

# Inside Towers

Tuesday, December 31, 2013

Volume 1 | Issue 47

## Softbank Discusses Funding Options for T-Mobile Acquisition

### SoftBank

Softbank began discussing funding options with Deutsche Telekom about acquiring T-Mobile last week. According to Reuters, "Japan's SoftBank Corp is in talks to acquire U.S. wireless carrier T-Mobile US Inc and is discussing funding for a deal with financial institutions, sources close to the matter" said on Wednesday. SoftBank is looking to have its recently acquired U.S. unit Sprint Corp take a majority stake in T-Mobile from the latter's parent Deutsche Telekom AG in the financial year starting April, one of the sources added. The deal, which media reports have said would be valued at about \$20 billion - in line with the \$21.6 billion SoftBank paid for Sprint this summer, would help the Tokyo-based company leapfrog U.S. rivals Verizon and AT&T Inc to become the world's No.2 mobile carrier by revenue. "More than the financial and funding aspects, there are likely concerns in the United States about how much SoftBank CEO Masayoshi Son, head of a foreign company, can really open up mobile infrastructure there, and whether the deal would obstruct healthy competition," a banking source in Tokyo said.



**SINGER**  
EXECUTIVE DEVELOPMENT

Microwave Antenna System Basics,  
Installation & Alignment Training  
Call today to schedule your  
training!  
941-237-0597  
[SingerExecutiveDevelopment.com](http://SingerExecutiveDevelopment.com)



## Bankers South Provides \$10 Million of Debt Capital to Bay Communications II

Bay Communications II, LLC, who develops, constructs, and operates cell phone towers in the northeastern United States, announced the closing of a \$10 million debt facility to support the continued growth of the company's tower development portfolio. Bay Communications II is backed by equity partner Seaport Capital, who initially invested in the company in 2011. Jim Riley, CEO of Bay Communications, said, "Closing a debt facility with Bankers South will help allow the company to execute on its strategic and tower development objectives. I appreciate Bankers South's confidence in the company and the assets Bay has developed to date. The company has a significant pipeline of tower development opportunities and I am pleased that we identified a financing partner who is going to help it achieve its goals."

## The CTIA Shares the Economic Impact of Bringing the 500MHz of Spectrum to Market by 2020

The 500 MHz of spectrum is to be made commercially available by 2020. The plan, released in March 2010, also stated 300 MHz out of the 500 MHz is to be made available by 2015. The CTIA is a big advocate for making underutilized spectrum available because it will impact the economy in a



positive way. According to the CTIA, the economic impact of bringing the NBP's 500MHz of Spectrum to market by 2020 is at least:

- \$166 billion increase for the U.S. GDP
- 350,000 new U.S. jobs
- \$23.4 billion in government revenues
- \$13.1 billion in wireless apps and content sales

The Presidential Memorandum on Expanding America's Leadership in Wireless Innovation, released June 2013, that stated, "Although existing efforts [via the June 2010 memorandum] will almost double the amount of spectrum available for wireless broadband, we must make available even more spectrum and create new avenues for wireless innovation." (Source: CTIA)

## Cellular One to Build Tower on Tribal Lands

Cellular One is planning on building a cell tower on the tribal lands of Show Low, Arizona. Cellular One and the White Mountain Apache Tribe announced Dec. 19 that they have entered into a long-term agreement that will enable the wireless communications provider to build its infrastructure and facilities on White Mountain tribal land. According to the White Mountain Independent, "As part of the agreement, Cellular One will begin construction immediately on a tower located in the Cedar Creek area, marking the first time in approximately a decade that a major tower facility has been erected on White Mountain Apache land. The agreement was reached in partnership with Cellular One and approved by Chairman Ronnie Lupe and the White Mountain Apache Tribal Council." Cellular One CEO Louise Finnegan explained, "This long-term agreement marks an exciting chapter for both Cellular One and the White Mountain Apache Tribe, allowing us to work in partnership to bridge the digital divide for the Apache. We look forward to breaking ground in Cedar Creek and will continue to work diligently to bring state-of-the-art communications technology to other previously underserved areas on tribal land. We have invested \$40 million in our network upgrade this year and are excited to give the White Mountain Apache people greater access to our new Faster network. The positive impact of this connectivity to mobile broadband speeds will be tremendous for schools, businesses, residents and community initiatives."

## FirstNet Approves Spectrum Lease Agreement with Colorado and New Jersey



The First Responder Network Authority (FirstNet) approved two separate lease agreements with the states of New Jersey and Colorado. In total, FirstNet has entered into four separate spectrum lease agreements. "I'm really pleased that we were able to reach agreement with these two additional public safety projects," said FirstNet Board Chairman Sam Ginn.

"These projects will provide FirstNet with a prime opportunity to gather key information and share lessons learned with FirstNet and the public safety community." FirstNet will provide emergency responders with the first high-speed, nationwide network dedicated to public safety. FirstNet is designed to improve communication among local, state, regional, tribal and national emergency services personnel.

