

Report: Sprint's Valuation of 2.5 GHz Spectrum on Target

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Sprint's offer to buy Clearwire for \$2.97 per share works out to \$0.21 per MHz POP for the 2.5 GHz spectrum, placing it above the valuation of near \$0.14 per MHz POP, a conclusion reached by a new [white paper](#) [1], commissioned by Sprint, from Dr. Kostas Liopiros of the Sun Fire Group.

The report cited limitations in the propagation characteristics of 2.5 GHz spectrum, limited availability and coverage, and full capacity restrictions put in place on EBS bands as reasons to value Clearwire's spectrum near Sprint's current offer.

Liopiros said "legacy licensing and regulatory encumbrances" as deciding factors in making the 2.5 ideal for an unpaired band plan to maximize efficiency. He stated that unpaired spectrum historically has not been valued as high as paired spectrum, where FDD-LTE can be comfortably used for legacy voice services.

Liopiros mentions European market value for 2.5 GHz spectrum, which tends to be half that of paired spectrum.

Liopiros previously served as Director for Command, Control and Communications Policy, where he was an advisor to the Secretary of Defense.

A new [report](#) [2] from former FCC commissioner Dr. Harold Furchtgott-Roth and the Analysis Group places the valuation in the \$0.31-\$0.50 per MHz POP range.

Source URL (retrieved on 06/12/2013 - 1:21pm):

<http://www.wirelessweek.com/news/2013/03/report-sprint%E2%80%99s-valuation-25-ghz-spectrum-target>

Links:

[1] <http://newsroom.sprint.com/images/9004/press/25GHzValueUtilityAnalysisMarch2013.pdf>

[2] <http://www.wirelessweek.com/news/2013/03/former-fcc-commissioner-claims-clearwire-spectrum-undervalued-sprint-deal>