

JUSTICE NEWS

Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Friday, July 26, 2019

Justice Department Settles with T-Mobile and Sprint in Their Proposed Merger by Requiring a Package of Divestitures to Dish**Divestiture Will Enable DISH's Entry as a Fourth Nationwide Facilities-Based Wireless Competitor and Expedite Deployment of High-Quality 5G for American Consumers**

The Department of Justice announced today that it and the Attorneys General for five states reached a settlement with T-Mobile and Sprint regarding their proposed merger. The settlement requires a substantial divestiture package in order to enable a viable facilities-based competitor to enter the market. Further, the settlement will facilitate the expeditious deployment of multiple high-quality 5G networks for the benefit of American consumers and entrepreneurs.

The Department's Antitrust Division, along with the offices of five state Attorneys General (Plaintiff States), filed a civil antitrust lawsuit today in the U.S. District Court for the District of Columbia to block the proposed transaction. At the same time, the Department and the Plaintiff States filed a proposed settlement that, if approved by the court, would resolve the Department's and the Plaintiff States' competitive concerns. The participating state Attorneys General offices represent Nebraska, Kansas, Ohio, Oklahoma, and South Dakota.

Under the terms of the proposed settlement, T-Mobile and Sprint must divest Sprint's prepaid business, including Boost Mobile, Virgin Mobile, and Sprint prepaid, to Dish Network Corp., a Colorado-based satellite television provider. The proposed settlement also provides for the divestiture of certain spectrum assets to Dish. Additionally, T-Mobile and Sprint must make available to Dish at least 20,000 cell sites and hundreds of retail locations. T-Mobile must also provide Dish with robust access to the T-Mobile network for a period of seven years while Dish builds out its own 5G network.

"With this merger and accompanying divestiture, we are expanding output significantly by ensuring that large amounts of currently unused or underused spectrum are made available to American consumers in the form of high quality 5G networks," said Assistant Attorney General Makan Delrahim of the Justice Department's Antitrust Division. "Today's settlement will provide Dish with the assets and transitional services required to become a facilities-based mobile network operator that can provide a full range of mobile wireless services nationwide. I want to thank our state partners for joining us in this settlement." Delrahim added, "In crafting this remedy, we are also mindful of the significant commitments T-Mobile, Sprint, and Dish have made to the Federal Communications Commission."

The Department and the Plaintiff States said that, without the divestiture, the proposed acquisition would eliminate competition between two of only four facilities-based suppliers of nationwide mobile wireless services. According to the complaint, T-Mobile and Sprint both operate mobile networks and offer nationwide coverage to consumers, and they are particularly close competitors to each other for the roughly 30% of retail subscribers who purchase prepaid mobile wireless service. The combination of T-Mobile and Sprint would eliminate head-to-head competition between the companies and threaten the benefits that customers have realized from that competition in the form of lower prices and better service.

T-Mobile US Inc. is a Delaware corporation headquartered in Bellevue, Washington. In 2018, T-Mobile posted revenues of more than \$43 billion. Deutsche Telekom AG, a German corporation headquartered in Bonn, Germany, is the controlling shareholder of T-Mobile US Inc.

Sprint Corporation is a Delaware corporation headquartered in Overland Park, Kansas. In 2018, its posted revenue was over \$32 billion. Sprint is controlled by SoftBank Group Corp., a Japanese Corporation headquartered in Tokyo, Japan.

As required by the Tunney Act, the proposed consent decree, along with the Department's competitive impact statement, will be published in the *Federal Register*. Any person may submit written comments concerning the proposed settlement within 60 days of its publication to Scott Scheele, Chief, Telecommunications and Broadband Section, Antitrust Division, U.S. Department of Justice, 450 Fifth Street, N.W., Suite 7000, Washington, D.C. 20530. At the conclusion of the 60-day comment period, the court may enter the final judgment upon a finding that it serves the public interest.

Attachment(s):[Download Complaint](#)[Download Proposed Final Judgment](#)[Download Stipulation and Order](#)[Download Explanation of Tunney Act Procedures](#)**Topic(s):**

Antitrust

Component(s):[Antitrust Division](#)

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