

AMERICAN TOWER CORP /MA/
Form POS AM
April 07, 2005
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As filed with the Securities and Exchange Commission on April 7, 2005

Registration Statement No. 333-119162

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

**POST-EFFECTIVE
AMENDMENT NO. 4
TO
FORM S-3
REGISTRATION STATEMENT
UNDER
*THE SECURITIES ACT OF 1933***

American Tower Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

65-0723837
(I.R.S. Employer Identification No.)

**116 Huntington Avenue
Boston, Massachusetts 02116
(617) 375-7500**

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(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

James D. Taiclet, Jr.

Chairman, President and Chief Executive Officer

American Tower Corporation

116 Huntington Avenue

Boston, Massachusetts 02116

(617) 375-7500

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. " "

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, other than in connection with dividend or interest reinvestment plans, check the following box.

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration 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 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, please 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 amended Registration Statement shall become effective on such date as the Commission, acting pursuant to Section 8(c) of the Securities Act of 1933, may determine.

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Explanatory Note

The Registrant is filing this Post-Effective Amendment No. 4 to Form S-3 Registration Statement to update the table under the caption "Selling Securityholders" in the prospectus contained herein to add and delete the names and respective holdings of certain selling securityholders who have requested such changes. Certain financial and other information included herein has also been updated to reflect information reported in the Registrant's filings with the Securities and Exchange Commission subsequent to the filing of Amendment No. 3 to Form S-3 Registration Statement on March 31, 2005.

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The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities Exchange Commission 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.

Subject to Completion, dated April 7, 2005

PROSPECTUS

\$345,000,000

**3.00% Convertible Notes due August 15, 2012
and the Class A Common Stock
Issuable Upon Conversion of the Notes**

In August 2004, we issued \$345,000,000 principal amount of our 3.00% convertible notes due August 15, 2012 in a private placement. This prospectus will be used by selling securityholders to resell their notes and the shares of our Class A common stock issuable upon conversion of the notes from time to time. This prospectus also relates to the issuance and sale of our Class A common stock issued upon the conversion of the notes by subsequent purchasers of the notes.

The notes will mature on August 15, 2012. The notes may be converted into shares of our Class A common stock at any time prior to maturity, subject to prior redemption or repurchase, at an initial conversion rate of 48.7805 shares of Class A common stock per each \$1,000 principal amount of notes converted, which is equal to an initial conversion price of approximately \$20.50 per share. If certain fundamental changes occur, we will in certain circumstances increase the conversion rate by a number of additional shares of Class A common stock or, in lieu thereof, we may in certain circumstances elect to adjust the conversion rate and related conversion obligation so that the notes are convertible into shares of the acquiring or surviving company, in each case as described herein.

We will pay interest on the notes on February 15 and August 15 of each year beginning February 15, 2005. We may redeem some or all of the notes on or after August 20, 2009 at the redemption prices set forth in this prospectus. In the event of a fundamental change, as described in this prospectus, noteholders may require us to repurchase some or all of their notes.

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The notes are not listed on any national securities exchange or included in any automated quotation system. Our Class A common stock is traded on the New York Stock Exchange under the symbol AMT. On April 5, 2005, the closing sale price of our Class A common stock on the New York Stock Exchange was \$18.00 per share. You should obtain current market quotations for our Class A common stock.

Investing in the notes and our Class A common stock involves a high degree of risk. See Risk Factors beginning on page 8.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2005.

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WHERE YOU CAN FIND MORE INFORMATION

We file reports, proxy statements and other documents with the SEC. You may read and copy any document we file with the SEC at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for more information on the Public Reference Room. Our SEC filings are also available to you on the SEC's website at <http://www.sec.gov>. Copies of some of these documents are also available on our website at <http://www.americantower.com>. Our website is not part of this prospectus.

