

NextWave Wireless Inc.  
Form S-1/A  
December 29, 2006

As filed with the Securities and Exchange Commission on December 29, 2006  
Registration No. 333-139440

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**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

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**Amendment #1**  
**to**  
**FORM S-1**  
**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

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**NextWave Wireless Inc.**  
(Exact name of registrant as specified in its charter)

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<b>Delaware</b> (State or Other Jurisdiction of Incorporation or Organization)	<b>4899</b> (Primary Standard Industrial Classification Code Number)	<b>20-5361360</b> (I.R.S. Employer Identification No.)
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**12670 High Bluff Drive**  
**San Diego, California 92130**  
**(858) 480-3100**  
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Frank A. Cassou**  
**Executive Vice President - Corporate Development and Chief Legal Counsel**  
**NextWave Wireless Inc.**  
**12670 High Bluff Drive**  
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**Approximate date of commencement of proposed sale to the public:** As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box.

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

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**The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission relating to these securities is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

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**Subject to Completion, Dated December 29, 2006**

**PROSPECTUS**

4,109,744 Shares

Common Stock  
par value \$0.001 per share

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This prospectus relates solely to the resale of up to an aggregate of 4,109,744 shares of common stock of NextWave Wireless Inc. ("NextWave" or the "Company") by the selling stockholders identified in this prospectus. These shares include the shares of our common stock issued, or issuable upon the exercise of warrants that were sold, to the investors identified in this prospectus.

The selling stockholders identified in this prospectus (which term as used herein includes their pledgees, donees, transferees or other successors-in-interest) may offer the shares from time to time as they may determine through public or private transactions or through other means described in the section entitled "Plan of Distribution" beginning on page 91 at prevailing market prices, at prices different than prevailing market prices or at privately negotiated prices. The prices at which the selling stockholders may sell the shares may be determined by the prevailing market price for the shares at the time of sale, may be different than such prevailing market prices or may be determined through negotiated transactions with third parties.

We will not receive any of the proceeds from the sale of these shares by the selling stockholders. If the warrants are exercised by the payment of cash, however, we would receive the exercise price of the warrants, which is \$0.01 per share subject to certain adjustments as set forth in the warrant agreement. However, all the warrants covered by the registration statement of which this prospectus is a part have a cashless exercise provision that allows the holder to receive a reduced number of shares of our common stock, without paying the exercise price in cash. To the extent any of the warrants are exercised in this manner, we will not receive any additional proceeds from such exercise. We have agreed to pay all expenses relating to registering the securities. The selling stockholders will pay any brokerage commissions and/or similar charges incurred for the sale of these shares of our common stock.

Our shares are currently quoted on the Over-the-Counter Bulletin Board under the symbol "NWXVV.OB." Our common stock has been approved for listing on The Nasdaq Global Market under the ticker symbol "WAVE" and we anticipate that our listing will be effective on January 3, 2007.

*Investing in our common stock involves significant risks. See "Risk Factors" beginning on page 7 to read about factors you should consider before buying shares of our common stock.*

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy of accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

**Prospectus dated December 29, 2006**



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## PROSPECTUS SUMMARY

*This summary highlights key aspects of our business that are described in more detail elsewhere in this registration statement. This summary does not contain all of the information that you should consider before making a future investment decision with respect to our securities. You should read this entire registration statement carefully, including the “Risk Factors ,” the combined audited financial statements and the notes thereto included elsewhere in this registration statement.*

*Unless the context indicates otherwise, all references in this registration statement to “NextWave,” “the Company,” “we,” “us” and “our” refer to NextWave Wireless Inc. and its direct and indirect subsidiaries. References to Old NextWave Wireless refer to our existence as a company conducting a separate line of business prior to April 13, 2005, when we emerged from Chapter 11 as a new wireless technology company.*

### Our Company

#### Business Overview

We are an early-stage wireless technology company engaged in the development of next-generation mobile broadband and wireless multimedia products, technologies and services. We believe that mobile broadband represents the next logical step in the evolution of the Internet and that demand for mobile broadband will transform the global \$500 billion wireless communications industry from one driven primarily by circuit switched voice to one driven by IP based broadband connectivity. We expect that mobile WiMAX, a wireless broadband standard utilizing a cellular architecture to deliver fully-mobile and high quality fixed voice and data services, will play a major role in enabling the widespread delivery of mobile broadband services. We intend to focus our business activities on developing WiMAX products and other technologies to extend the broadband experience beyond the home or office and allow people to remain connected to the information and content they need wherever they go.

