

Report: Sprint Moving Ahead with T-Mobile Buy, Bid Could Come by June

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Masayoshi Son doesn't give up easily. That's the take from a Bloomberg [report](#) [1] Thursday that claims Sprint is moving ahead with a bid to acquire T-Mobile.

According to the report, Sprint CFO Joe Euteneuer and Treasurer Greg Block have recently held meetings with six banks to ensure financing is ready for a T-Mobile bid. Sprint will likely put forth a bid in the June-July timeframe.

While originally panned by regulators who like the status quo four-carrier competition model here in the United States, SoftBank CEO/Sprint Chairman Son has made his case that Sprint and T-Mobile would be better able to compete as a combined entity.

SoftBank last year [acquired](#) [2] a majority stake in Sprint in a deal valued at more than \$21 billion after U.S. regulators signed off on the deal.

Previous reports have claimed U.S. regulators are [extremely skeptical](#) [3] of any deal between the two companies. Precedent was set by the FCC blocking AT&T's 2011 attempted acquisition of T-Mobile for \$39 billion posed on roadblock as does the FCC's enthusiasm over the current market disruption T-Mobile appears to be helping facilitate.

While Son and Sprint have been quiet on the acquisition news front lately, the FCC has been busy putting in place additional hurdles to a Sprint-T-Mobile tie-up. The FCC is looking to give smaller carriers a leg up in 600 MHz spectrum auctions planned for 2015 by setting aside up to 30 MHz per market that larger carriers like AT&T and Verizon would be restricted from bidding on. But FCC Chairman Tom Wheeler reportedly said that those rules, likely paramount to smaller rural and regional carriers meaningfully competing for beachfront spectrum, would need to be [reconsidered](#) [4] if a Sprint-T-Mobile merger proceeds.

Also, the FCC has [elected to add 128.5 MHz of airwaves to its spectrum screen](#) [5]. That includes 101 MHz of 2.5 GHz EBS spectrum that Sprint got hold of in its acquisition of Clearwire last year. With that swath of spectrum in the screen, Sprint would exceed the one-third threshold in many markets, making it more difficult for the carrier to buy more spectrum. That could put a major ding in the carrier's hopes to link up with T-Mobile and, in turn, combine the companies' spectrum portfolios.

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- [1] <http://www.bloomberg.com/news/2014-04-30/sprint-said-to-plan-t-mobile-bid-after-pushing-banks-for-funding.html>
- [2] <http://www.wirelessweek.com/news/2013/07/softbank-sprint-clearwire-deal-officially-done>
- [3] <http://www.wirelessweek.com/news/2014/02/report-fcc-%E2%80%9Chighly-skeptical%E2%80%9D-possible-sprint-t-mobile-merger>
- [4] <http://www.wirelessweek.com/news/2014/04/report-possible-sprint/t-mobile-deal-would-spark-fcc-auction-rule-redo>
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