This prospectus is part of a registration statement that we filed with the SEC. The registration statement contains more information than this prospectus regarding us, the notes and our Class A common stock, including certain exhibits and schedules. You can obtain a copy of the registration statement from the SEC at the address listed above or from the SEC's Internet site.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC requires us to incorporate into this prospectus information that we file with the SEC in other documents. This means that we can disclose important information to you by referring to other documents that contain that information. The information incorporated by reference is considered to be part of this prospectus. Information contained in this prospectus and information that we file with the SEC in the future and incorporate by reference in this prospectus automatically updates previously filed information. We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of the initial registration statement and prior to effectiveness of this post-effective amendment no. 4 to registration statement and after the date of the prospectus and before the sale of all the securities covered by this prospectus; provided, however, we are not incorporating any information furnished under Item 7.01 or Item 2.02 of any Current Report on Form 8-K:

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Our Annual Report on Form 10-K for the year ended December 31, 2004 filed with the SEC on March 30, 2005;

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The description of our Class A common stock contained in our registration statement on Form 8-A (File No. 001-14195) filed on June 4, 1998.

You may request a copy of these documents, which will be provided to you at no cost, by writing or telephoning us at:

American Tower Corporation

116 Huntington Avenue

Boston, Massachusetts 02116

Attention: Investor Relations

Telephone: (617) 375-7500

Exhibits to the documents incorporated by reference will not be sent, however, unless those exhibits have been specifically referenced in this prospectus.

We have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus. The selling securityholders are offering to sell, and seeking offers to buy, the notes and shares of our Class A common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of notes or shares of our Class A common stock.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

We have made statements about future events and expectations, or forward-looking statements, in this prospectus and in the documents incorporated by reference into this prospectus. We have based those forward-looking statements on our current expectations and projections about future results. When we use words such as project, believe, anticipate, plan, expect, estimate, or intend, or similar expressions, we identify forward-looking statements. Examples of forward-looking statements include statements we make regarding future prospects of growth in the wireless communications and broadcast infrastructure markets, the level of future expenditures by companies and other trends in those markets, our planned dispositions of non-core assets, our ability to maintain or increase our market share, our future operating results, our future capital expenditure levels, and our plans to fund our future liquidity needs.

You should keep in mind that any forward-looking statement made by us in this prospectus and the documents incorporated by reference into this prospectus speaks only as of the date on which we make it. New risks and uncertainties arise from time to time, and it is impossible for us to predict these events or how they may affect us. In any event, these and other factors may cause our actual results to differ materially from those expressed in our forward-looking statements, including those factors set forth in this prospectus under the heading Risk Factors. We have no duty to, and we do not intend to, update or revise forward-looking statements made by us in this prospectus and the documents incorporated by reference into this prospectus, except as required by law. In light of these risks and uncertainties, you should keep in mind that the future events or circumstances described in any forward-looking statements made by us in this prospectus and the documents incorporated by reference into this prospectus or elsewhere might not occur.

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SUMMARY

This summary highlights selected information about us. The following information is qualified in its entirety by reference to the more detailed information and financial statements, including notes thereto appearing elsewhere or incorporated by reference herein. You should read this entire prospectus carefully, including Risk Factors and the documents that we have filed with the SEC and incorporated by reference into this prospectus. Unless the context otherwise requires, references to we, us, our and American Tower are to American Tower Corporation and its consolidated subsidiaries, unless it is clear from the context that we mean only American Tower Corporation. We sometimes refer to American Towers, Inc., our wholly owned principal operating subsidiary, as ATI.

AMERICAN TOWER CORPORATION

Overview

We are a leading wireless and broadcast communications infrastructure company with a portfolio of approximately 15,000 towers. Our primary business is leasing antenna space on multi-tenant communications towers to wireless service providers and radio and television broadcast companies. We own and operate towers throughout the United States and Mexico, as well as in selected markets in Brazil. We operate the largest independent portfolio of wireless communications and broadcast towers in the United States and Mexico, based on number of towers and revenue.

Our tower portfolio provides us with a recurring base of leasing revenues from our existing customers and growth potential due to the capacity to add more tenants and equipment to these towers. Our broad network of towers enables us to address the needs of wireless service providers on a national basis. With the sale of our tower construction services unit in November 2004, we substantially completed our strategic transition to a focused tower leasing business and now offer only limited services that directly support our rental and management operations and the addition of new tenants on our towers. We intend to capitalize on the continuing increase in the use of wireless communication services by actively marketing space available for leasing on our existing towers and selectively developing or acquiring new towers that meet our return on investment criteria.

