AT&T Agrees to Buy Atlantic Tele-Network for $780 Million

Andrew Berg

AT&T today announced that it has signed an agreement to buy Atlantic Tele-Network (ATNI) to acquire the company's U.S. retail wireless operations, operated under the Alltel brand, for $780 million in cash.

Under terms of the agreement, AT&T will acquire wireless properties, including licenses, network assets, retail stores and approximately 585,000 subscribers.

ATNI operates under the Alltel name in the U.S., and its network covers approximately 4.6 million people in primarily rural areas across six states, including Georgia, Idaho, Illinois, North Carolina, Ohio and South Carolina.

The acquisition includes spectrum in the 700 MHz, 850 MHz and 1900 MHz bands, all of which are largely complementary to AT&T's existing network. ATNI currently operates a retail CDMA network for its subscribers in these areas.

AT&T said that it expects upgrades to the network, ATNI customers and existing AT&T customers who roam in these areas will enjoy an enhanced mobile Internet experience.

AT&T expects costs associated with integrating ATNI's network but said they should not result in significant dilution to earnings per share or impact to cash flow.

The transaction is subject to review by the FCC and DOJ but is expected to close in the second half of 2013.

AT&T's purchase of NextWave Wireless was recently approved. That buy allowed the carrier to expand capacity for its LTE deployments using the NextWave's WCS and AWS spectrum. The total value of that deal was $600 million.

Source URL (retrieved on *04/25/2015 - 5:46pm*):
http://www.wirelessweek.com/news/2013/01/t-agrees-buy-atlantic-tele-network-780-million