

United States Senate

WASHINGTON, DC 20510

July 22, 2024

The Honorable Jonathan Kanter
Assistant Attorney General
Antitrust Division
United States Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530

The Honorable Jessica Rosenworcel
Chair
Federal Communications Commission
45 L Street, NE
Washington, D.C. 20554

Dear Assistant Attorney General Kanter and Chair Rosenworcel:

We write to urge you to closely scrutinize T-Mobile's proposed acquisition of UScellular.¹ As an antitrust enforcer, the Department of Justice (DOJ) should challenge the deal if it substantially reduces competition. As the nation's primary telecommunications regulator, the Federal Communications Commission (FCC) should not approve the transfer of UScellular's licenses to T-Mobile if it does not serve "the public interest, convenience, and necessity."²

Since T-Mobile acquired Sprint in 2020,³ three carriers have controlled essentially the entire national mobile wireless service market.⁴ If approved, T-Mobile's proposed \$4.4 billion acquisition of UScellular⁵ would further deplete competition in the industry, combining the third and fourth largest wireless carriers (by facilities-based subscribers)⁶ and giving T-Mobile access to four million new customers.⁷ Additional consolidation in the market would have far-reaching effects, reducing choices for consumers, further concentrating wireless spectrum holdings, and potentially leading to higher prices and other harms for consumers across the country.

¹ T-Mobile, "T-Mobile to Acquire UScellular Wireless Operations and Deliver Exceptional Value, a Superior 5G Experience and Unparalleled Benefits to Millions of Customers," press release, May 28, 2024, <https://www.t-mobile.com/news/business/uscellular-acquisition-operations-assets>.

² 47 U.S.C. 214(a) & 310(d).

³ Reuters, "T-Mobile completes merger with Sprint," Arriana McLymore and Diane Bartz, April 1, 2020, <https://www.reuters.com/article/idUSKBN21J5QB/>.

⁴ United States v. Deutsche Telekom AG, No. 1:19-cv-02232, Complaint, p. 3 (D.D.C. July 26, 2019), <https://www.justice.gov/opa/pr/justice-department-settles-t-mobile-and-sprint-their-proposed-merger-requiring-package>.

⁵ T-Mobile, "T-Mobile to Acquire UScellular Wireless Operations and Deliver Exceptional Value, a Superior 5G Experience and Unparalleled Benefits to Millions of Customers," press release, May 28, 2024, <https://www.t-mobile.com/news/business/uscellular-acquisition-operations-assets>.

⁶ Market shares were calculated based on subscription figures reported by the companies in their quarterly earnings and financial statements. See Statista, "Wireless subscription market share by carrier in the United States from 2011 to 2024, by quarter," <https://www.statista.com/statistics/199359/market-share-of-wireless-carriers-in-the-us-by-subscriptions/>.

⁷ Fast Company, "T-Mobile keeps getting bigger: Now it's buying U.S. Cellular to beef up service in rural areas," Sam Becker, May 28, 2024, <https://www.fastcompany.com/91132022/t-mobile-wireless-buying-uscellular-getting-bigger-mergers>.

Not only do the companies fail to acknowledge the anticompetitive nature of their deal, but T-Mobile also appears to be proud of its record of rolling up competitors. In its press release announcing the proposed acquisition, T-Mobile declares that it has “a proven industry-leading track record of bringing companies together in the name of enhanced connectivity, choice, and value for consumers,” specifically citing its MetroPCS and Sprint takeovers in the past decade.⁸ As recently as April of this year, T-Mobile also acquired Mint Mobile⁹—adding yet another service provider to its ranks, eliminating a competitor, and further reducing choices for consumers.

T-Mobile’s 2020 Merger with Sprint Limited Competition and Harmed Consumers

Contrary to unproven claims about the purported benefits of consolidation, the evidence shows that, time and time again, mergers drive up prices and decrease quality of service. Analysts and legal experts raised concerns about the four-to-three T-Mobile and Sprint merger when it was first discussed in 2014,¹⁰ and again when the transaction was announced in 2018. We opposed the merger and warned that it would give “the three remaining members of th[e] exclusive club ... every incentive to shut the door on new members, happily divide the market, and collect ever-rising monthly rents from wireless subscribers with few real alternatives.”¹¹

