



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
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Released: October 26, 2012

DEUTSCHE TELEKOM AG, T-MOBILE USA, INC. AND METROPCS COMMUNICATIONS, INC. SEEK FCC CONSENT TO THE TRANSFER OF CONTROL OF PCS LICENSES AND AWS-1 LICENSES AND LEASES, ONE 700 MHZ LICENSE, AND INTERNATIONAL 214 AUTHORIZATIONS HELD BY METROPCS COMMUNICATIONS, INC. AND BY T-MOBILE USA, INC. TO DEUTSCHE TELEKOM AG

WT Docket No. 12-301¹

PLEADING CYCLE ESTABLISHED

Petitions to Deny Due: November 26, 2012
Oppositions Due: December 6, 2012
Replies Due: December 17, 2012

I. INTRODUCTION

Deutsche Telekom AG (“Deutsche Telekom”), T-Mobile USA, Inc. (“T-Mobile”),² and MetroPCS Communications, Inc. (“MetroPCS” and, together with Deutsche Telekom and T-Mobile, the “Applicants”) have filed applications (collectively, the “Applications”) pursuant to Sections 214 and 310(d) of the Communications Act of 1934, as amended,³ seeking Commission consent to the transfer of control of Personal Communications Service (“PCS”) and Advanced Wireless Services (“AWS-1”) licenses and leases, one lower 700 MHz license, as well as international 214 authorizations, held by MetroPCS and its wholly-owned and controlled subsidiaries and by T-Mobile and its wholly-owned and

¹ On October 17, 2012, the Wireless Telecommunications Bureau (“WTB”) issued a public notice establishing WT Docket No. 12-301 for the Deutsche Telekom AG-MetroPCS Communications, Inc. Applications and designated the *ex parte* status of the Applications as permit-but-disclose under the Commission’s rules. Commission Opens Docket for Proposed Transfer of Control of MetroPCS Communications, Inc. to Deutsche Telekom AG, WT Docket No. 12-301, *Public Notice*, DA-12-1663 (rel. Oct. 17, 2012).

² T-Mobile is an indirect, wholly-owned subsidiary of Deutsche Telekom, a publicly traded German company. The Applicants state that the Commission has already approved, pursuant to Section 310(b)(4), Deutsche Telekom’s foreign ownership of T-Mobile and its licensee subsidiaries, and that the public interest would be served by also granting Section 310(b)(4) authority with respect to MetroPCS’s common carrier licenses. *See* Deutsche Telekom AG Application, File No. 0005446627, Exhibit 1, Description of Transaction and Public Interest Statement (“Public Interest Statement”), at 56-57. Deutsche Telekom requests that the Commission condition its grant of the transfer of control applications on compliance with the provisions of the National Security Agreement (“NSA”) entered into on January 12, 2001, as amended, between Deutsche Telekom and the Department of Justice, the Federal Bureau of Investigation and the Department of Homeland Security, which is appended to the *DT-Voicestream Order*, 16 FCC Rcd 9779 (2001). *See* Public Interest Statement at 61-62. *See also T-Mobile-SunCom Order*, 23 FCC Rcd 2515 (2008) (appending the NSA amendment).

³ 47 U.S.C. §§ 214, 310(d).

controlled subsidiaries to a newly combined entity.

Under the agreement to combine T-Mobile and MetroPCS, Deutsche Telekom's indirect, wholly-owned subsidiary, T-Mobile Global Holding GmbH ("T-Mobile Holding"), would transfer all of its ownership interests in T-Mobile to MetroPCS, and MetroPCS would then issue stock to T-Mobile Holding or its designee. The agreement would result in Deutsche Telekom and existing MetroPCS shareholders ultimately holding 74 percent and 26 percent ownership interests, respectively, in the newly combined entity. The newly combined entity would be named T-Mobile US, Inc.,⁴ and both the MetroPCS brand and the T-Mobile brand would be retained, offered through separate business units.