Our core leasing business, which we also refer to as our rental and management segment, accounted for approximately 99.3% and 99.2% of our segment operating profit for the years ended December 31, 2004 and 2003, respectively. In 2005, we expect that our rental and management segment will continue to contribute approximately 99% of our segment operating profit, which we define as segment revenue less direct segment expense (rental and management segment operating profit includes interest income, TV Azteca, net).

An element of our strategy is to continue to focus our operations on our rental and management segment by divesting non-core assets, using the proceeds to purchase high quality tower assets, and reducing outstanding indebtedness. Between January 1, 2003 and December 31, 2004, we completed approximately \$142.7 million of non-core asset sales and have used or will use the net proceeds to acquire new tower assets and to repay outstanding indebtedness. These sales include the disposition of certain non-core services businesses, including Flash Technologies, Galaxy Engineering, Kline Iron & Steel and our tower construction services unit.

We believe that our strategy of focusing operations on our rental and management segment has made our consolidated operating cash flows more stable, will provide us with continuing growth and will enhance our returns on invested capital because of the following characteristics of

our core leasing business:

Long-term tenant leases with contractual escalators. In general, a lease with a wireless carrier has an initial term of five-to-ten years with multiple five-year renewal terms thereafter, and lease payments typically increase 3% to 5% per year.

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Tower operating expenses are largely fixed. Incremental operating costs associated with adding wireless tenants to a tower are minimal.

Low maintenance capital expenditures. On average, a wireless tower requires low annual capital investments to maintain.

High lease renewal rates. Wireless carriers tend to renew leases because repositioning a site in a carrier's network is expensive and may adversely affect network quality, and because suitable alternative sites may not exist or be available.

Strategy

Our strategy is to capitalize on the continuing growth in the use of wireless communication services and the infrastructure requirements necessary to deploy current and future generations of wireless communication technologies. Between December 2001 and December 2004, the number of wireless service subscribers in the United States increased from 128.4 million to 180.5 million, representing an increase of approximately 41% and market penetration of approximately 61%. From December 2001 through December 2004, the number of cell sites (i.e., the number of antennae and related equipment in commercial operation, not the number of towers on which that equipment is located) increased from approximately 127,500 cell sites to approximately 175,700. In Mexico, the number of wireless service subscribers increased from approximately 21.8 million in December 2001, to approximately 38.5 million in December 2004, representing an increase of approximately 77% and market penetration of approximately 36%. In Brazil, the number of wireless service subscribers increased from approximately 28.7 million in December 2001, to approximately 65.6 million in December 2004, representing an increase of approximately 129% and market penetration of approximately 36%.

We believe the continuing growth in the number of wireless subscribers and the minutes of use per subscriber will require wireless carriers to add cell sites to maintain the performance of their networks in the areas they currently cover and to extend service to areas where coverage does not yet exist. As wireless carriers continue to add subscribers and seek to limit churn, we also anticipate that they will focus on network quality as a competitive necessity and will invest in upgrades to their networks. In addition, we believe that as wireless data services, such as email, internet access and video, are deployed on a widespread basis, the deployment of these technologies will require wireless carriers to further increase the cell density of their existing networks, may require an overlay of new technology equipment, and may increase the demand for geographic expansion of their network coverage. To meet this demand, we believe wireless carriers will continue to outsource their tower infrastructure needs as a means of improving existing service coverage, implementing new technology, accelerating access to their markets and preserving capital, rather than constructing and operating their own towers and maintaining their own tower service and development capabilities.

We believe that our existing portfolio of towers, our tower related services offerings and our management team position us to benefit from these trends and to play an increasing role in addressing the needs of wireless service providers and broadcasters. The key elements of our strategy include:

Maximize Use of Our Tower Capacity. We believe that our highest returns will be achieved by leasing additional space on our existing towers. Annual rental and management revenue and segment operating profit grew by approximately 10% and 16%, respectively, during 2004. We anticipate that our revenues and segment operating profit will continue to grow because many of our towers are attractively located for wireless service providers and have capacity available for additional antenna space rental that we can offer to customers at low incremental costs to us. Because the costs of operating a tower are largely fixed, increasing utilization significantly improves operating margins. We will continue to target our sales and marketing activities to increase utilization of, and investment return on, our existing towers.