We have organized our product, technology and service development activities into three major initiatives:

**WiMAX Technology Development** . Led by the Advanced Technology Group, a part of our NextWave Broadband subsidiary, we are developing WiMAX chipsets, base station components, and terminal device reference designs to enable integrated local communications networks (commonly called local area networks, or LANs) and geographically dispersed communications networks (commonly called wide area networks, or WANs) wireless broadband solutions. A key design objective of our products and technologies is to extend the ability of mobile WiMAX to cost-effectively handle the large volume of network traffic that we believe next-generation wireless multimedia applications such as mobile television, high-resolution streaming video, and real-time gaming will generate. By enabling mobile WiMAX networks to simultaneously operate over multiple frequency bands, by implementing a layered network architecture, and by developing integrated WiMAX/Wi-Fi solutions, we expect that our product line will significantly enhance the performance and economics of fixed and mobile WiMAX networks. We intend to sell and/or license our WiMAX products and technologies to network infrastructure and device manufacturers and network operators worldwide.

**Mobile WiMAX Network Solutions** . To stimulate demand for our products, we have accumulated a spectrum footprint across the U.S. covering a population of over 247 million people, or POPs. This spectrum footprint includes 154 AWS licenses for which we were declared the high bidder in a recent FCC auction. Led by the Network Solutions Group, which operates within our NextWave Broadband subsidiary, we intend to work with network partners who are interested in funding the deployment of shared mobile WiMAX networks that operate on our licensed spectrum and utilize network and device equipment which incorporate our products and technologies. Potential network partners include wireless service providers, cable operators, Internet service providers, and content distributors. To

demonstrate the features and capabilities of our network solutions, we intend to deploy a mobile WiMAX trial network in Henderson, Nevada.

***Wireless Multimedia Software*** . Through our PacketVideo subsidiary, we intend to be a leading provider of the next generation of device-embedded multimedia software needed to enable the efficient capture, transmission and manipulation of multimedia content by fourth generation (4G) broadband-enabled mobile devices. At present, PacketVideo is a global provider of embedded multimedia software for mobile phones. PacketVideo licenses its multimedia software to some of the largest wireless handset manufacturers and wireless carriers in the world, who use it to transform a mobile phone into a feature-rich multimedia device that provides people with the ability to stream, download and play video and music, receive live TV broadcasts and engage in two-way video telephony. We also expect that global deployments of mobile broadband networks will create a unique opportunity for software developers such as PacketVideo to create innovative multimedia software applications optimized for the mobile environment.



We believe the combination of our products and technologies, our device embedded multimedia software products, and our spectrum assets represent a unique platform to provide advanced wireless broadband solutions to the market.

### **Competitive Strengths**

***A highly accomplished team of wireless technology professionals*** . Our technology development efforts are led by a team of highly skilled senior engineers with broad experience in the development of wireless communications technologies and solutions. Team members have led major development initiatives at leading technology companies, such as Intel, Motorola, Nokia, QUALCOMM and Texas Instruments. Together they have been instrumental in developing some of today's dominant wireless technologies. Several members of our team, including our Chief Executive Officer, Allen Salmasi, played key roles at QUALCOMM in the development and successful commercialization of the CDMA wireless technology standard used worldwide today. In addition, our senior team has extensive experience in building and operating wireless networks for companies such as Airtouch, AT&T Wireless, McCaw Cellular, Nextel and SprintPCS.

***Significant capital resources*** . As of September 30, 2006, we had \$222.2 million of cash, cash equivalents and short-term investments. While we anticipate that the costs of our research and development activities will increase as we approach the commercial deployment of our wireless broadband products and technologies, we believe our working capital position provides us with significant flexibility to continue funding our research and development activities and our operating losses. To the extent that attractive opportunities to acquire complimentary businesses or additional wireless broadband spectrum arise, we may need to raise additional funds to capitalize on such opportunities.

