DT CEO Says T-Mo Standalone Strategy Sufficient for Now

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Deutsche Telekom (DT) says T-Mobile USA will be just fine on its in own, at least in the short term.

DT CEO Timotheus Hoettges, told Bloomberg [1] that the recovering U.S. economy is a boon for the rehabilitated Un-Carrier. He said T-Mobile will continue to build on its standalone approach and won't craft future plans on a "potential transaction."

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Hoettges reportedly said he didn't want to insist on consolidation, but he also didn't want to rule it out.

T-Mobile reported [2] 4.4 million net customer additions in 2013, and Hoettges said he'll make holding onto those customers a priority in the coming year.

The comments come ahead of a planned speech next week by Softbank CEO Masayoshi Son. Son will present his argument to the Chamber of Commerce in Washington supporting a merger of Sprint and T-Mobile. Son has a hill to climb, as regulators from the FCC to the Justice Department have already expressed skepticism [3]of a possible merger of the third and fourth largest U.S. wireless carriers.

While T-Mobile has indeed grown its subscriber base recently, it is also far behind AT&T and Verizon in upgrading its network. Hoettges conceded that consolidation would allow T-Mobile to bring more pressure on the two largest U.S. carriers.

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Numerous reports [4] surfaced in January that SoftBank and DT have moved to direct talks on a deal for the German carrier’s 67-percent stake in T-Mobile. Bloomberg cited people familiar with the matter as saying the two companies were already in the process of ironing out obstacles to the deal and said the process could take months. The primary issue is how much SoftBank will pay for DT’s share and how SoftBank-owned Sprint and T-Mobile would be integrated.

Shares of T-Mobile were up a little over a percent to $32.19 in early trading Thursday.

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