

Sprint Raises Clearwire Offer

Ben Munson

Sprint has [raised](#) [1] its offer to buyout Clearwire to \$3.40 per share, representing a 14 percent premium over the previous offer of \$2.97 and valuing Clearwire at \$10.7 billion. Sprint's boosted bid to acquire the nearly 50 percent of Clearwire it doesn't already own comes just hours before Clearwire shareholders are scheduled to vote on the transaction.

Clearwire minority shareholders like Crest Financial Limited had been extremely vocal in their opposition to Sprint's original offer. It had led many to believe that the minority shareholders would vote down the measure.

Yesterday, Crest [sent](#) [2] letters to Clearwire shareholders and Clearwire's board chair, John Stanton, urging the May 21 vote be put on hold until a clear winner for Sprint's hand emerges from the deals put forth by SoftBank and Dish Network.

Sprint last year agreed to sell for \$20 billion a 70-percent stake in its company to Japanese carrier SoftBank. In April, Dish approached Sprint with a \$25.5 billion merger offer. After some hemming and hawing on Sprint's part, Dish [announced](#) [3] today that Sprint had opened its books to Dish for due diligence in light of Dish's sped-up efforts to secure financing to the bid.

Dish never formally removed the \$3.30 per share offer it submitted to Clearwire for the nearly 50 percent of that Clearwire. That unsolicited offer seemed somewhat instrumental in Sprint raising its own bid—despite objections from SoftBank, whose cash flow was helping to finance the Clearwire buy. If Dish and Sprint eventually end up merging, it would seem that Dish could have brought the same Clearwire spectrum to the equation at a lesser price.

Source URL (retrieved on 06/12/2013 - 2:06am):

<http://www.wirelessweek.com/news/2013/05/sprint-raises-clearwire-offer>

Links:

[1] http://newsroom.sprint.com/article_display.cfm?article_id=2594

[2] <http://www.bancroftpllc.com/crest/>

[3] <http://dish.client.shareholder.com/releasedetail.cfm?ReleaseID=766117>