

Verizon Reaches Finish Line on Vodafone Buyout

Ben Munson

Verizon today [announced the completion of its deal to buy Vodafone's 45-percent stake in Verizon Wireless](#) [1].



The monster \$130 billion transaction finally gives Verizon sole ownership of Verizon Wireless. Verizon said the deal will be immediately accretive to its earnings per share by about 10 percent.

“Acquiring Vodafone's stake in Verizon Wireless provides us with opportunities for greater financial flexibility, enhanced operational efficiency and innovations that will benefit customers. We are confident it will fuel further growth in our business,” Verizon CEO Lowell McAdam said in a statement.

But investors, who were sent clamoring for a piece of the action when the deal was originally announced last year, have cooled somewhat on the U.S. wireless industry, [according to a Bloomberg report](#) [2].

Shares of Verizon Wireless have fallen 11 percent since the wireless provider hit a 13-year high in April on anticipation of the buyout, the report points out.

The bottom hasn't fallen out yet on Verizon's reign but trepidation seems to be building around the U.S. industry's emerging price war. T-Mobile has unleashed a series of “un-carrier” moves, the most recent of which began offering to pay off early termination fees for customers willing to switch from Verizon, AT&T or Sprint. Disruptive pricing plans have reverberated through the industry as well, forcing responsive tweaks to pricing from all the major carriers.

Despite T-Mobile's success, seeing the nation's fourth-largest carrier [adding more than a million net customers in consecutive quarters](#) [3], Verizon keeps putting up

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big numbers. During its fourth quarter, Verizon [added 1.6 million net connections and an eight percent annual increase in service revenues](#) [4].

McAdam will host an investor conference call on Feb. 24 and meet with individual investors about the new Verizon and the road before it.

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<http://www.wirelessweek.com/news/2014/02/verizon-reaches-finish-line-vodafone-buyout>

Links:

[1] <http://www.prnewswire.com/news-releases/verizon-completes-acquisition-of-vodafones-45-percent-indirect-interest-in-verizon-wireless-246527861.html>

[2] <http://www.bloomberg.com/news/2014-02-21/verizon-seeks-to-rekindle-investor-zeal-for-u-s-wireless-1-.html>

[3] <http://www.wirelessweek.com/news/2013/11/t-mobile-keeps-subscriber-growth-3q>

[4] <http://www.wirelessweek.com/news/2014/01/vzw-adds-16m-net-connections-4q-unfazed-un-carrier-moves>