***Attractive wireless spectrum portfolio, well-suited to support mobile WiMAX***. To date, we have acquired licensed spectrum and entered into long-term leases that provide us with exclusive leasehold access to licensed spectrum throughout the U.S. Our spectrum portfolio, including 154 AWS licenses for which we were declared high bidder at a recent FCC auction, covers approximately 247 million persons, or POPs, across the U.S., of which licenses covering 136.4 million POPs are covered by 20 MHz or more of spectrum, and licenses covering an additional 96 million POPs are covered by at least 10 MHz of spectrum. In addition, a number of markets, including licenses covering 11.9 million POPs in New York, are covered by 30 MHz or more of spectrum. We believe that this spectrum footprint, which includes all top ten and 21 of the top 25 cities in the U.S., makes us attractive to potential network partners. Our spectrum resides in the 2.3GHz WCS, 2.5GHz BRS/EBS, and 1.7/2.1 GHz AWS bands and offers propagation and other characteristics suitable for use with mobile WiMAX.

### **Acquisitions and Strategic Investments**

Since our emergence as a wireless technology company, we have completed several acquisitions and strategic investments, including the acquisition of PacketVideo Corporation for \$46.6 million in July 2005, and transactions to acquire licensed spectrum rights, including subsequent lease obligations for amounts totaling \$421.1 million, including our recent acquisition of 28 spectrum licenses in Germany, our acquisition of 154 spectrum licenses through the AWS action for an aggregate bid of \$115.5 million and our acquisition of WCS Wireless Inc., which holds spectrum covering 188.8 million persons, or POPs, in the Central, Western, and Northeastern United States, for \$160.5 million. Our acquisitions and investments are described in this registration statement in greater detail under the heading "Business - Our History".

At the time of our emergence on April 13, 2005, we had cash and investment balances of \$555.1 million. As of September 30, 2006, our cash and investment balances were \$222.2 million, reflecting the use of \$418.8 million for the acquisition of wireless spectrum licenses and subsequent lease obligations, \$77.3 million paid into a restricted cash account securing our 7% Senior Secured Notes, \$56.1 million for business acquisitions and a joint venture investment, \$18.3 million for the acquisition of property and equipment, and \$57.1 million for operating activities, including

research and development costs. On July 17, 2006, we issued senior secured notes due 2010 in the aggregate principal amount of \$350.0 million. The notes were issued at a fifteen percent (15%) original issue discount, resulting in gross proceeds of \$297.5 million. We will be obligated to pay the secured notes at their full face value of \$350.0 million, and the original issue discount will provide the note purchasers with a yield that is in addition to the coupon rate upon repayment of the notes. In connection with the notes placement, we issued 4,110,382 warrants to purchase shares of our common stock at an exercise price of \$0.01 per share. The notes placement provided us with net cash proceeds of \$295.0 million available for the sole purpose of financing spectrum acquisitions and leases. The entire proceeds were used for the acquisition of WCS Wireless, Inc. for \$160.5 million, the acquisition of two new EBS leases for \$22.1 million and for the majority of the funding for the acquisition of 154 AWS licenses for \$115.5 million.

## **Risks Affecting Us**

We are an early stage company that recently emerged from Chapter 11 with a new wireless technology business plan and have limited relevant operating history. With the exception of our PacketVideo subsidiary, we have never generated any material revenues and have limited commercial operations. We operate in an extremely competitive environment. If WiMAX technology fails to gain acceptance, we will not be successful in selling WiMAX products and technologies. Our wireless broadband products and technologies are in the early stages of development and will require a substantial investment before they may become commercially viable. We are currently unable to project when our wireless broadband products and technologies will be commercially deployed and generate revenue. We have made numerous acquisitions and investments since our emergence. We must successfully manage our growth and integrate these recent and any future acquisitions and investments. We are subject to a number of other risks of which you should be aware before making a future investment decision with respect to our securities. These risks are discussed more fully under the heading "Risk Factors."

## **Capital Stock**

Our authorized capital stock consists of 400,000,000 shares of common stock, par value \$0.001 per share and 25,000,000 shares of preferred stock, par value \$0.001 per share. As of December 1, 2006 we will have 82,207,649 shares of common stock outstanding held by approximately 1,400 holders of record. As of such date, there will be 17,319,249 shares of common stock reserved for future issuance, of which 14,873,435 will be reserved for issuance upon the exercise of granted and outstanding options and warrants and 2,445,814 will be available for future option grants.

Our shares are currently quoted on the Over-the-Counter Bulletin Board under the symbol "NWXVV.OB." Our common stock has been approved for listing on The Nasdaq Global Market under the ticker symbol "WAVE" and we anticipate that our listing will be effective on January 3, 2007.

