

METROPCS COMMUNICATIONS INC
Form DEF 14A
April 16, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934 (Amendment No.)
Filed by the Registrant
Filed by a Party other than the Registrant
Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

MetroPCS Communications, Inc.
(Name of Registrant as Specified In Its Charter)
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)
Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which the transaction applies:
 - (2) Aggregate number of securities to which the transaction applies:
 - (3) Per unit price or other underlying value of the transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
 - (4) Proposed maximum aggregate value of the transaction:
 - (5) Total fee paid:
- Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing
 for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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April 16, 2012

Dear Stockholder,

I am pleased to invite you to the 2012 Annual Meeting of Stockholders of MetroPCS Communications, Inc., a Delaware corporation (the "Company"), to be held on Thursday, May 24, 2012, at 10:00 a.m. Central Daylight Time ("CDT"), in the Bank of America Theater at the Eisemann Center located at 2351 Performance Drive, Richardson, Texas 75082 ("Annual Meeting").

At this year's Annual Meeting, you will be asked to:

- Elect two Class II directors named in the Proxy Statement to our Board of Directors;
- Ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2012; and
- Consider any other business that is properly brought before the Annual Meeting or any continuation, adjournment or postponement of the Annual Meeting.

Attached you will find a notice of Annual Meeting and Proxy Statement that contain further information about the Annual Meeting, including the time, date and location of the Annual Meeting, a description of the matters to be voted on at the Annual Meeting, the different methods that you may use to vote, and how to obtain an admission card if you plan to attend the Annual Meeting in person.

Your vote is important. Whether or not you plan to attend the Annual Meeting, please read the Proxy Statement and then cast your vote as instructed in the Proxy Card, as promptly as possible. Since the voting cut-off varies by voting method, I encourage you to review the Proxy Card for when you must cast your vote in order for it to be counted at the Annual Meeting. In any event, we encourage you to vote before the date of the Annual Meeting, or the Voting Cut-off Date so that your shares will be represented and voted at the Annual Meeting even if you cannot attend in person. We encourage you to cast your vote by using the telephone or Internet as it is easier and more efficient, will help us reduce our impact on the environment and will save the Company printing and postage costs. Additionally, the proxy materials you will receive by mail will contain our Annual Report to Stockholders for 2011 that contains information about our Company and its financial performance. We encourage you to read the Annual Report as it describes our business, strategy, regulatory environment, risks associated with an investment in the Company and with the business, financial condition and operating results and our financial performance for fiscal year 2011.

Thank you for your continued interest in and support of the Company.

Sincerely yours,

Roger D. Linnquist

Chairman of the Board of Directors and Chief Executive Officer

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Important Notice Regarding the Availability of Proxy Materials

For the Annual Meeting of Stockholders to be Held on May 24, 2012

Your Participation and Vote are Important

ALL STOCKHOLDERS ARE CORDIALLY INVITED TO ATTEND THE ANNUAL MEETING.

Voting your shares is important to ensure that you have a say in the governance of the Company. Your vote is important to us. Please review the proxy materials and follow the instructions detailed on the proxy card to vote your shares. We hope you will exercise your rights and fully participate as a stockholder in the Company.

Whether or not you expect or plan to attend the Annual Meeting in person, we would encourage you to please promptly mark, date and return your proxy as instructed, or vote by telephone or using the Internet as instructed, on the proxy card so that a quorum at the Annual Meeting may be reached, the business before the Annual Meeting can be conducted, and your shares may be voted.

Available Information

We are providing you access to our proxy materials both by sending you this full set of proxy materials, including a Proxy Card, and by notifying you of the availability of this Proxy Statement, along with MetroPCS Communications, Inc.'s Annual Report to Stockholders for 2011 and other proxy materials, on the Internet at <http://www.allianceproxy.com/metropcs/2012>. These documents are also posted on the Company's website at www.metropcs.com under the "About Us" tab and then selecting "Investor Relations" and "SEC Filings and Reports."

Broker Voting Information

Your broker is not permitted to vote on your behalf in the election of directors, unless you provide specific instructions by completing and returning the proxy card or following the voting instructions provided to you from your broker. For your vote to be counted, you will need to communicate your voting decisions to your broker, bank or other financial institution before the Voting Cut-off Date.

Attendance at Annual Meeting

In accordance with our security procedures, all stockholders attending the Annual Meeting will be required to show a valid, government-issued, picture identification which must match the name on the admission ticket or legal proxy or confirming documentation from your broker before being admitted to the Annual Meeting.

