

## SPRINT ON WIMAX SUIT: IT'S A CONTRACT DISPUTE, KANSAS CITY BUSINESS JOURNAL

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**Sprint Corp.** said the Massachusetts lawsuit filed against it Wednesday is "a contract dispute." In the lawsuit, six nonprofit entities claim that Sprint effectively will eliminate broadband service for 300,000 people in early November. Sprint said it has been working to accommodate those users.

"We have repeatedly made attempts to discuss with them how we can best meet their end users' needs and resolve this matter," a Sprint representative wrote in an email. "But instead of working it out like reasonable partners, they chose to file a complaint."

In 2006, the nonprofits signed a 30-year spectrum lease with **Clearwire Corp.**, which Sprint bought for \$3.8 billion in 2013. As part of the lease, Clearwire agreed to continue providing network access so the nonprofits could offer broadband service to schools, libraries, and nonprofits throughout the U.S.

The Federal Communications Commission grants Educational Broadband Service (EBS) licenses to nonprofits to provide broadband services to low-income people, public libraries, schools and other nonprofits to close the "digital divide." Mobile Beacon and Mobile Citizen, which hold these licenses, then granted Clearwire access to part of their spectrum.

The Overland Park wireless carrier (NYSE: S) plans to shut down the WiMAX network by Nov. 6. However, a Sprint representative said, the company has been trying to work with the nonprofits to transition them to its higher-quality LTE network since 2014.

Sprint contends that it already has transitioned most of its EBS license-holders to LTE. Mobile Beacon and Mobile Citizen, however, won't cooperate, Sprint said.

Through Mobile Citizen and Mobile Beacon, the nonprofits provide broadband service to more than 400 schools, 60 libraries and 1,800 nonprofits nationwide for \$10 a month.