The foreseeable and harmful effects of the 2020 merger have already materialized, and we urge you to heed these lessons carefully as you assess T-Mobile’s latest acquisition. A class action suit filed in June 2022 charged that decreased competition resulting from the T-Mobile/Sprint merger caused cell phone costs for AT&T and Verizon customers to go up by billions of dollars.¹² U.S. wireless customers have long paid some of the highest prices in the world,¹³ and T-Mobile’s acquisition of Sprint eliminated a low-cost carrier from the market, reducing the competitive pressure on the remaining national wireless carriers to aggressively compete to

⁸ T-Mobile, “T-Mobile to Acquire UScellular Wireless Operations and Deliver Exceptional Value, a Superior 5G Experience and Unparalleled Benefits to Millions of Customers,” press release, May 28, 2024, <https://www.t-mobile.com/news/business/uscellular-acquisition-operations-assets>.

⁹ Reuters, “US FCC approves T-Mobile deal to buy budget provider Mint Mobile,” David Shepardson, April 25, 2024, <https://www.reuters.com/markets/deals/us-fcc-approves-t-mobile-deal-buy-budget-provider-mint-mobile-2024-04-25/>.

¹⁰ *See, e.g.*, New York Times, “Wireless Mergers Will Draw Scrutiny, Antitrust Chief Says,” Edward Wyatt, January 30, 2014, <https://archive.nytimes.com/dealbook.nytimes.com/2014/01/30/wireless-mergers-will-draw-scrutiny-antitrust-chief-says/> (quoting former AAG William Baer stating that “[i]t’s going to be hard for someone to make a persuasive case that reducing four firms to three is actually going to improve competition for the benefit of American consumers”); Letter from Senators Blumenthal, Warren, and colleagues to FCC Chair Ajit Pai, February 12, 2019, <https://www.blumenthal.senate.gov/imo/media/doc/Tmobile%20Sprint%20Letter%20to%20FCC.pdf> (explaining that antitrust regulators around the world have consistently blocked four-to-three mergers in the telecommunications industry), and ABC News, “Trial begins for state attorney general’s lawsuit over T-Mobile and Sprint’s ‘megamerger,’” Catherine Thorbecke, December 9, 2019, <https://abcnews.go.com/Business/trial-begins-state-ags-lawsuit-mobile-sprint-megamerger/story?id=67598013> (reporting that a coalition of state attorneys general sued to block the T-Mobile/Sprint deal because they believed a four-to-three merger would harm consumers).

¹¹ Letter from Senators Blumenthal, Warren, and colleagues to FCC Chair Ajit Pai, February 12, 2019, <https://www.blumenthal.senate.gov/imo/media/doc/Tmobile%20Sprint%20Letter%20to%20FCC.pdf>.

¹² Anthony Dale v. Deutsche Telekom AG, No. 1:22-cv-03189, Complaint, p. 1 (N.D. Ill. June 17, 2022), <https://www.classaction.org/media/dale-et-al-v-deutsche-telekom-ag-et-al.pdf>.

¹³ Vice, “US Wireless Data Prices Are Among the Most Expensive on Earth,” Karl Bode, November 20, 2018, <https://www.vice.com/en/article/j5zpw7/us-wireless-data-prices-are-among-the-most-expensive-on-earth>.

lower their prices. While mobile wireless plan prices across the globe have steadily fallen in recent years, the decline in U.S. prices slowed in the aftermath of the T-Mobile/Sprint merger,¹⁴ serving as a warning against increased consolidation in the wireless market.

In order to push the Sprint merger through, T-Mobile agreed to lock in pricing for three years.¹⁵ This commitment recently expired,¹⁶ and the company appears to be wasting no time: an internal T-Mobile memo revealed that the company planned to raise rates for customers on older plans starting on June 5, 2024.¹⁷ Accordingly, over the past month, batches of customers have received notifications about “imminent” rate increases.¹⁸ The company has also separately introduced a new assortment of more expensive rate plans.¹⁹

Although T-Mobile executives have attempted to blame price increases on inflation,²⁰ the company has significantly increased its profits.²¹ In 2023, T-Mobile’s \$8.3 billion income represented “industry-leading growth of 221%” year-over-year.²² In 2023, T-Mobile paid its CEO Mike Sievert more than \$37 million.²³ T-Mobile has also promised shareholders \$19 billion in stock buybacks over the next five quarters.²⁴

In addition to hurting consumers, the T-Mobile/Sprint merger has hit the companies’ employees particularly hard. Despite promising to be “jobs-positive from Day One” of the merger,²⁵ T-Mobile has since conducted numerous rounds of layoffs, firing thousands of employees since its

¹⁴ Gadget Insiders, “How T-Mobile’s Takeover of Sprint Affected Mobile Prices in the US,” Prashant Chaudhary, May 16, 2024, <https://www.gadgetinsiders.com/news/how-t-mobiles-takeover-of-sprint-affected-mobile-prices-in-the-us/>.

