Report: Verizon Almost Ready to Deal 700 MHz Spectrum to T-Mobile

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Verizon could be ready to offload its 700 MHz A Block spectrum to T-Mobile in return for cash and spectrum.

Bloomberg is reporting [1] that an announcement of the deal could come as early as next week. The report doesn't mention how much money T-Mobile might spend for the airwaves but does say the carrier will likely give Verizon some of its AWS holdings as part of the deal.

Verizon's 700 MHz spectrum could run as much as $2.75 billion according to a report last week from Wall Street Journal. That same report suggested that AT&T could be interested in bidding against T-Mobile for the spectrum.

In November, Verizon CFO Fran Shammo confirmed that his company was considering selling its A Block spectrum to T-Mobile.

Recent 700 MHz interoperability agreements between mobile operators, device manufacturers and the FCC raise the value of the A Block.

T-Mobile has severe need of lower band spectrum to help with coverage as it plays catch-up with its LTE network build. T-Mobile will likely compete in the FCC's upcoming 600 MHz incentive auction. But with that auction just postponed from mid-2014 to mid-2015, the urgency to pursue private transactions has increased.

T-Mobile recently announced stock offerings that could raise as much as $2 billion. The sale is intended to raise money for spectrum purchases.

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