## **Corporate Information**

Our principal executive offices are located at 12670 High Bluff Drive, San Diego, California 92130, and our telephone number is (858) 480-3100. NextWave's website address is [www.nextwave.com](http://www.nextwave.com). Our website, and the information contained in the website, is not a part of this prospectus.

**THE OFFERING**

Common stock outstanding prior to this offering, excluding the shares underlying the warrants	82,207,649 shares
Common stock being offered for resale to the public by the selling stockholders	4,109,744 shares
Common stock to be outstanding after this offering(1)	86,317,393 shares
Total proceeds raised by offering	We will not receive any proceeds from the resale of our common stock pursuant to this offering. We may receive proceeds upon the exercise of the warrants to the extent such warrants are exercised for cash.
Use of proceeds	Any proceeds we may receive will be used to meet our working capital needs and general corporate purposes.
Over-the-Counter Bulletin Board symbol	NWXVV.OB
Nasdaq Global Market symbol	WAVE
Risk factors	See “Risk Factors” and the other information included in this prospectus for a discussion of risk factors you should carefully consider before deciding to invest in our common stock.

(1) The number of shares of our common stock to be outstanding after this offering is based on the number of shares of our common stock outstanding as of December 1, 2006. This number does not include, as of December 1, 2006:

- 10,263,053 shares of our common stock issuable upon exercise of options outstanding, at a weighted average exercise price of \$6.00 per share;
- 2,445,814 shares of our common stock are reserved for issuance under our NextWave Wireless Inc. 2005 Stock Incentive Plan and the CYGNUS Communications, Inc. 2004 Stock Option Plan; and
- 500,000 shares of our common stock issuable upon exercise of warrants issued to Station 4, LLC at an exercise price of \$6.00 per share.

### Summary Historical Financial Data

*You should read the following summary historical financial data together with the information under “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” our unaudited condensed consolidated financial statements and our audited consolidated financial statements and the notes to those financial statements included elsewhere in this registration statement.*

Set forth below is summary historical financial data, at the dates and for the periods indicated, for NextWave Wireless LLC, which holds all of our operating subsidiaries and is our direct wholly-owned subsidiary. On November 13, 2006, we implemented a new corporate holding company structure in order to facilitate a planned Nasdaq listing. The holding company structure was implemented through the merger of a wholly-owned subsidiary of NextWave Wireless Inc. with and into NextWave Wireless LLC. As a result of this corporate conversion merger, we issued shares of our common stock to holders of NextWave Wireless LLC’s membership units in exchange for all of the outstanding membership units of NextWave Wireless LLC, with NextWave Wireless LLC unitholders receiving one share of NextWave Wireless Inc. common stock for every six membership units of NextWave Wireless LLC that they held. This prospectus does not include financial statements of NextWave Wireless Inc. because it was only recently formed for the purpose of effecting our new corporate holding company structure, will hold no significant assets and will not engage in any operations.

The following summary consolidated statement of operations data for the three and nine months ended September 30, 2006, for the three months ended September 30, 2005 and for the period from the date of our inception as a new wireless technology company pursuant to the plan of reorganization of Old NextWave Wireless (April 13, 2005) to September 30, 2005, and the summary consolidated balance sheet data as of September 30, 2006 was derived from our unaudited condensed consolidated financial statements and should be read in conjunction with our unaudited condensed consolidated financial statements and Management’s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this registration statement. Our unaudited condensed consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and notes thereto, which include, in the opinion of our management, all adjustments (consisting of normal recurring adjustments), necessary for a fair presentation of the information for the unaudited interim periods. Our historical results for any prior or interim period are not necessarily indicative of results to be expected for a full fiscal year or for any future period.

The following summary consolidated statement of operations data for the period from the date of our inception (April 13, 2005) to December 31, 2005 and summary consolidated balance sheet data as of December 31, 2005 was derived from our audited consolidated financial statements and should be read in conjunction with our audited consolidated financial statements and Management’s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this registration statement.

<i>(in thousands)</i>	<b>Three Months Ended September 30, 2006 (1)</b>	<b>Three Months Ended September 30, 2005</b>	<b>Nine Months Ended September 30, 2006 (1)</b>	<b>Inception (April 13, 2005) to September 30, 2005 (2)</b>	<b>Inception (April 13, 2005) to December 31, 2005 (2)</b>
<b>Consolidated Statement of Operations Data (3):</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	
Revenues	\$ 8,051	\$ 1,202	\$ 22,055	\$ 1,350	\$ 4,144
Loss from operations	(25,860)	(20,220)			