

**STATEMENT OF  
CHAIRMAN JULIUS GENACHOWSKI**

*Re: Applications of Cellco Partnership d/b/a Verizon Wireless and SpectrumCo LLC and Cox TMI, LLC For Consent To Assign AWS-1 Licenses, WT Docket No. 12-4; Applications of Verizon Wireless and Leap for Consent To Exchange Lower 700 MHz, AWS-1, and PCS Licenses, ULS File Nos. 0004942973, 0004942992, 0004952444, 0004949596, and 0004949598; and Applications of T-Mobile License LLC and Cellco Partnership d/b/a Verizon Wireless for Consent to Assign Licenses, WT Docket 12-175*

After a rigorous review, the Commission has approved with conditions a substantially modified transaction between Verizon Wireless and the cable company owners of SpectrumCo, as well as important spectrum transactions involving T-Mobile and Leap. Together, these actions put valuable wireless spectrum to use while preserving broadband competition, to the benefit of consumers and our economy.

Our review revealed that the Verizon-SpectrumCo deal, as initially proposed, posed serious anti-competitive concerns and would not serve the public interest. In response to objections by FCC and Justice Department staff, the parties made fundamental changes to their agreements and a number of binding pro-competitive commitments. I commend the companies for working with the Commission to resolve concerns.

In particular, Verizon Wireless has committed to offering data roaming to its competitors and consumers. Roaming obligations have helped fuel competition, investment, and consumer choice in America's wireless marketplace since the first cellular voice service in 1981. Consistent with the Commission's 2011 Order extending the basic roaming framework to mobile broadband, Verizon's enhanced roaming commitments will help ensure that consumers, particularly in rural areas, have more choices and are not denied access to affordable mobile broadband services.

In connection with the FCC's review, Verizon Wireless has also undertaken an unprecedented divestiture of spectrum to one of its competitors, T-Mobile, and has committed to significantly accelerate the build-out of its new spectrum.

The companies' commercial agreements were also substantially modified to, among other things, preserve Verizon's incentives to build out FiOS, increase wireless competition, and ensure that the proposed Verizon Wireless-cable company technology joint venture is pro-consumer and that its products cannot be used in anti-competitive ways.

Two of my colleagues disagree with important elements of the Commission's order. Although a large number of businesses and public interest groups raised strong concerns and urged Commission action, my colleagues would not have adopted conditions relating to broadband roaming, they would not have reviewed or worked to revise the commercial agreements, and it is unclear whether they would have sought any spectrum divestitures. But protecting competition and incentives to build out wired and wireless broadband is core to the FCC's statutory responsibilities. Competition is at the heart of our free-market economy, and broadband infrastructure deployment is key to economic growth, job creation, and our global competitiveness. The Commission makes the right choice today in exercising our responsibilities and taking strong action based on a rigorous review.

Approval of the substantially modified transaction will benefit consumers in several

ways. By advancing U.S. leadership in 4G LTE deployment, the transaction marks another step in our effort to promote the U.S. innovation economy and make state-of-the-art broadband available to more people in more places. The transaction will preserve incentives for deployment and spur innovation while guarding against anti-competitive conduct. And vitally, it will put more than 20 megahertz of prime spectrum – spectrum that has gone unused for too long – quickly to work across the country, benefiting consumers and the marketplace.

I commend the FCC staff for their excellent and diligent work throughout this review. I also want to thank our talented and dedicated colleagues at the Justice Department.