Google to sell Clearwire stake at 94 percent loss

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(AP) -- Google Inc. on Friday said it will sell its stake in Clearwire Corp., the struggling operator of a wireless data network. The search company is taking a 94 percent loss on the originally $500 million investment made in 2008.

Google said in a regulatory filing that it's seeking to sell its stake starting Monday for $1.60 per share, or $47 million total.

Clearwire shares fell 16 cents, or 6.8 percent, to close Friday at $2.11.

Google was part of a consortium that included cable companies and equipment provider Intel Corp. that injected $3.2 billion into Clearwire when it merged with a Sprint Nextel Corp. unit in 2008. The hope was that Clearwire would be a powerful competitor to the established cellphone companies, providing fast wireless data at low prices.

But technical challenges and a lack of scale has sidelined Kirkland, Wash.-based Clearwire. It's using a wireless technology that once looked promising, but has been eschewed by cellphone companies. It now plans to catch up by adopting the industry standard "LTE" technology, but it needs more funding to make the switch.

Google didn't specify why it is selling its stake. It wrote down the value of its investment in 2009 and 2011.

Sprint owns the majority of Clearwire, but doesn't have voting control.

Comcast Corp. and Time Warner Cable Inc. are other big shareholders, with original investments of $1.05 billion and $650 million. Intel invested $1 billion.

Google shares gained $3.79 to close at $609.90.