

Clearwire Postpones Sprint Vote, Could Force SoftBank's Hand

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This article has been updated to include a response on the matter from Sprint.

In light of Dish's offer yesterday financially trumping Sprint's existing bid for Clearwire, the wireless broadband carrier has [rescheduled a shareholder vote](#) [1] on Sprint's bid to buyout Clearwire.

Clearwire's shareholders were scheduled to vote on the Sprint transaction May 31. Sprint last week [raised its offer to \\$3.40 per share](#) [2] (up from \$2.97), but Dish [swooped in with a \\$4.40 per share tender offer](#) [3] at the last minute. In line with its fiduciary duties to its stockholders, Clearwire had reschedule the Sprint vote for June 13 in order to give its board time to review Dish's deal and meet with the satellite-TV provider.

Clearwire's special committee on the matter noted in a statement that "while the most recent DISH proposal raises issues that need to be discussed with DISH, the proposal appears to be more actionable than DISH's previous proposal."

Interestingly, Sprint's shareholders are scheduled to vote June 12 on SoftBank's proposal to acquire a 70 percent stake in Sprint for \$20.1 billion. That could mean that SoftBank closes the deal for Sprint without knowing the fate of Clearwire.

"Sprint has various rights with respect to Clearwire which are a matter of public record. Sprint would expect Clearwire to honor such rights, and would seek appropriate remedies if they are violated," Sprint told Wireless Week, in reference to the rights afford Sprint as majority shareholder of Clearwire.

Sprint buying up the remainder of Clearwire and bringing its spectrum holdings along has been considered a big component of the SoftBank deal. Although Clearwire's board expects to file its recommendations on the Dish offer on or before June 12, most likely it will mean SoftBank has to raise its offer to Sprint so Sprint can raise its offer to Clearwire. Either that or SoftBank risks inheriting a Clearwire that's as much as 25-percent controlled by Dish.

As the Wall Street Journal [pointed out](#) [4], Dish's new offer for Clearwire could ultimately result in SoftBank walking away from the Sprint deal.

Clearwire is down slightly in pre-market trading but is still sitting above \$4.40, the

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highest current bid.

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Links:

- [1] <http://corporate.clearwire.com/releasedetail.cfm?ReleaseID=768287>
- [2] <http://www.wirelessweek.com/news/2013/05/sprint-raises-clearwire-offer>
- [3] <http://www.wirelessweek.com/news/2013/05/dish-raises-bid-clearwire-440-share>
- [4] http://blogs.wsj.com/moneybeat/2013/05/30/analysts-say-dishs-new-clearwire-bid-could-hurt-sprint-softbank/?source=email_rt_mc_body