## Thieves Target Connecticut Towers

On December 26th metal-seeking thieves targeted an AT&T cell tower in Prospect, CT. The men were found carrying a notebook with other cell sites throughout the state that they planned to steal from. According to the Citizen's News, "The men had cut out and piled galvanized metal, 300 feet of copper wire and other items from the Cheshire Road tower by the time police intervened. By then, the damage to the site was estimated to be in the thousands, but it's unclear if the incident disrupted cellphone service to customers. Kurt Hurlburt, 38, and Rodney Henderson, 40, both of Willimantic, were detained after tripping an alarm at the cell tower site at about 1 p.m."



**MEDIA SERVICES  
GROUP**

## Tall Tower For Sale

\$350,000+ in Annual Revenues  
Broadband, Broadcast & Government Tenants  
Stephan Sloan

401-454-3130 | 401-447-9616 | [ss@mediaservicesgroup.com](mailto:ss@mediaservicesgroup.com)

## Tower Ticker

Symbol	Last Sale	Change	% Change	Share Volume	Market
AMT	\$79.80	0.98	▲ 1.24%	1,200,776	NYSE
CCI	\$73.22	0.65	▲ 0.90%	1,297,929	NYSE
SBAC	\$89.34	1.24	▲ 1.41%	706,373	NASDAQ

Information as of 4:00pm ET 12/30/2013

### Seeking Alpha: Can You Hear Me Now? If So, You Should Be Buying American Tower Corporation

Portfolio Management 101 recently contributed an article to Seeking Alpha about how cell phone coverage has improved over the last few years since calls are dropped less. It was originally attributed to the mobile carriers expanding and updating their networks, but the company soon learned that the major tower companies deserved some credit. Even though Zacks Market Strategy and Ned Davis Research ranked the telecommunications industry at the bottom of their lists saying, "telecommunications isn't the place to be in 2014," the experts at Portfolio Management 101 didn't quite agree. "But wait a second...I can hear you now. I can hear all of my phone calls now. Isn't that worth something?," the article said. "Well, when there is so much negativity towards a sector, it's a safe bet that the odds of disappointment are low. Being pleasantly surprised is a much better investment outcome than falling short of expectations. For this reason, it is sometimes worth finding the shining star in an otherwise dull sector. In many cases, a forecast for a sector also applies to related industries and companies, but in the case of telecom, there may be a hidden gem along the value chain. If you can still hear me, you may want to take a peek at companies in the wireless communications infrastructure space, and specifically, the communications tower industry. One of the market leaders in the space: American Tower Corp."

## Zoning and Moaning

### AT&T Dismisses Calls for Environmental Review of Arkansas Cell Tower

In Eureka Springs, AK AT&T Mobility is dismissing the environmental concerns residents may have had for a 260-foot cell tower. AT&T is proposing to build a 260-foot lattice-type cell tower on property owned by Fred Bartel of Beaver Lake Storage. The tower, if built, would have red and medium intensity white lights atop it to warn aircraft. (Source: Carroll County News) The fate of the application will now be decided by the FCC who gave residents the ability to comment on this proposal until December 15th. As of Dec. 16, 20 postings had been received on the FCC website, most from local

resident Dr. Luis Contreras, who expressed concerns about environmental, cultural, historical, health and economic impacts if the tower is built at that location. In its response, filed to the FCC website on Dec. 24, AT&T wrote that those protesting the tower "appear to assume that AT&T does not perform any review for the environment or aviation safety. To the contrary, AT&T has done both." It said, according to the FCC's National Environmental Policy Act rules, it did an environmental review of the proposed structure, and "subject to tribal review, determined that it will not have an adverse effect on the environment." AT&T also said that the Arkansas Department of Arkansas Heritage, Arkansas Historical Preservation Program "concurred with this report." The State Historic Preservation Office identified one historic site, the Hamilton Tourist Court, built in the 1930s, but said it is three-quarters of a mile away and the tower will not be seen from that location. AT&T has also "confirmed that the proposed tower would not endanger air safety." It issued a "Determination of No Hazard to Air Navigation ... provided that dual system lighting is used on the proposed tower." (Source: Carroll County News)

### 150-Foot Tower is "Too Tall" For Illinois City



Residents of Channahon, IL believe that a 150-foot cell tower is too tall to be built in their neighborhood. This tower is almost twice the height that the village regularly allows towers to be. According to the Herald News, "The mono-pole tower would be 150 feet tall and would have an additional 9 feet of antennas and a lightning rod. Channahon's telecommunications code sets a maximum height of 80 feet for such structures, meaning the village board would have to grant a variance for the project to be approved. The tower plan was reviewed by village trustees earlier this month, and some of the trustees and residents who attended the meeting thought it would be too tall. An AT&T representative told trustees that times are changing and cellular towers are needed more than ever. He cited the recent tornado in Diamond and the need for reliable cell and Internet service in emergencies."

### AT&T Sues Michigan Township for Cell Tower Moratorium

AT&T has filed a federal lawsuit against the Ada Township in Michigan after it filed a moratorium on building permits for wireless communications facilities. The lawsuit was filed in the U.S. District Court of Grand Rapids and comes after AT&T spent eight years negotiating and planning for a cell tower in the northeast corner of the township. AT&T Mobility, accused the township of violating telecommunication law by adopting the Nov. 25 moratorium. AT&T said the township also violated the law Dec. 16 when it refused to issue a building permit for AT&T to construct a wireless facility after the township's planning commission granted AT&T a special land-use permit.