The Applicants state that the proposed transaction would combine complementary spectrum portfolios that, in some markets, would result in larger blocks of contiguous spectrum to allow for higher speeds, throughput rates, and increased capacity, and in other markets, would augment the spectrum holdings of the combined company to enable broader and more robust Long Term Evolution deployment. The Applicants further state that the proposed transfers would allow the newly combined company to make more efficient use of the spectrum and offer improved services to consumers across the country.

Preliminary review of the Applications indicates that T-Mobile and MetroPCS would combine their AWS-1 and PCS spectrum, as well as one lower 700 MHz license, in 248 Cellular Market Areas across the nation. Post-transaction, in markets in which there is geographical overlap the merged entity would hold a maximum of 110 megahertz of spectrum covering approximately 141 million people, or 46 percent of the population of the mainland United States.

In addition to the applications filed proposing to transfer control of MetroPCS's licenses to the combined company, T-Mobile has filed applications proposing what it characterizes as *pro forma* transfers of control of all of its licenses and authorizations to the newly combined entity. Those applications are included on this public notice as well.

II. SECTION 310(d) APPLICATIONS

The following applications for consent to the transfer of control of PCS and AWS-1 licenses and leases, as well as one lower 700 MHz license, have been assigned the following file numbers:

<u>File No.</u>	<u>Licensee/Lessee</u>	<u>Transferee</u>	<u>Lead Call Sign/ Lease</u>
0005443547	T-Mobile License LLC	Deutsche Telekom AG	KNLF202
0005444851	VoiceStream Pittsburgh, L.P.	Deutsche Telekom AG	KNLF242
0005444861	Powertel Memphis Licenses, Inc.	Deutsche Telekom AG	KNLF255
0005444862	Cook Inlet GSM IV PCS Holdings, LLC	Deutsche Telekom AG	KNLF504
0005444864	WALLC LICENSE LLC	Deutsche Telekom AG	WPNL499
0005444873	T-Mobile Puerto Rico LLC	Deutsche Telekom AG	KNLF249

⁴ Deutsche Telekom has the right to select a name other than T-Mobile US, Inc. prior to the closing. See Public Interest Statement at 3 n.5.

<u>File No.</u>	<u>Licensee/Lessee</u>	<u>Transferee</u>	<u>Lead Call Sign/ Lease</u>
0005444874	SunCom Wireless License Company, LLC.	Deutsche Telekom AG	KNKN557
0005444971	Cook Inlet/VS GSM VII PCS, LLC	Deutsche Telekom AG	WQCS389
0005445813	T-Mobile License LLC	Deutsche Telekom AG	L000009970
0005446617	MetroPCS 700 MHz, LLC	Deutsche Telekom AG	WQIZ578
0005446618	MetroPCS AWS, LLC	Deutsche Telekom AG	WQCS391
0005446619	MetroPCS Wireless, Inc.	Deutsche Telekom AG	KNLH289
0005446620	MetroPCS California, LLC	Deutsche Telekom AG	KNLF558
0005446621	MetroPCS Florida, LLC	Deutsche Telekom AG	KNLF559
0005446622	MetroPCS Georgia, LLC	Deutsche Telekom AG	KNLF556
0005446623	MetroPCS Michigan, Inc.	Deutsche Telekom AG	WQGB247
0005446624	MetroPCS Massachusetts, LLC	Deutsche Telekom AG	WQKF358
0005446625	MetroPCS Texas, LLC	Deutsche Telekom AG	WPSJ978
0005446626	MetroPCS Networks California, LLC	Deutsche Telekom AG	WQEB557
0005446627 ⁵	MetroPCS Networks Florida, LLC	Deutsche Telekom AG	WQEB554
0005449221	MetroPCS California, LLC	Deutsche Telekom AG	L000008562
0005449224	MetroPCS Florida, LLC	Deutsche Telekom AG	L000008563
0005449881	Iowa Wireless Services Holding Corporation	Deutsche Telekom AG	KNLG769
0005449883	Iowa Wireless Services Holding Corporation	Deutsche Telekom AG	L000001014
0005449891	Iowa Wireless Services Holding Corporation	Deutsche Telekom AG	L000001109
0005454130	T-Mobile License LLC	Deutsche Telekom AG	L000008117

⁵ The Applicants designated File No. 0005446627 as the lead application.

