

# CEO of T-Mobile USA resigns, succeeded by COO

27 June 2012, by PETER SVENSSON

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(AP) - T-Mobile USA, the country's fourth-largest cellphone carrier, on Wednesday said that its CEO has resigned and its chief operating officer is filling in while the company searches for a replacement.

T-Mobile, which is based in Bellevue, Washington, is struggling to compete against its largest rivals. Departing CEO Philipp Humm took the reins in November 2010, with a mission to reverse the slow slide of the business without help from the German parent company, Deutsche Telekom AG.

But revenue continued to decline every quarter of Humm's tenure. In March 2011, he seemingly found a way out of T-Mobile's difficult position by striking a deal to have AT&T Inc. buy the company for \$39 billion. However, the takeover was scuttled by federal regulators, who feared that it would reduce competition in the industry and raise prices for consumers.

Humm was an executive with at Deutsche Telekom before taking the U.S. job. The company said he has left to "pursue a career outside of Deutsche Telekom" and rejoin his family in Germany.

Now, the company needs "somebody who can convert initiatives into market-successes," said Deutsche Telekom CEO Rene Obermann, in a statement.

COO Jim Alling is taking over Humm's duties in the interim.

T-Mobile's long-term prospects have improved slightly this year. It's still the only nationwide U.S. cellphone carrier that doesn't sell the iPhone, which means it's losing high-paying smartphone users to rivals. But thanks to a "breakup gift" from AT&T, it now has room on the airwaves to initiate a revamp of its network that will result in it becoming compatible with the iPhone.

On Tuesday, T-Mobile said it had agreed to buy

some spectrum from Verizon Wireless and swap other spectrum holdings, further improving its ability to offer wireless data service. However, the deal is conditioned on regulatory approval of Verizon's deals with other companies.

Humm was the managing director of Deutsche Telekom's German wireless arm from 2005 and 2008. He resigned then to take responsibility for the loss of 17 million subscriber records to theft in 2006, and the company's subsequent handling of the breach. The company said in 2008 that there was no sign the data had been misused.

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