

# Sprint lifts bid for Clearwire in broadband battle (Update)

May 21 2013

---



Sprint said Tuesday it was hiking its offer for the remaining shares of broadband service firm Clearwire, in the face of a rival bid from satellite TV group Dish Networks.

Sprint said Tuesday it was hiking its offer for the remaining shares of broadband service firm Clearwire, in the face of a rival bid from satellite TV group Dish Networks.

Sprint, the number three US mobile telecom carrier, said it was offering

\$3.40 per share for the 50 percent of Clearwire it does not already own.

The offer values Clearwire at \$10.7 billion, and comes after Dish made a bid of \$3.30 a share.

"This increased offer represents a 14 percent premium to Sprint's previous offer of \$2.97 announced on December 17, 2012 and a 162 percent premium to Clearwire's closing share price the day before the Sprint-Softbank discussions were first confirmed in the marketplace," Sprint said in a statement.

Sprint, which is to get a big capital injection from Japanese mobile carrier Softbank, wants Clearwire's spectrum and broadband WiMax network, which is becoming more valuable with the surge of mobile Internet use.

Softbank is set to acquire 70 percent of Sprint, the number three US carrier behind AT&T and Verizon Wireless, later this year.

Softbank agreed in October to pay \$20 billion for a 70 percent stake in US-based Sprint in the biggest overseas acquisition by a Japanese firm.

The tie-up was expected to provide Sprint with capital that the company needs to compete better with its larger rivals, analysts said.

Sprint has around 55 million US customers, roughly half the size of Verizon and AT&T.

Dish has made a separate bid of \$25.5 billion for Sprint, saying it wants to create a unique company that could deliver a fully integrated, nationwide bundle of video, television, broadband Internet and voice services.

© 2013 AFP

Citation: Sprint lifts bid for Clearwire in broadband battle (Update) (2013, May 21) retrieved 24 April 2024 from <https://phys.org/news/2013-05-sprint-boosts-buyout-clearwire.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.