Notice of 2012 Annual Meeting of Stockholders

Date: May 24, 2012

Time: 10:00 a.m. CDT

Place: Eisemann Center, Bank of America Theater
2351 Performance Drive
Richardson, Texas 75082

At the MetroPCS Communications, Inc. 2012 Annual Meeting of Stockholders, or Annual Meeting, you will be asked to:

1. Elect two Class II Directors named in the Proxy Statement to the Company's Board of Directors;
2. Ratify the appointment of Deloitte & Touche LLP as the independent registered public accounting firm of the Company for the 2012 fiscal year; and
3. Consider any other business that is properly brought before the Annual Meeting or any continuation, adjournment or postponement of the Annual Meeting.

The Board of Directors has established the close of business on April 9, 2012 as the record date, or Record Date, for the determination of holders of MetroPCS Communications, Inc.'s common stock, par value \$0.0001 per share, or Common Stock, entitled to notice of, and to vote at, the Annual Meeting, and any continuation, adjournment or postponement thereof.

Your vote is very important to us. You may vote on the items to be considered at the Annual Meeting in person, by mailing a Proxy Card, by voting over the Internet or by toll-free telephone as described in the Proxy Card, or by returning the voter information form provided by your bank or broker. Please carefully review the instructions for the various voting options available to you detailed on the Proxy Card. If you have questions, please review our questions and answers about the Annual

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Meeting and the voting options for additional information, including when you must vote, how to revoke your proxy and how to vote your shares in person.

You also are cordially invited to attend the Annual Meeting in person. Only stockholders with an admission ticket and valid, government-issued, picture identification that matches the admission ticket will be admitted to the Annual Meeting. If your shares are registered in your name, an admission ticket is attached to your Proxy Card. If your shares are not registered in your name, you should ask the broker, bank or other institution that holds your shares to provide you with a legal proxy authorizing you to vote your shares of the Company's Common Stock as of our Record Date, whether in person, via the Internet or telephone. You also can obtain an admission ticket to the Annual Meeting by presenting this legal proxy, or confirming documentation of your account from your broker, bank or other institution, at the Annual Meeting. All stockholders will be required to show a valid, government-issued, picture identification which must match the name on the admission ticket or legal proxy or confirming documentation from your broker before being admitted to the Annual Meeting.

Your vote matters and you are encouraged to vote. Whether or not you attend the Annual Meeting in person you are urged to mark, date and sign the enclosed Proxy Card and return it to the Company or use an alternate voting option described in the Proxy Card before the Annual Meeting to ensure your shares are voted. We encourage you to vote electronically by using the Internet or to vote by telephone as it is easy and efficient and will help us reduce our impact on the environment and reduce the costs associated with the postage and distribution of these materials.

By Order of the Board of Directors,

Roger D. Linquist
Chairman of the Board of Directors and Chief Executive
Officer

Richardson, Texas
April 16, 2012

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PROXY STATEMENT

We are furnishing proxy materials to our stockholders by mailing paper copies of the materials (including our Annual Report to Stockholders for 2011) to each stockholder at the address we, your bank, broker or other institution holding your shares, may have. The Board of Directors, or the Board, began mailing this Proxy Statement and the Proxy Card of MetroPCS Communications, Inc., or the Company, via the United States Postal Service, on or about April 16, 2012 to stockholders of record as of the close of business on April 9, 2012, the Record Date, to solicit proxies in connection with the election of Class II directors to the Company's Board, to ratify the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the 2012 fiscal year, and to vote on any other business properly brought before the 2012 Annual Meeting of Stockholders, or the Annual Meeting, and at any continuation, adjournment or postponement of the Annual Meeting. The Annual Meeting will be held on May 24, 2012 in the Bank of America Theater at the Eisemann Center located at 2351 Performance Drive, Richardson, Texas 75082 commencing at 10:00 a.m. Central Daylight Time, or CDT. We refer to MetroPCS Communications, Inc., a Delaware corporation, and its subsidiaries herein as the "Company," "our Company," "MetroPCS," "we," "our," "ours," or "us."

Each holder of record of the Company's common stock, par value \$0.0001, or Common Stock, at the close of business on the Record Date is entitled to notice of, to attend, and to vote at the Annual Meeting, or at any continuation, adjournment or postponement of the Annual Meeting. Each holder of record on the Record Date is entitled to one vote for each share of Common Stock held by such holder. As of February 29, 2012 there were 362,969,581 shares of our Common Stock outstanding. We need a majority of the shares of our Common Stock outstanding on the Record Date and entitled to vote at the Annual Meeting present, in person or by proxy, to constitute a quorum and transact business at the Annual Meeting.

