The Hon. Rhonda K. Schmidtlein, Chairman The Hon. David S. Johanson, Vice Chairman United States International Trade Commission 500 E Street, SW Washington, D.C. 20436

Re: Sprint Corporation's Statement on the Public Interest

Certain Semiconductor Devices, Semiconductor Device Packages, and Products Containing the Same, Inv. No. 337-TA-1010

Dear Chairman Schmidtlein, Vice Chairman Johanson, and Commissioners:

On behalf of Sprint Spectrum LP, I respectfully submit these comments in response to the Commission's Notice of Request for Statements on the Public Interest in the matter of *Certain Semiconductor Devices, Semiconductor Device Packages, and Products Containing the Same*, Inv. No. 337-TA-101, dated July 10, 2017.

Sprint is a leading telecommunications service provider and mobile network operator. Sprint has roughly 28,000 employees and has over 4,700 stores in the United States. With approximately \$54 million customers as of March 2017, Sprint is currently the fourth-largest mobile network operator in the United States, behind Verizon, AT&T, and T-Mobile. ¹

Sprint is deeply concerned about the potential impact of an exclusion order on its business and its customers and on competition among mobile network operators generally. HTC (one of the respondents in this Investigation) has partnered with Sprint to provide its cutting-edge Android-based "Bolt" smartphone exclusively to Sprint customers. Sprint's strategic partnership with HTC to provide exclusive access to the Bolt smartphone helps distinguish Sprint from other mobile network operators and remain competitive.² Moreover, this partnership is about more than just providing an exclusive flagship phone: the HTC Bolt is specifically designed to take full advantage of Sprint's LTE Plus network, which further sets Sprint apart from its competitors.



¹ Sprint's overall network reliability is on par with both Verizon and AT&T and outperforms T-Mobile based on an analysis of Nielsen data from the top 106 metropolitan markets.

 $^{^2}$ See, e.g., <u>https://www.engadget.com/2016/11/11/htcs-high-end-bolt-is-a-fast-fascinating-sprint-exclusive/.</u>

the ALJ has recommended here poses significant repercussions to Sprint. If the Commission adopts the ALJ's recommended remedy, Sprint is concerned that it will not be able to offer the Bolt smartphone to its customers. The loss of this exclusive product could cost Sprint current and prospective customers by, among other things, compromising Sprint's ability to showcase and market its LTE Plus network.

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While Sprint expresses no opinion on the merits of the Investigation, we are deeply concerned about the impact a remedial order may have on our competitive standing and on our customers who would have fewer options when choosing a smartphone, particularly leading edge devices such as the Bolt. If the Commission determines a remedy of some kind is appropriate, we urge you to consider tailoring any remedial order to avoid disruption to Sprint's ability to offer the Bolt (among other HTC smartphone products) to its customers, such as by delaying by six or more months the imposition of any remedy to allow HTC to qualify non-accused chips for its products.

Sincerely,

Ryan Sullivan

Vice President, Device Development & Engineering



CERTIFICATE OF SERVICE

I, Pamela A. Freitik, hereby certify that the attached document has been served upon the following parties as indicated below on August 7, 2017.

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