

Regulators and investors are making a mistake in their analysis of Dish

By [Jonathan Chaplin](#) | August 10, 2019

We published a report this week showing that if Dish deploys a network, they will have the capacity to take at least 15% of the market's traffic, and an incentive to price aggressively to do so ([LINK](#)). We argue that their unit cost would be so low that they could sell capacity in the wholesale market well below current wholesale rates (below even the existing carriers' unit costs). This could open the market to competition that would dwarf anything we have seen from Sprint in a decade.

A neutral-host wholesale capacity platform does more than just drive competition in the retail wireless market though; it paves the way for innovation in new business models that wouldn't otherwise be possible.

Companies across industries will be able to purchase wireless network capacity, either as an input to, or bundled with, a product or service they sell to consumers or enterprises.

It would also drive investment: the existing carriers would have to accelerate investments in fiber, spectrum and 5G equipment, and they would have to innovate, in order to remain competitive with a new network with a big cost advantage.

Consumers would benefit directly from faster, better networks, more choices, and lower wireless prices.

Companies with products or services that are delivered over a network benefit for the same reasons; the value of their businesses should rise as connectivity costs fall.

So, what is the problem with the T-Mobile / Sprint deal?

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Full 12-month historical recommendation changes are available on request

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