The Board encourages you to read the Proxy Statement and to vote on the matters to be considered at the Annual Meeting. The Company's Annual Report to Stockholders for 2011, which contains the consolidated audited financial statements for the fiscal year ended December 31, 2011, accompanies this Proxy Statement. You may also obtain, without charge, a copy of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2011 that was filed with the Securities and Exchange Commission, or the SEC, on February 29, 2012, by writing to MetroPCS Communications, Inc., 2250 Lakeside Boulevard, Richardson, Texas 75082, Attention: Investor Relations, or by telephoning our Investor Relations department at (214) 570-4641. This Proxy Statement, the Company's Annual Report to Stockholders for 2011, and Annual Report on Form 10-K also are available, without charge, on the Company's website at www.metropcs.com under the "About Us" tab, then selecting the "Investor Relations," tab then "SEC Filings and Reports."

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2012 PROXY STATEMENT SUMMARY INFORMATION

To assist you in reviewing the Company's performance for 2011 and in evaluating the proposals we are seeking your vote on at the Annual Meeting, we would like to call your attention to certain key elements of our Proxy Statement. The following description is only a summary. For additional information about these topics, please review the Company's Annual Report on Form 10-K filed with the SEC on February 29, 2012 and the entire Proxy Statement. Annual Meeting of Stockholders

Time and Date: 10:00 a.m., CDT, Thursday, May 24, 2012

Place: The Bank of America Theater at the Eisemann Center, 2351 Performance Drive, Richardson, Texas 75082

Record Date: Close of business on April 9, 2012

Voting: Stockholders as of the Record Date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the other proposals to be voted on.

Attendance: If you plan to attend the Annual Meeting in person, please bring the admission ticket (which is attached to the Proxy Card) or, if your shares are not registered in your name, you will need a legal proxy from the broker, bank or other institution that holds your shares. You will also need a valid government-issued picture identification that matches your admission ticket or legal proxy.

Business Review

“We reported solid financial and operating results for 2011, marked by record Adjusted EBITDA for the full year and the fourth quarter as well as strong full year subscriber growth. Adjusted EBITDA both for the fourth quarter and the full year 2011 was the highest in Company history at \$362 million and \$1.3 billion, respectively. These Adjusted EBITDA results represent strong year over year growth rates of 15% and 13%, respectively. Operationally, during the fourth quarter, we effectively balanced growth with profitability, recorded sequential 80 basis point decline in churn and recorded a 300 basis point sequential increase in Adjusted EBITDA margin.”

Roger D. Linquist
Chairman and CEO

During the year ended December 31, 2011, under the leadership of our executive team, the Company had a number of substantial accomplishments, including the following:

• Total subscriber growth of 15% in 2011 to over 9.3 million subscribers

• Approximately 1.2 million net subscriber additions and the sixth consecutive year of over 1 million net subscriber additions

• Total gross subscriber additions of more than 5.3 million, an increase of 11% over 2010

• Consolidated total revenues of \$4.8 billion, an increase of 19% over 2010

• Record Adjusted EBITDA of \$1.3 billion, an increase of 13% over 2010, and the highest Adjusted EBITDA in Company history

• Eighth straight consecutive year of 30% or greater Adjusted EBITDA margins

• Increased Average Revenue Per User (ARPU) \$0.78 from 2010 to \$0.77¹

• Record unlevered free cash flow (Adjusted EBITDA less Capital Expenditures) of \$442 million, an increase of 15% over 2010¹

• Completed amendment and expansion of senior secured credit facility and completed an additional \$1 billion of borrowing

• Completed launch of 4G LTE in each of MetroPCS' major metropolitan areas

• Expanded MetroPCS unlimited wireless service to selected portions of Connecticut and Massachusetts

• Launched Android For All service plans

• Launched a number of 3G CDMA and 4G LTE smartphones, including the world's first dual mode CDMA/4G LTE

• Android smartphone, the Samsung Galaxy Indulge, and also launched the Samsung Admire, Huawei M835, LG

• Esteem and HTC Wildfire S

• Added content from Disney/ABC Television Group and ESPN to MetroSTUDIO Video on Demand application for 4G LTE handsets

• Launched Rhapsody music service, which offers an unlimited mobile music experience with access to more than 12 million songs

• Partnered with USA Basketball and became the exclusive wireless provider for The Ultimate Fighting Championship® in the U.S. and Puerto Rico

¹ For reconciliation to GAAP, please see "Reconciliation of non-GAAP Financial Measures" beginning on page 75 of the Company's Annual Report on Form 10-K for the year ended December 31, 2011, filed with the SEC on February 29, 2012, except for unlevered free cash flow which is presented beginning on page 7 of this Proxy Statement, under "Reconciliation of non-GAAP Financial Measures."

