

Dish won't submit revised bid for Sprint

June 19 2013

Satellite TV operator Dish Network Corp. said Tuesday it would not submit a revised bid for Sprint, leaving the path open for the wireless carrier to accept what it already considers a superior offer from Japan's Softbank.

Dish said that [Sprint Nextel](#) Corp.'s decision to cut Dish's due diligence process short, among other things, made it "impracticable" to submit a revised bid. It said it will continue to focus on its bid for [Clearwire](#), a wireless network operator in which Sprint has a majority stake.

"We will consider our options with respect to Sprint, and focus our efforts and resources on completing the Clearwire tender offer," Dish said.

Sprint had given Dish until Tuesday to make its best and final offer. Sprint's demand came after [Softbank](#) last week boosted its bid for the carrier by \$1.5 billion to \$21.6 billion, which Sprint considers the best offer. While that's still short of Dish's \$25.5 billion bid, Dish's proposal would add more to Sprint's debt load and is seen as more risky.

Sprint shares fell 11 cents, or 1.5 percent, to \$7.21 in after-hours trading Tuesday. Dish shares were up 5 cents at \$39.14 after-hours, while Clearwire shares rose 8 cents to \$4.64.

Softbank in Tokyo welcomed [Dish Network](#)'s decision.

"We look forward to the receipt of [FCC](#) ([Federal Communications](#)

[Commission](#)) and shareholders' approvals, which will allow us to close the deal in early July, and begin the hard work of building the new Sprint into a meaningful third competitor in the U.S. market," the company said in a statement.

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Late Monday, Sprint filed a lawsuit in the Delaware Court of Chancery asking the court to block Dish's \$4.40-per-share offer for Clearwire, saying it cannot complete its offer without the approval of holders of at least 75 percent of Clearwire's shares.

Sprint, headquartered in Overland Park, Kansas, also contends that the deal violates shareholder rights under Clearwire's charter and an equity holders' agreement.

Sprint had bid \$3.40 per share for the shares in Clearwire which it doesn't already own.

Dish, based in Englewood, Colorado, called the litigation a "transparent attempt" by Sprint to divert attention away from its failure to deal fairly with Clearwire shareholders. The satellite broadcaster said in a statement it was confident its offer will be upheld.

Clearwire Corp. said it doesn't comment on pending litigation. Clearwire is based in Bellevue, Washington state.

Softbank, one of Japan's largest wireless phone operators, is seeking to expand its footprint overseas with the Sprint acquisition and says it can

reap benefits like saving money on large-scale orders of handsets and equipment.

Dish, whose traditional business is providing pay TV services, is meanwhile trying to amass enough rights to the airwaves to diversify into the mobile phone and other businesses.

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