

Dish closes on 2 purchases key to broadband plans

March 12 2012

(AP) -- Satellite TV provider Dish Network Corp. has completed its purchase of two satellite operators whose licenses it hopes to use to offer broadband access that can help it compete better with cable TV and phone companies.

Cable and phone companies are able to offer customers packaged plans that include TV channels and Internet access services. Satellite companies cannot do so as well because satellites can't provide Internet services to many households, and speeds are slower.

Dish wants to get around that by building a network based on cell towers on the ground and using [wireless spectrum](#) ceded by the two [satellite operators](#), which Dish agreed to buy out of bankruptcy last year.

DBSD North America Inc. and TerreStar Networks Inc. both offer satellite-based wireless services and have authority to operate ground-based services as a backup.

The [Federal Communications Commission](#) approved the transfer of wireless licenses to Dish this month, but it deferred decisions on whether Dish could use the spectrum more broadly to offer broadband service that is primarily ground based. For now, devices using the spectrum must be able to access [satellite signals](#) as well. That excludes the types of smartphones and tablet computers popular today.

The FCC tries to promote the expansion of [wireless broadband services](#),

but it recently decided to kill a similar proposal from a Virginia company called LightSquared after tests showed it would in some cases jam personal-navigation and other GPS devices. Dish has said that its signals won't cause similar interference because its network would be using different frequencies.

Dish said Monday that it has invested more than \$3 billion to secure licenses for its proposed network, including the costs of buying assets from the two companies. It said it looks forward to working with the FCC.

Dish, which is based in Englewood, Colo., also said it will start looking for ways to improve handsets that can use the DBSD and TerreStar spectrum today "while exploring its options for a broader market entry."

Dish added a net 22,000 satellite TV subscribers in the last three months of 2011 after posting losses for most quarters in the past two years. It ended the year with 14 million subscribers to keep its position as the third-largest provider of paid TV signals to U.S. households, behind DirecTV Group Inc. and Comcast Corp.

Dish's stock fell 37 cents, or 1.2 percent, to \$31.09 in afternoon trading Monday.

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Citation: Dish closes on 2 purchases key to broadband plans (2012, March 12) retrieved 10 July 2024 from <https://phys.org/news/2012-03-dish-key-broadband.html>

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