

The recently announced spectrum deal between Verizon Communications, Inc and T-Mobile USA have significant implications for the U.S. telecom industry. The deal is subject to regulatory approval by the Federal Communications Commission and the Department of Justice.

The deal, if approved, is considered as a positive for these two operators and Leap Wireless International, Inc., as it improves their ability to deploy LTE. Following regulatory approval, T-Mobile would use this spectrum to augment its 4G mobile broadband service, including the rollout of LTE service next year. Meanwhile, the deal also bodes well for tower operators such as **American Tower Corp.**, Crown Castle International Corp., and SBA Communications Corp., as it improves T-Mobile' ability to upgrade its network to LTE. However, the deal could be negative for other carriers looking to sell spectrum or wholesale capacity to T-Mobile, such as Clearwire Corp.