III. SECTION 214 APPLICATIONS

The following applications for consent to the transfer of control of international section 214 authorizations have been assigned the following file numbers:

<u>File No.</u>	<u>Authorization Holder</u>	<u>Transferee</u>	<u>Authorization Number</u>
ITC-T/C-20121018-00264	T-Mobile USA, Inc.	Deutsche Telekom AG	ITC-214-20120301-00067 ITC-214-20061004-00452 ITC-214-19960930-00473
ITC-T/C-20121018-00265	T-Mobile Puerto Rico LLC	Deutsche Telekom AG	ITC-214-20070626-00246
ITC-T/C-20121018-00266	Iowa Wireless Services Holding Corporation	Deutsche Telekom AG	ITC-214-20020513-00251
ITC-T/C-20121018-00267	MetroPCS Wireless, Inc.	Deutsche Telekom AG	ITC-214-20011116-00601

IV. PETITION FOR DECLARATORY RULING UNDER SECTION 310(b)(4)

Deutsche Telekom requests that the Commission grant it Section 310(b)(4) authority to hold indirect controlling interests in the common carrier licenses and authorizations issued to MetroPCS and its subsidiaries. According to Deutsche Telekom, the Commission has already determined that the public interest is served by allowing up to 100 percent indirect foreign investment in T-Mobile and its licensee subsidiaries by Deutsche Telekom and its German shareholders, including interests held by the German government through its investment in Deutsche Telekom.⁶ The foreign ownership ruling issued in the *DT-Voicestream Order* was extended in 2006 to cover AWS-1 licenses.⁷ Deutsche Telekom asserts that the same rationale should also apply to allow Deutsche Telekom to control MetroPCS and its licensed subsidiaries.

The Petition for Declaratory Ruling has been assigned File No. ISP-PDR-20121018-00006.

V. EX PARTE STATUS OF THIS PROCEEDING

As previously announced, the Applications will be governed by permit-but-disclose *ex parte* procedures⁸ that are applicable to non-restricted proceedings under Section 1.1206 of the Commission's rules.⁹ Parties making oral *ex parte* presentations are directed to the Commission's revised *ex parte* rules. Parties are reminded that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed.¹⁰ More than a one- or two-sentence description of

⁶ See Public Interest Statement at 56-57 (citing VoiceStream Wireless Corporation, Powertel, Inc., and Deutsche Telekom AG, IB Docket No. 00-187, *Memorandum Opinion and Order*, 16 FCC Rcd 9779 (2001)) .

⁷ See Public Notice, International Authorizations Granted, 21 FCC Rcd 14062 (IB rel. Nov. 30, 2006).

⁸ See *infra* and footnote 1.

⁹ 47 C.F.R. § 1.1206.

¹⁰ See 47 C.F.R. § 1.1206(b)(1).

the views and arguments presented is generally required.¹¹ Other rules pertaining to oral and written presentations are set forth in Section 1.1206(b) as well.¹²

VI. GENERAL INFORMATION

The applications referenced herein have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies.

Interested parties must file petitions to deny no later than **November 26, 2012**. Persons and entities that file petitions to deny become parties to the proceeding. They may participate fully in the proceeding, including seeking access to any confidential information that may be filed under a protective order, seeking reconsideration of decisions, and filing appeals of a final decision to the courts. Oppositions to such pleadings must be filed no later than **December 6, 2012**. Replies to such pleadings must be filed no later than **December 17, 2012**. All filings concerning matters referenced in this Public Notice should refer to WT Docket No. 12-301 and reference the specific file numbers of the individual applications to which the filings pertain.