¹⁵ CNET, “T-Mobile-Sprint merger gains Justice Department OK thanks to Dish,” Eli Blumenthal and Roger Cheng, July 27, 2019, <https://www.cnet.com/tech/mobile/t-mobile-and-sprint-deal-wins-justice-department-ok-thanks-to-dish/>.

¹⁶ The Verge, “What’s next for Sprint customers now that the T-Mobile merger has gone through?,” Chaim Gartenberg, April 1, 2020, <https://www.theverge.com/2020/4/1/21203146/tmobile-sprint-customers-plans-network-billing-carriers-merger>.

¹⁷ CNET, “T-Mobile Raises Rates on Select Legacy Plans, Here’s the Deal,” Eli Blumenthal, May 26, 2024, <https://www.cnet.com/tech/mobile/t-mobile-raises-rates-on-select-legacy-plans-heres-the-deal/>.

¹⁸ Phone Arena, “T-Mobile is angering even more of its customers with late price hike notices,” Adrian Diaconescu, June 7, 2024, https://www.phonearena.com/news/t-mobile-more-customers-angry-late-price-hike-notices_id159095.

¹⁹ CNET, “T-Mobile Raises Rates on Select Legacy Plans, Here’s the Deal,” Eli Blumenthal, May 26, 2024, <https://www.cnet.com/tech/mobile/t-mobile-raises-rates-on-select-legacy-plans-heres-the-deal/>.

²⁰ *Id.*

²¹ See T-Mobile, “T-Mobile Delivers Industry-Leading Growth in Customers, Service Revenues, Profitability and Cash Flow in 2023, Setting Up Strong 2024 Outlook,” press release, January 25, 2024, <https://www.t-mobile.com/news/business/t-mobile-q4-2023-earnings>.

²² *Id.*

²³ Axios Seattle, “Six Seattle CEOs rank among the nation’s highest-paid,” Christine Clarridge, May 22, 2024, <https://www.axios.com/local/seattle/2024/05/22/top-paid-ceos-costco-expedia-tmobile-boeing>.

²⁴ CNBC Television, “T-Mobile CEO Mike Sievert on announcing \$19 billion buyback program and first-ever dividend,” September 6, 2023, <https://www.youtube.com/watch?v=2272Tpd6Umw&t=14s>.

²⁵ T-Mobile, “Just the Facts on Jobs: The New T-Mobile Will Create Jobs From Day One,” John Legere, April 4, 2019, <https://www.t-mobile.com/news/un-carrier/new-t-mobile-creating-jobs>.

acquisition of Sprint, including 5,000 in the fall of 2023²⁶ just two weeks before announcing extensive stock buybacks.²⁷

T-Mobile's Acquisition of UScellular Would Further Reduce Competition

Given the already high level of market concentration in the wireless industry, the harmful effects described above would only be intensified by T-Mobile's acquisition of UScellular. Prior to approving the T-Mobile/Sprint merger, DOJ conceded that at least four competitors would be necessary to prevent harm to consumers, arguing that "the reduction in the number of nationwide providers from four to three" would likely "lead to lessened competition due to an enhanced risk of anticompetitive coordination," and would "result in higher nationwide prices."²⁸ When it reversed course and decided to approve the merger, it tried to create a fourth competitor by requiring that the two companies divest certain assets to DISH Network Corporation ("DISH"), a satellite television provider.²⁹ Experts expressed concerns about the plan's feasibility from the beginning,³⁰ and these concerns seem to have been validated over time. Despite DISH's wireless network deployment,³¹ it has so far failed to become the competitor that proponents of the merger asserted it would become, as evidenced by the continued domination of Verizon, AT&T, and T-Mobile,³² and by DISH's financial struggles.³³

²⁶ TechCrunch, "After merger, T-Mobile lays off hundreds of Sprint employees," Zack Whittaker and Brian Heater, June 16, 2020, <https://techcrunch.com/2020/06/16/t-mobile-layoffs-sprint/>; NPR, "T-Mobile is laying off 5,000 employees," Ayana Archie, August 24, 2023, <https://www.npr.org/2023/08/24/1195707345/t-mobile-layoffs>.

