JOE) as part of the Verizon SpectrumCo and Cox transactions. Specifically: (a) That the agreements create an attributable interest between Verizon Communications and Verizon Wireless and the cable MSOs; (b) that the agreements raise serious concerns with regard to Wi-Fi backhaul, Wi-Fi roaming, and special access competition; and (c) the potential anti-competitive use of patents and other intellectual property held by or licensed to the JOE.

Even if the Verizon T-Mobile spectrum swap partially addressed concerns previously raised with regard to the “spectrum gap” between Verizon Wireless and its competitors, conditions with regard to accelerated build out, use it or share it, and data roaming remain necessary. The FCC’s recent decision to stop the clock again on these transactions between Verizon Wireless and the cable companies until July 10th so participants in the proceeding pertaining to the Cellco d/ba SpectrumCo LLC and Cox Communications spectrum license transfer to Verizon Wireless proceeding (12-4) critical of those deals can have time to comment on T-Mobile’s withdrawal of its ***petition to deny*** and Verizon’s new side deal to swap AWS spectrum with T-Mobile in exchange for cash from the smaller carrier that will conditionally occur provided that the Verizon Cable deals are approved. Having made the right choice last year to save T-Mobile USA, regulators should do all they can to help T-Mobile stay competitive since denying the now dead AT&T T-Mobile merger. If that means approving a spectrum swap like the proposed deal between Verizon Wireless and T-Mobile, I would be all for it except that this is conditional on a bad deal being approved.

SpectrumCo Critics Weigh In On Verizon T-Mobile Trade

<http://www.multichannel.com/article/486392->

[SpectrumCo_Critics_Weigh_In_on_Verizon_T_Mobile_Trade.php](http://www.multichannel.com/article/486392-SpectrumCo_Critics_Weigh_In_on_Verizon_T_Mobile_Trade.php)

Wire-Line Broadband Duopoly Headed For Cable Monopoly

<http://apps.fcc.gov/ecfs/document/view?id=7021919746>

Free Press Verizon Cable Cartel Final Fact Sheet

<http://apps.fcc.gov/ecfs/document/view?jsessionid=WDLtPHvY24SHxny8VmnNdsP0RDvQw3JvQvXmTYGpB43RCSNPmBYJ!->

[1221852939!NONE?id=7021920659](http://apps.fcc.gov/ecfs/document/view?jsessionid=WDLtPHvY24SHxny8VmnNdsP0RDvQw3JvQvXmTYGpB43RCSNPmBYJ!-1221852939!NONE?id=7021920659)

Supporting Evidence:

Verizon Wireless has had a history of anti-competitive and greedy behavior as has its parent company Verizon Communications that is a part owner in the wireless venture. If regulators want competition to thrive in wire-line and wireless markets a wireless divestiture should be mandated to breakup Verizon Communications and AT&T Inc. (Ma Bell) from their wireless businesses. Verizon Wireless has broken promises to continue offering unlimited data for grandfathered users. Verizon Communications has been embroiled in conflicts with workers leading to strikes arranged by the CWA Union, which opposes the SpectrumCo and Cox deals from being unconditionally approved. Verizon's marketing agreements with the cable cartel spell the demise of the Telecom Act. Furthermore they are testing the resolve of regulators to see if beyond the AT&T T-Mobile merger there is enough oxygen left for antitrust enforcement. The timing of those deals announcements is suspect and raises suspicion considering they were announced last December just after AT&T abandoned its takeover bid for T-Mobile USA. Also concern that AT&T wants to bid on Verizon's unused 700 MHz spectrum they proposed conditionally selling before this T-Mobile deal even came to light to appease regulators should prompt the FCC to act to prevent greater spectrum concentration in the hands of one or two large carriers. The national wireless phone market is an already anti-competitive oligopoly, which would have become a near duopoly had AT&T gotten Ma Cell via the defunct T-Mobile merger.

I have filed plenty of documents in the FCC proceedings regarding Verizon New York Inc's application to discontinue basic telecommunications services in the State of New York, just as New York mayors are accusing the telephone company of abandoning quality DSL and ignoring the urban poor in a letter they sent the DOJ and FCC. In that same letter they expressed concerns over the JOE agreements between Verizon Wireless and the cable companies. There are plenty of documents critical of the Verizon SpectrumCo and Cox deals in the proceeding on that matter also and evidence to suggest Verizon Communications and AT&T Inc., are threatening universal service for basic telephone service (a must for homes and businesses with alarm systems) and basic DSL (broadband) for stand-alone high-speed Internet service pushing users into costly bundled services or into capped wireless services that are more expensive.

Verizon Wireless Breaks Promises: Sneaks Customer Off Unlimited Data
<http://stopthecap.com/2012/06/28/verizon-sneaks-customer-off-unlimited-data-plan-despite-promises-it-wouldnt/>

Nine Upstate NY Mayors Accuse Verizon of Avoiding Urban Poor
<http://stopthecap.com/2012/05/22/nine-upstate-ny-mayors-accuse-verizon-of-avoiding-urban-poor-in-fiber-upgrades/>

Conclusions:

Considering that this deal is contingent on the Verizon Cable deals being approved should you decide you want this deal to proceed perhaps approving the Verizon cable spectrum transfer should be done. In regard to the spectrum concentration issue Verizon Wireless has offered to divest Lower 700 MHz A 7 B block spectrum to win regulatory support for this deal and now half of the AWS spectrum it will acquire would be shared with T-Mobile. If the deals with the cable cartel are approved tough conditions should be put in place to protect consumers, require faster build-out by Verizon (before the 2021 date previously required for their AWS holdings) etc including requirements that they change parts of their marketing agreements with the cable companies or better yet disband the marketing arrangements and just have the spectrum transfer alone. I think the best scenario given the JOE and agency agreements though are to just deny those deals but the downside is this deal with T-Mobile might not happen. Were it not for the JOE in the Verizon Cable deals I would no longer oppose that spectrum transfer between Verizon and the cable companies due to this spectrum transfer agreement reached with T-Mobile. I would like the FCC to require changes made to that deal should it be approved and then approve this deal unconditionally. It's also worth noting that Verizon Wireless is seeking FCC permission to discontinue interconnected VOIP services.

NY Accuses Verizon of Abandoning Quality DSL "It's A Duopoly"
<http://stopthecap.com/2012/05/02/new-york-accuses-verizon-of-abandoning-quality-landline-service-its-a-duopoly/>