



FEDERAL COMMUNICATIONS COMMISSION
Washington DC 20554

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DA 20-421

VIA E-MAIL

Kathleen O'Brien Ham
T-Mobile US, Inc.
601 Pennsylvania Avenue, N.W.
North Building, Suite 800
Washington, DC 20004
[kathleen.ham@t-mobile.com]

Re: T-Mobile – DISH MVNO Agreement

Dear Ms. Ham:

T-Mobile's commitments to the Commission in the approved T-Mobile/Sprint transaction included a promise to pursue an MVNO agreement adhering to a set of principles. These principles were constructed to ensure that the MVNO agreement would promote fair and robust competition centered around four key factors: (1) Wholesale Network Pricing; (2) Discrimination and Competitive Constraints; (3) Long-Term Competition and Facilities Deployment; and (4) a Stable Transition of New Boost's Operations. After a careful review of the submitted materials, we find that your MVNO agreement with DISH is consistent with these principles.

With regards to Principles 1.a-1.c (the pricing principles), we find that you have constructed a novel pricing arrangement that will enable New Boost to make pricing decisions similarly to a facilities-based carrier. The agreement ensures that New T-Mobile and New Boost should be able to continue to be aggressive competitors in the wireless market, preserving the pricing that consumers expect while improving service during and after the transition to 5G. While operating on New T-Mobile's network, New Boost will be able to take advantage of the cost efficiencies created by the new 5G network. Finally, consistent with the principles, the pricing in this agreement is significantly superior to that in any of T-Mobile's or Sprint's largest MVNO contracts.

Under the agreement, with respect to treatment on the New T-Mobile network, New Boost will receive terms that are at least as favorable as those given to the Metro brand, or any successor brand. As the Commission found that value-sensitive consumers were especially at risk due to the potential of reduced competition from the proposed merger, your adherence to this principle is critical to preserving the marketplace for these consumers. Further, New Boost has no restrictions on the type of service plans it may offer, either in terms of its existing plans or in the innovation of new plan types. This is in accordance with Principles 2.a and 2.b.

The agreement also enables DISH "to deploy and utilize its own spectrum, systems, network infrastructure, and other facilities," as envisioned in Principle 3.a. Your commitment to this principle will prove critically important in granting DISH the ability to use the MVNO agreement as an on-ramp towards building its own nationwide 5G network, ensuring that our nation's spectrum resources are efficiently used in the provision of competitive wireless services. Such a network takes time to build, however, and the seven-year term of the agreement will grant DISH the necessary time to undertake this endeavor while still having the ability to offer true nationwide 5G service in the interim. Furthermore, we

note that you exceeded the requirement of Principle 3.b of a six-year agreement in negotiating a term of seven years.

Lastly, the agreement sets out a framework that will ensure that New Boost and its customers are not adversely affected during New T-Mobile's integration of the Sprint network into its own network. This adheres to the final principles, which seek a stable transition of New Boost's operations. Additionally, you have also submitted a Transition Services Agreement, which should further smooth DISH's path in taking over New Boost. Importantly, this Transition Services Agreement does not in any way impede the ability of the MVNO agreement to meet the principles as described above.

We wish to thank you for your cooperation and responsiveness during our review of this MVNO agreement.

Sincerely,

/s/ Charles Mathias
Charles Mathias
Co-Director T-Mobile/Sprint Taskforce
Associate Bureau Chief
Wireless Telecommunications Bureau

/s/ Catherine Matraves
Catherine Matraves
Co-Director T-Mobile/Sprint Taskforce
Deputy Division Chief
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cc: Jeffrey Blum [*jeffrey.blum@dish.com*]
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