²⁷ CNBC Television, "T-Mobile CEO Mike Sievert on announcing \$19 billion buyback program and first-ever dividend," September 6, 2023, <https://www.youtube.com/watch?v=2272Tpd6Umw&t=14s>.

²⁸ United States v. AT&T Inc., No. 1:11-cv-01560, Complaint, p. 16 (D.D.C. August 31, 2011), <https://www.justice.gov/sites/default/files/opa/legacy/2011/08/31/Justice-ATT-T-Mobile-Complaint.pdf>. See also United States v. Deutsche Telekom AG, No. 1:19-cv-02232, Competitive Impact Statement, p. 7 (D.D.C. July 30, 2019), <https://www.justice.gov/atr/case-document/file/1189501/dl> (noting that "[t]he elimination of a fourth national facilities-based mobile wireless carrier would . . . restructure the retail mobile wireless service market" and "leave the market vulnerable to increased coordination among the remaining three carriers").

²⁹ U.S. Department of Justice, "Justice Department Settles with T-Mobile and Sprint in Their Proposed Merger by Requiring a Package of Divestitures to Dish," press release, July 26, 2019, <https://www.justice.gov/opa/pr/justice-department-settles-t-mobile-and-sprint-their-proposed-merger-requiring-package>.

³⁰ See, e.g., American Antitrust Institute, "Masquerading As Merger Control: The U.S. Department of Justice Settlement With Sprint and T-Mobile," John Kwoka, October 2019, https://www.antitrustinstitute.org/wp-content/uploads/2019/08/Kwoka_Sprint-T-Mobile-Settlement_8.21.19_F.pdf (arguing that the settlement "fails the test of plausibly and predictably preserving competition in the U.S. wireless market"); Fortune, Editorial, "5 reasons the T-Mobile-Sprint merger should've been rejected—and will raise your phone bill," February 20, 2020, <https://fortune.com/2020/02/20/t-mobile-sprint-merger-dish/> (explaining why DISH does not have the business incentives to spend years and billions of dollars building the nationwide wireless network that would be needed for it to become a viable competitor).

³¹ Letter from Joel Taubenblatt, Chief of the FCC's Wireless Telecommunications Bureau, to Jeffrey Blum, EVP of DISH's External and Legislative Affairs, September 29, 2023, <https://docs.fcc.gov/public/attachments/DOC-397375A1.pdf>.

³² Statista, "Wireless subscription market share by carrier in the United States from 2011 to 2024, by quarter," <https://www.statista.com/statistics/199359/market-share-of-wireless-carriers-in-the-us-by-subscriptions/>. See also ProMarket, Editorial, "The Real Dish on the T-Mobile/Sprint Merger: A Disastrous Deal From the Start," April 23, 2021, <https://www.promarket.org/2021/04/23/dish-t-mobile-sprint-merger-disastrous-deal-lessons/> (explaining that DISH has been "struggling in the wireless market," as it has to "depend on an incumbent who is a direct rival").

³³ Financial Times, "How distressed debt brought a billionaire's satellite empire crashing to earth," Sujeet Indap and Harriet Clarfelt, February 16, 2024, <https://www.ft.com/content/6678aaa8-bef7-49a0-aa47-ca849c320dee>.

The proposed T-Mobile/UScellular deal would give T-Mobile millions of new customers and “substantially all of UScellular’s wireless operations,”³⁴ which includes spectrum assets and a “long-term” lease over 2,100³⁵ of UScellular’s 4,500 towers.³⁶ The potential harm to consumers is clear: an international comparative study shows that consumers in markets with three mobile wireless service providers pay phone bills that are, on average, three times more expensive than those of consumers in markets with four providers.³⁷ T-Mobile’s acquisition of Sprint left the U.S. with only three dominant nationwide wireless providers, and this transaction would eliminate further competition from the marketplace, exacerbating harms to consumers and competition.

