

Comcast, Sprint, Google in talks to fund WiMax wireless network

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PHILADELPHIA - Major cable, telecom and Internet companies are in preliminary, but serious, talks to create a national wireless network that would link devices such as computers, televisions and cell phones, according to a person familiar with the talks.

Comcast Corp., Time Warner Cable Inc., Bright House Networks, Google Inc., Intel Corp., Sprint Nextel Corp. and Clearwire Corp. are considering investing a total of \$3 billion to \$4 billion in the joint venture, said the person, who asked not to be named because the person was not authorized to discuss the talks.

Sprint and Clearwire, a startup founded by cellular pioneer Craig McCaw, have already announced their plans to build out a network using WiMax technology, but had been looking for outside funding.

WiMax promises faster wireless connection speeds for laptops and phones than the latest networks run by cell-phone operators, and it is even seen as a potential competitor to fixed-line broadband like DSL.

Comcast, Google and Intel are each considering putting in about \$1 billion into a new company that would operate the network, the person said. Time Warner Cable's portion is \$500 million while privately held Bright House could contribute \$100 million to \$200 million, the person said. Intel has been heavily involved in developing the WiMax technology and will be making WiMax chips for computers, set-top boxes and cell phones.

The joint venture would be a way for cable companies to participate in a wireless strategy without owning a mobile phone company, something Comcast CEO Brian Roberts had said wasn't attractive.

In a research note, Sanford Bernstein analyst Craig Moffett said the deal would be a win for Sprint and Clearwire, whose spending would be reduced with the entry of additional investors.

The picture isn't clear for cable operators, because investors have been calling for cutbacks in capital spending and immediate return of free cash flow, Moffett said. He said, however, that cable companies would at least ensure that there will be wireless broadband that's not controlled by rival phone companies such as Verizon Communications Inc.

The Wall Street Journal first reported on the talks late Tuesday.

Negotiations began in March and Sprint was pushing to get a deal by next week, in time for a wireless industry trade show in Las Vegas, the person said. Although there's a possibility that the

