

T-Mobile expands coverage with spectrum from Verizon

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A T-Mobile store on April 12, 2013 in New York City

Fourth-ranked US wireless carrier T-Mobile US said Monday it was buying 700 MHz low-band spectrum from market leader Verizon Wireless to strengthen its coverage in major urban markets.

T-Mobile said the deal would cost it \$2.37 billion in cash and the transfer of certain AWS and PCS spectrum licenses, together worth

\$950 million.

T-Mobile, fighting to better establish itself against Verizon, AT&T and Sprint, said the deal would give it important low-band spectrum in nine of the top 10 US wireless markets and 21 of the top 30.

"Low-band spectrum substantially improves in-building [coverage](#) as well as coverage in rural areas," the company said.

"It also travels greater distances than high-band [spectrum](#) and therefore is a more efficient way to provide coverage at the edge of cities and in less densely populated areas," the company said.

T-Mobile launched last year an aggressive attack to win customers from the industry leaders. Billing itself as the "un-network", the company offered no-contract subscriptions, pitched to users wary of the other companies' required two-year contracts.

It was widely expected this week to announce an offer of hundreds of dollars in credit to customers to switch from the other carriers.

In what is seen as a preemptive move, however, last week AT&T—which failed in its 2011 bid to take over T-Mobile—countered with a deal worth up to \$450 for those switching to its service and trading in their old smartphones for new models.

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