Antitrust law prohibits any merger that may substantially lessen competition.³⁸ The DOJ and Federal Trade Commission’s (“FTC”) finalized Merger Guidelines note that “a merger between competitors that ... creates or further consolidates a highly concentrated market may substantially lessen competition.”³⁹ The DOJ and FTC typically use the Herfindahl-Hirschman Index (“HHI”) to measure concentration levels, deeming markets with an HHI greater than 1,800 as being “highly concentrated.”⁴⁰ In 2017, before T-Mobile’s acquisition of Sprint, the HHI for the mobile wireless market measured 3,101.⁴¹ At the end of 2021, following T-Mobile’s combination with Sprint, concentration levels were 3,596⁴²—nearly double the level antitrust enforcers classify as highly concentrated. T-Mobile’s proposed acquisition of UScellular would further concentrate this market, in presumptive violation of antitrust laws.

The proposed transaction would eliminate competition between T-Mobile and UScellular where the carriers’ networks overlap, as well as potential competition between the carriers in markets where they do not currently overlap. T-Mobile has previously explained its plans to expand its network in rural America,⁴³ while UScellular has long been committed to providing “best-in-class connectivity to rural Americans.”⁴⁴ The proposed transaction would eliminate any potential

³⁴ T-Mobile, “T-Mobile to Acquire UScellular Wireless Operations and Deliver Exceptional Value, a Superior 5G Experience and Unparalleled Benefits to Millions of Customers,” press release, May 28, 2024, <https://www.t-mobile.com/news/business/uscellular-acquisition-operations-assets>.

³⁵ *Id.*

³⁶ UScellular, “Tower Locator,” <https://towers.uscellular.com/cell-tower-map>. T-Mobile has indicated that the company will not have exclusivity on access to these towers, and that the company’s “agreement with UScellular actually contemplates there will be other tenants on the towers” (email from T-Mobile representative to staff of Senator Elizabeth Warren, July 10, 2024, on file with the office of Senator Elizabeth Warren).

³⁷ Rewheel, “The state of mobile and broadband pricing – 1H2024,” April 2024, p. 1, https://research.rewheel.fi/downloads/The_state_of_mobile_and_broadband_pricing_1H2024_PUBLIC_REDACTED_VERSION.pdf.

³⁸ 15 U.S.C. 18.

³⁹ U.S. Department of Justice and Federal Trade Commission, “Merger Guidelines,” December 18, 2023, pp. 2, <https://www.justice.gov/d9/2023-12/2023%20Merger%20Guidelines.pdf>.

⁴⁰ *Id.* at 5.

⁴¹ Federal Communications Commission, “Twentieth Mobile Wireless Competition Report,” September 27, 2017, p. 22, <https://docs.fcc.gov/public/attachments/FCC-17-126A1.pdf>.

⁴² Federal Communications Commission, “2022 Communications Marketplace Report,” December 30, 2022, p. 61, <https://docs.fcc.gov/public/attachments/FCC-22-103A1.pdf>.

⁴³ LightReading, “T-Mobile outlines rural growth strategy,” Mike Dano, June 4, 2021, <https://www.lightreading.com/the-edge-network/t-mobile-outlines-rural-growth-strategy>.

⁴⁴ UScellular, “UScellular and TDS Announce Sale of Wireless Operations and Select Spectrum Assets to T-Mobile for Approximately \$4.4 Billion in Cash and Assumed Debt,” press release, May 28, 2024,

for head-to-head competition between T-Mobile and UScellular for millions of Americans in the most difficult-to-serve locations.

The finalized Merger Guidelines additionally clarify that antitrust agencies may evaluate a company's overall pattern of multiple acquisitions in the same business which, as the Supreme Court recognized, can "convert an industry from one of intense competition among many enterprises to one in which three or four large [companies] produce the entire supply."⁴⁵ T-Mobile's continual roll-ups cannot go unchecked. To do otherwise would only help perpetuate a vicious cycle of consolidation. In fact, some analysts have already referred to this proposed deal as a "signal [of] the start of more consolidation in an industry with fewer players than ever," and "the first shot across the bow in the wireless world," as industry consolidation may "speed up into 2025."⁴⁶

In addition to scrutinizing this latest proposed acquisition by T-Mobile, the DOJ should closely review T-Mobile's compliance with the T-Mobile/Sprint Final Judgement.⁴⁷ If the DOJ finds that T-Mobile has failed to abide by the terms of the Final Judgement, or that the terms need to be strengthened or extended to address transaction-related harms, or if the DOJ finds T-Mobile has otherwise violated antitrust law, DOJ should take appropriate action, including considering unwinding the 2020 T-Mobile/Sprint merger.

