

How The T-Mobile/Sprint Merger Will Impact Rural Americans

The proposed T-Mobile/Sprint merger will leave the majority of rural Americans without access to affordable, reliable high-speed wireless service.

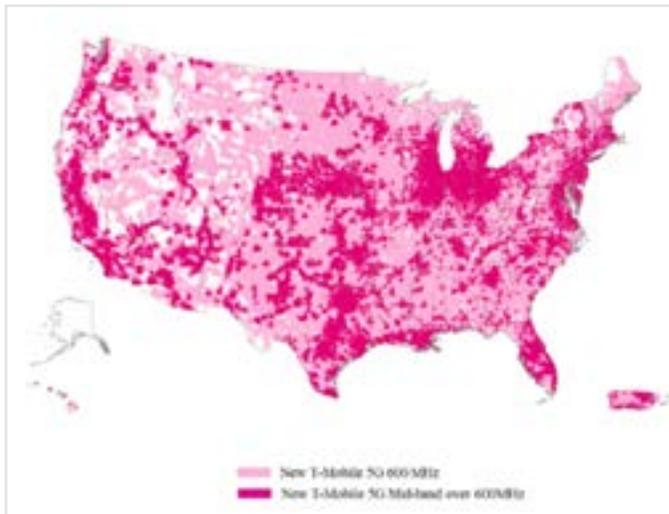
While T-Mobile and Sprint claim that the merger is essential to the companies' ability to build a nationwide 5G network that would bring broadband to rural communities, a close look at the proposal for the New T-Mobile tells a different story.

Sprint's current network is mostly concentrated in urban and suburban areas and adding it to T-Mobile's current network will not result in gains in rural areas.

The future capacity that Sprint brings to the network is in the mid-band spectrum (2.5 GHz and PCS), which is critical for providing high-speed networks. However, because mid-band spectrum can only transmit wireless signals over short distances, any significant increase in coverage would require the construction of many more cell towers, which is not cost effective in low-density rural areas.

T-Mobile's low-band spectrum (600 MHz), on the other hand, has a wider reach. While that makes it better suited for rural areas, it has limited capacity to provide high-speed broadband and cannot support applications such as high-definition video, online gaming, telehealth services and connected vehicles.

46 Million Will Be Left Without High-Speed Wireless



The light pink areas on this map, mostly in rural areas, will only have low-speed coverage from the New T-Mobile. ¹

Even under the best case scenario, T-Mobile and Sprint project that if the merger were approved, 26 percent of the population (84.6 million Americans) would still lack New T-Mobile high-speed coverage in 2021, and by 2024, 14 percent of the total population (45.9 million Americans) would continue to lack access to the high-capacity network.²

Because of the technical limitations of the spectrum, the vast majority of this uncovered population would be less dense, rural areas.

The lower-capacity network would only serve an additional 1.7 million users by 2021 and an additional 1.1 million users by 2024 compared to a stand-alone T-Mobile.³

Even six years after the merger, most of the New T-Mobile's rural customer will have to settle for service that is significantly worse than customers in urban and suburban areas. Claims that the T-Mobile/Sprint merger would serve the public interest by helping close the digital divide for rural Americans are contradicted by the companies' own data.

The Bottom Line? Regulators should not approve the proposed merger between T-Mobile and Sprint as currently structured because it would result in substantial public interest harm from job loss and higher prices and offers no verifiable, merger-related public interest benefits.

¹ See [T-Mobile and Sprint's Public Interest Statement](#), p. 46, figure 10, filed with the Federal Communications Commission, Jun. 18, 2018.

² Ibid., p. 47, table 9.

³ Ibid.