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Actively Manage Our Tower Portfolio. We actively manage our portfolio of towers by selling non-core towers and reinvesting a portion of the proceeds in high quality tower assets. In 2004, we sold 52 non-core towers and used a portion of the proceeds from these sales and other funds to acquire 214 towers. Our goal is to enhance operating efficiencies either by acquiring towers with high growth potential or by disposing or exchanging towers in areas where we do not have operating economies of scale. If we are successful in disposing of certain tower assets, we may reinvest a portion of the proceeds in tower assets that are expected to provide a greater return.

Employ Selective Criteria for New Tower Construction and Acquisitions. We continue to construct, redevelop and acquire new towers when our initial and long-term return on investment criteria are met. These criteria include securing leases from customers in advance of construction, ensuring reasonable estimated construction costs and obtaining the land on which to build the tower, whether by purchase or ground lease, on reasonable terms.

Continue Our Focus on Customer Service and Processes. Because speed to market and reliable network performance are critical components to the success of wireless service providers, our ability to assist customers in meeting their goals will contribute to our success. We intend to continue to focus on customer service by, for example, reducing cycle time for key functions, such as lease processing. Accordingly, we have established a team dedicated to exploring and leveraging customer-driven process improvement capabilities. We believe that this effort should enable us to increase revenue generation through improved speed, accuracy and quality. In addition, sharing operational processes and outcomes establishes another connection point with our customers and provides us valuable input and relationship enhancing opportunities.

Build On Our Strong Relationships with Major Wireless Carriers. Our understanding of the network needs of our customers and our ability to convey effectively how we can satisfy those needs are key to our efforts to add new antenna leases, cross-sell our services and identify desirable new tower development projects. We are building on our strong relationships with our customers to gain more familiarity with their evolving network plans so we can identify opportunities where our nationwide portfolio of towers and experienced personnel can be used to satisfy their needs. We believe that we are well positioned to be a preferred partner to major wireless carriers and broadcasters in leasing tower space and new tower development projects because of the location of our towers, our proven operating experience and the national scope of our tower portfolio and services.

Participation in Industry Consolidation. We believe there are benefits to consolidation among tower companies. More extensive networks will be better positioned to provide more comprehensive service to customers and to support the infrastructure requirements of future generations of wireless communication technologies. Combining with one or more other tower companies also should result in improvements in cost structure efficiencies, with a corresponding positive impact on operating results. These benefits should, in turn, enhance access to capital and accelerate the de-levering process. Accordingly, we continue to be interested in participating in the consolidation of our industry on terms that are consistent with these perceived benefits and that create long-term value for our stockholders.

Our principal executive offices are located at 116 Huntington Avenue, Boston, Massachusetts 02116, and our telephone number is (617) 375-7500. Our website address is www.americantower.com. We have not incorporated by reference into this prospectus the information included on, or linked from, our website, and you should not consider it to be a part of this prospectus.

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The Offering

All of the notes and the shares of Class A common stock issuable upon conversion of the notes are being sold by the selling securityholders or their pledges, donees, transferees or other successors in interest. We will not receive any proceeds from the sale of the notes and the shares of Class A common stock issuable upon conversion of the notes. We refer you to "Selling Securityholders" on page 18 of this prospectus.

| | |
|--------------------|---|
| Issuer | American Tower Corporation, a Delaware corporation. |
| Securities Offered | \$345.0 million aggregate principal amount of 3.00% Convertible Notes due August 15, 2012. |
| Interest | 3.00% per annum, payable on February 15 and August 15 of each year, beginning February 15, 2005. |
| Ranking | The notes are our general, unsecured obligations and rank equally in right of payment with all of our other senior unsecured debt obligations. As of December 31, 2004, we had approximately \$1.8 billion senior unsecured indebtedness outstanding. |

Our subsidiaries do not guarantee the notes. The notes are structurally subordinated to all existing and future indebtedness of our subsidiaries, including all outstanding indebtedness under ATI's credit facility and the senior subordinated notes issued by ATI. Indebtedness under the credit facility is secured by the assets of our subsidiaries and is also guaranteed by us and secured by our assets. We also guarantee ATI's outstanding senior subordinated notes.