The FCC Must Review the Merger to Determine if it is Consistent with the "Public Interest, Convenience, and Necessity"

In addition to granting antitrust authority to the DOJ and FTC, Congress has directed the FCC to review certain telecommunications industry transactions to determine whether they would serve "the public interest, convenience, and necessity."⁴⁸ This ensures that companies that have been granted licenses to use the public spectrum are good stewards of this spectrum and assists in the FCC's management of spectrum in the public interest.⁴⁹

The FCC's review, while informed by competition principles, is not limited to them. Consistent with the Communications Act of 1934, the FCC must closely examine whether the proposed transaction is in the public interest. The Commission's analysis should weigh the transaction's likely and significant public interest harms—such as fewer choices for consumers; higher prices for essential connectivity; fewer jobs; and lower levels of investment in network deployment, innovation, and service quality—against any benefits.

<https://investors.uscellular.com/news/news-details/2024/UScellular-and-TDS-Announce-Sale-of-Wireless-Operations-and-Select-Spectrum-Assets-to-T-Mobile-for-Approximately-4.4-Billion-in-Cash-and-Assumed-Debt/default.aspx>.

⁴⁵ U.S. Department of Justice and Federal Trade Commission, "Merger Guidelines," December 18, 2023, pp. 2, 24, <https://www.justice.gov/d9/2023-12/2023%20Merger%20Guidelines.pdf>.

⁴⁶ Associated Press, "T-Mobile to buy almost all of U.S. Cellular in deal worth \$4.4 billion with debt," Michelle Chapman, May 28, 2024, <https://apnews.com/article/tmobile-tds-us-cellular-67d4d2a85fd73338334987933b468a40>.

⁴⁷ United States v. Deutsche Telekom AG, No. 1:19-cv-02232, Final Judgment (D.D.C. July 26, 2019), <https://www.justice.gov/opa/press-release/file/1187706/dl>.

⁴⁸ 7 U.S.C. 214(a) & 310(d).

⁴⁹ FCC, "FCC Transaction Review: Competition and the Public Interest," Jon Sallet, August 12, 2024, <https://www.fcc.gov/news-events/blog/2014/08/12/fcc-transaction-review-competition-and-public-interest>.

The FCC should also consider the proposed deal’s potential reduction of jobs, as it did in its review of AT&T’s proposed acquisition of T-Mobile, where the Commission found the transaction would result in fewer jobs across the business.⁵⁰ This is a particularly important factor with respect to this transaction, given T-Mobile’s record of cutting thousands of jobs in the wake of its merger with Sprint.⁵¹ Prior to the T-Mobile/Sprint merger, then-T-Mobile CEO John Legere testified under oath before the Senate Judiciary Committee’s Subcommittee on Antitrust, Competition Policy, and Consumer Rights that the deal would create thousands of new jobs,⁵² specifying in prepared remarks that the company would add 11,000 new jobs by 2024.⁵³ But by the end of 2022, SEC filings showed that the new T-Mobile employed 7,000 *fewer* people than T-Mobile and Sprint employed in 2020,⁵⁴ even before the company’s 5,000 layoffs in 2023. Going forward, the FCC should treat any public interest claims of job growth with skepticism, and the DOJ should closely scrutinize the transaction’s impact on competition for telecommunications industry workers.

T-Mobile’s proposed acquisition of UScellular would also increase concentration in spectrum holdings, further consolidating control of a key and scarce input for mobile wireless carriers. The FCC has noted that spectrum is a “critical input” that “can affect whether, when, and where ... potential entrants will be able to expand capacity or deploy networks.”⁵⁵ DOJ has recognized that “spectrum policies that promote competition and enhance the potential for entry and expansion in the wireless market play a vital role in protecting, and indeed enhancing, the competitive dynamic to the benefit of American consumers.”⁵⁶ In its 2022 Communications Marketplace Report, the Commission highlighted that “[a]s of July 2022, the three nationwide service providers, AT&T, T-Mobile, and Verizon Wireless, together held 78% of all the spectrum” used for mobile wireless use.⁵⁷ Permitting T-Mobile to acquire UScellular would further concentrate spectrum holdings among the largest three carriers, eliminating potential competition from smaller firms.

