T-Mobile picks Ericsson, Nokia Siemens for network

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(AP) -- T-Mobile USA on Tuesday said that Nokia Siemens Networks and LM Ericsson AB will supply the network equipment for its new wireless broadband network, a project worth $4 billion.

T-Mobile is commissioning a "4G LTE" network, the same technology used by Verizon Wireless and AT&T Inc. for their high-speed networks. It will use, in part, radio frequencies handed over by AT&T after the bigger company backed off its deal to buy T-Mobile due to opposition from federal regulators.

In addition to handing over spectrum licenses, AT&T gave T-Mobile $3 billion in cash, which will help finance the upgrade. T-Mobile plans to have the network live next year, covering 75 percent of the 25 largest cities.

Sweden's Ericsson is one of the main suppliers for the LTE networks of Verizon Wireless, AT&T and Sprint Nextel Corp., along with Alcatel-Lucent SA of France.

For Nokia Siemens Networks, a joint venture of Finland's Nokia Corp. and Siemens AG of Germany, the T-Mobile order represents a new chance to get into the U.S. market for network equipment. It got a $7 billion order from Harbinger Capital, a hedge fund, to build a network for its startup, LightSquared, but that project appears moribund because regulators concluded it would have interfered with GPS navigation.
T-Mobile USA is making the announcement on the first day of CTIA Wireless, the U.S. cellphone industry trade show, in New Orleans. The company is the fourth-largest wireless carrier in the U.S., with 33.2 million devices on its network. It's a subsidiary of Deutsche Telekom AG of Germany.

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