

SPRINT'S PLAN TO SHUT DOWN CLEARWIRE WIMAX NETWORK PROMPTS LAWSUIT, CHANNEL PARTNERS ONLINE

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Six nonprofit organizations that rely on **Sprint's** WiMAX broadband network to serve schools, libraries and nonprofits for \$10 per month through projects known as Mobile Beacon and Mobile Citizen have sued the company in Massachusetts state court.

The Overland Park, Kansas-based carrier has announced plans to shut off the network by Nov. 6 in a move that would impact more than 300,000 Americans, but Sprint hasn't provided a way to move the community of 429 schools, 61 libraries and 1,820 nonprofit organizations to another network, according to plaintiffs' press release announcing the **lawsuit**.

The WiMAX network is the creation of Clearwire, a company that bled losses for a number of years and **was acquired by Sprint** in 2013. The acquisition closed seven years after the nonprofit entities struck spectrum access agreements with Clearwire.

Sprint has been transitioning its WiMAX customers to 4G LTE, the predominant **wireless** technology used in the United States and abroad.

"As Sprint continues to shut down the Clearwire network, it leaves most of plaintiffs' customers with old devices on a network that is impaired and being phased out and no path to timely substitute a service," the lawsuit alleged. "When the Clearwire network is completely shut down, the vast majority of plaintiffs' customers will have no Internet service at all. So abandoned, plaintiffs' customers will have no alternative but to pay Sprint or another provider the standard customary rates for devices and service, which many of them cannot afford to do."

Plaintiffs hold 63 licenses from the Federal Communications Commission to operate Educational Broadband Service channels. The nonprofit entities provided Clearwire access to the commercial spectrum capacity of their channels in exchange for the rights to use Clearwire's broadband network.

But with Sprint planning to shut down its WiMAX network, the nonprofits claimed hundreds of thousands of end users could be disconnected from broadband access.

"The long-term ripple effects of losing the Internet to our students would be immeasurable," said Brian Blodgett, a teacher at West High School in Salt Lake City. "West has more than 2,500 students, 97 percent of whom are eligible for free or reduced lunch. Students lacking access to the baseline educational benefits the Internet affords today could not compete to gain admission to colleges, therefore losing their ability to compete in the workplace."

Faced with the impending shutdown, plaintiffs reached an interim service agreement with Sprint that was intended to mitigate disruption of services; however, Sprint has imposed a broadband plan on the

licensees that “deliberately slows speeds down drastically from an average download of 6-8 Mbps to 256 Kbps after just 6 GB of capacity is used in a month,” according to the lawsuit. The complaint, filed Wednesday in Massachusetts Superior Court, also alleges Sprint has breached the Clearwire spectrum agreements by using the spectrum for use in its own commercial network without the plaintiffs’ consent.

SPRINT RESPONDS TO LAWSUIT

“This is about a contract dispute. Simply put, the reality of this situation is that Sprint is trying to keep this service on, not turn it off,” Sprint spokeswoman Stephanie Vinge Walsh said in an email to Channel Partners. “The fact is, Sprint has gone to great effort to work with all WiMAX users to transition WiMAX accounts to LTE, for the express purpose of improving the consumer broadband experience, not shutting it off. And we have been very successful at transitioning the majority of these accounts. But the transition cannot take place without the cooperation of each licensee.”

Walsh said Mobile Beacon and Mobile Citizen could have transitioned customers months ago to LTE, as have other licensees.

“We have gone to great effort to work with the Mobile Beacon and Mobile Citizen to transition WiMAX accounts to LTE, but the transition cannot take place without the cooperation of the licensees, and the recent conduct is not cooperative nor in the spirit of good faith,” she said. “We have repeatedly made attempts to discuss with them how we can best meet their end users’ needs and resolve this matter. But instead of working it out like reasonable partners, they chose to file a complaint.”