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During 2011, the Company focused on increasing revenue, increasing Adjusted EBITDA and maintaining its low cost structure. We accomplished these goals. For the year, our revenues increased 19% over 2010 to \$4.8 billion, driven primarily by the continued growth of our subscriber base as well as the success of our Wireless For All service plans. Our Adjusted EBITDA was over \$1.3 billion, up 13% over 2010, and our operating income grew to \$748 million. During the year we maintained our low cost structure, while also bearing the costs of our 4G LTE network. For 2011, our Cost Per Gross Addition (CPGA) of \$173² was among the lowest of any other facilities based pay-in-advance wireless broadband mobile provider, and was well below the four largest national postpaid wireless providers. This is particularly impressive given the higher subsidy we incurred with the introduction of the Android smartphones. We believe the increased handset subsidy for smartphones is a prudent investment because our customers have demonstrated a tremendous appetite for Android smartphones and the services, applications and data enabled by these devices. During 2011, our Cost Per User (CPU) totaled \$19.56², again, among the lowest of any facilities based wireless broadband mobile provider. This level of CPU includes the costs associated with running our 4G LTE network as well as upgrading approximately 54% of our subscriber base during the year.

We also believe it is important as a growth company to maintain a strong balance sheet. In March 2011, we expanded our senior secured credit facility with a new \$500 million term loan. In May 2011, we also completed an additional \$1 billion term loan. A portion of the total proceeds from the additional term loan were used to repay \$536 million in outstanding principal that would have matured in November 2013. The remaining net proceeds from both of these borrowings are available for general corporate purposes, including possible spectrum acquisitions. These financings, combined with two bond offerings we undertook in 2010, we believe put the Company in a strong position from a balance sheet perspective, and provide us with flexibility to continue to invest and grow the business. Further, we have no significant debt maturities until 2016.

Our strategy has been and remains the same. We predominately target underserved customer segments, offer simple, predictable, affordable and flexible service plans focused on increasing the value provided to our customers. We plan to remain one of the lowest cost wireless broadband mobile service providers in the United States by controlling our costs, expanding in and around the major metropolitan areas we currently serve, continuing to invest in our networks in order to offer our customers competitive and technologically advanced services, and offering nationwide voice, text and web services on an all tax and regulatory fee included basis.

The Company's strong performance in 2011 was the result of our employees' passion, hard work and dedication to our business. Our ability to attract, motivate and retain a highly talented team of employees that fit our unique Company culture is critical to the execution of our long-term strategy. We are confident that we have the team in place to accomplish our future objectives.

Key Financial Metrics

Subscriber Growth

Total subscriber growth of 15% in 2011 to over 9.3 million subscribers

Approximately 1.2 million net subscriber additions and the sixth consecutive year of over 1 million net subscriber additions

Total gross subscriber addition-top: 6pt; margin-left: 0; margin-right: 0; margin-bottom: 0; color: #000000; background: #ffffff;"> The selling stockholders may indemnify underwriters, dealers or agents who participate in the distribution of shares of common stock against certain liabilities, including liabilities under the Securities Act, and may agree to contribute to payments that these underwriters, dealers or agents may be required to make.

No Assurance of Liquidity

Any underwriters that purchase common stock from any of the selling stockholders may make a market in the common stock. The underwriters will not be obligated, however, to make a market and may

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discontinue market-making at any time without notice to holders of the securities. We cannot assure you that there will be liquidity in the trading market for our common stock.

LEGAL MATTERS

The validity of the shares of common stock offered hereby will be passed upon for us by Kirkpatrick & Lockhart Nicholson Graham LLP, Pittsburgh, Pennsylvania.

EXPERTS

The consolidated financial statements of WESCO International, Inc. incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2004 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of such firm as experts in auditing and accounting.

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LOGO

9,075,536 Shares

WESCO International, Inc.

Common Stock

PROSPECTUS SUPPLEMENT
July 29, 2005

LEHMAN BROTHERS