T-Mobile and UScellular bear the burden of proving that the proposed transaction serves the public interest.⁵⁸ As such, the FCC should not approve this proposed deal if T-Mobile is unable

⁵⁰ *Id.* at pp. 106-111.

⁵¹ NPR, “T-Mobile is laying off 5,000 employees,” Ayana Archie, August 24, 2023, <https://www.npr.org/2023/08/24/1195707345/t-mobile-layoffs>.

⁵² C-Span, T-Mobile-Sprint Proposed Merger, June 27, 2018, <https://www.c-span.org/video/?447643-1/mobile-sprint-proposed-merger>.

⁵³ Senate Judiciary Committee, Written Testimony of John Legere, Chief Executive Officer, T-Mobile US House Judiciary Subcommittee on Antitrust, Commercial and Administrative Law.

⁵⁴ GeekWire, “3 years after Sprint merger, T-Mobile employs 9k fewer people, insists it upheld pledge on jobs,” April 11, 2023, <https://www.geekwire.com/2023/3-years-after-sprint-merger-t-mobile-employs-9k-fewer-people-insists-it-upheld-pledge-on-jobs/>.

⁵⁵ Federal Communications Commission, “2020 Communications Marketplace Report,” December 31, 2020, p. 20, <https://docs.fcc.gov/public/attachments/FCC-20-188A1.pdf>.

⁵⁶ In the Matter of Policies Regarding Mobile Spectrum Holdings, WT Docket No. 12-269, *Ex Parte* Submission of the U.S. Department of Justice, p. 8, April 11, 2013, <https://www.justice.gov/sites/default/files/atr/legacy/2013/04/15/295780.pdf>.

⁵⁷ Federal Communications Commission, “2022 Communications Marketplace Report,” December 30, 2022, p. 67, <https://docs.fcc.gov/public/attachments/FCC-22-103A1.pdf>.

⁵⁸ 47 U.S.C. 214(a), 310(d). See also AT&T Inc. and BellSouth Corp. Application for Transfer of Control, Memorandum Opinion and Order, 22 FCC Rcd 5662, p. 11, 2007, <https://docs.fcc.gov/public/attachments/FCC-06-189A1.pdf>.

to prove that it would affirmatively benefit the public. The FCC also should refrain from approving the proposed deal if T-Mobile fails to provide enough information for the FCC to make this determination.⁵⁹ The Commission should also analyze how to reduce concentration in spectrum holdings to promote greater competition, investment, network deployment, and innovation in the mobile wireless market. The Commission’s most recent review of its mobile spectrum holdings policies concluded more than a decade ago.⁶⁰

Conclusion

T-Mobile’s merger with Sprint resulted in higher costs for consumers, job losses, and less competition in the wireless industry. Allowing T-Mobile to continue its roll-up strategy by acquiring UScellular would exacerbate these harms. We therefore urge DOJ to scrutinize this proposed deal and challenge it if it would substantially lessen competition, and we call on the FCC to carefully review the merger and not to permit the transfer of licenses if it would fail to affirmatively serve the public interest, convenience, and necessity.⁶¹

Sincerely,



Elizabeth Warren
United States Senator



Amy Klobuchar
United States Senator



Christopher S. Murphy
United States Senator

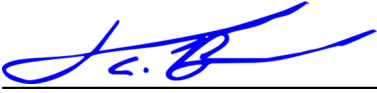


Bernard Sanders
United States Senator

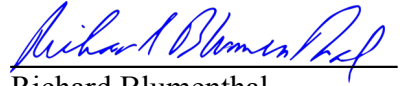
⁵⁹ *Id.*

⁶⁰ Federal Communications Commission, “Policies Regarding Mobile Spectrum Holdings,” <https://www.fcc.gov/wireless/bureau-divisions/competition-infrastructure-policy-division/policies-regarding-mobile>.

⁶¹ 7 U.S.C. 214(a) & 310(d).



Cory A. Booker
United States Senator



Richard Blumenthal
United States Senator