To allow the Commission to consider fully all substantive issues regarding the Applications in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.¹³ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

Under the Commission's current procedures for the submission of filings and other documents,¹⁴ submissions in this matter may be filed electronically (*i.e.*, through ECFS) or by hand delivery to the Commission.

- **If filed by ECFS,**¹⁵ comments shall be sent as an electronic file via the Internet to <http://www.fcc.gov/e-file/ecfs.html>. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket number. Parties may also submit an electronic comment by Internet e-mail.
- **If filed by paper,** the original and four copies of each filing must be filed by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th Street, S.W., Room TW-A325, Washington, D.C. 20554. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and

¹¹ See *id.*

¹² *Id.* § 1.1206(b).

¹³ See 47 C.F.R. § 1.45(c).

¹⁴ See FCC Announces Change in Filing Location for Paper Documents, *Public Notice*, 24 FCC Rcd 14312 (2009).

¹⁵ See Electronic Filing of Documents in Rulemaking Proceedings, GC Docket No. 97-113, *Report and Order*, 13 FCC Rcd 11322 (1998).

Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

One copy of each pleading must be delivered electronically, by e-mail or facsimile, or if delivered as paper copy, by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (according to the procedures set forth above for paper filings), to: (1) the Commission's duplicating contractor, Best Copy and Printing, Inc., at FCC@BCPIWEB.COM or (202) 488-5563 (facsimile); (2) David Hu, Broadband Division, WTB, at david.hu@fcc.gov or (202) 418-7247 (facsimile); (3) Kathy Harris, Mobility Division, WTB, at kathy.harris@fcc.gov or (202) 418-7447 (facsimile); (4) Kate Matraves, Spectrum and Competition Policy Division, WTB, at catherine.matraves@fcc.gov or (202) 418-7447 (facsimile); (5) David Krech, Policy Division, International Bureau, at david.krech@fcc.gov or (202) 418-2824 (facsimile); and (6) Jim Bird, Office of General Counsel, at TransactionTeam@fcc.gov or (202) 418-1234 (facsimile). Any submission that is e-mailed to Best Copy and Printing, David Hu, Kathy Harris, Kate Matraves, David Krech, and Jim Bird should include in the subject line of the e-mail: (1) WT Docket No. 12-301; (2) the name of the submitting party; and (3) a brief description or title identifying the type of document being submitted (e.g., WT Docket No. 12-301, [name of submitting party], Notice of *Ex Parte* Communication).

Copies of the application and any subsequently-filed documents in this matter may be obtained from Best Copy and Printing, Inc., in person at 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, via telephone at (202) 488-5300, via facsimile at (202) 488-5563, or via e-mail at FCC@BCPIWEB.COM. The applications and any associated documents are also available for public inspection and copying during normal reference room hours at the following Commission office: FCC Reference Information Center, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. The applications are also available electronically through ECFS, which may be accessed on the Commission's Internet website at <http://www.fcc.gov>. In addition, the wireless applications are available electronically through ULS, which may be accessed on the Commission's Internet website, and the international applications are available electronically through IBFS, also which may be accessed on the Commission's Internet website.. Information regarding the proposed transaction is also available on the Internet website the FCC has established for this transaction, <http://transition.fcc.gov/transaction/tmobile-metropcs.html>, which contains an unofficial listing and electronic copies of materials in this matter.

To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice) or (202) 418-0432 (TTY). Contact the FCC to request reasonable accommodations for filing comments (accessible format documents, sign language interpreters, CART, etc.) by e-mail: fcc504@fcc.gov; phone: (202) 418-0530; or TTY: (202) 418-0432.

For further information, contact David Hu, Broadband Division, Wireless Telecommunications Bureau, at (202) 418-7120, or Kathy Harris, Mobility Division, Wireless Telecommunications Bureau, at (202) 418-0609.

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