



Via Fax

September 20, 2016

The Honorable Tom Wheeler
Chairman
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

RE: Ex Parte Notice. In the Matter of Special Access for Price Cap Local Exchange Carriers et al; WC Docket Nos. 16-143, 15-247, 05-25 and RM-10593.

Dear Chairman Wheeler:

Last week I wrote you about my concerns that drastic rate cuts in the Business Data Services proceeding would lead CWA employers to look to cut good jobs and network investment. Well, it appears this was not idle thinking. CenturyLink announced plans to lay off up to 3,500 employees. As reported by *USA Today*, CEO Glen Post claims the job cuts are a response to the "decline in our legacy revenues."

Surely, we don't want to see more of these headlines. I know this is not a legacy you want for your tenure, but I fear we may see more of this if the Commission radically slashes rates of Business Data Services.

Sincerely,

A handwritten signature in black ink, which appears to read "Chris M. Shelton", is written over a faint, dotted background.

Christopher M. Shelton
President

Attachment

c: Commissioner Jessica Rosenworcel
Commissioner Mignon Clyburn
Commissioner Ajit Pai
Commissioner Michael O'Rielly

CenturyLink plans to lay off up to 3,500

USA Today Mark Henderson, The (Monroe, La.) News-Star

5:26 p.m. EDT September 15, 2016



CenturyLink reported plans to reduce its companywide workforce by 7 to 8 percent. (Photo: File photo) MONROE, La. — CenturyLink announced plans to lay off as much as 8 percent of its workforce companywide by the end of the year.

Anmarie Sartor, spokeswoman for the telecommunications service provider, said the announcement came in a companywide memo from CenturyLink CEO Glenn Post on Wednesday.

The company currently has about 43,000 employees worldwide. A 7-8 percent workforce reduction would be about 3,500 employees companywide.

Sartor said the company will first entertain voluntary separations before involuntary layoffs.

In his memo, Post said the layoffs are related to decline in revenue in the legacy business of landline telephone service.

"We all understand the pressure caused by the decline in our legacy revenues — it creates a \$600 million negative impact on our business each year. While we continue to see positive growth in our strategic products, the profit margins of these strategic products and services are considerably lower than those associated with the legacy revenue we are losing," Post wrote.

"So, while I am very confident that we will continue to accelerate our revenue growth over time, I also have reached the very difficult conclusion that the loss of higher margin legacy revenue requires that, in addition to achieving our growth targets, we must also significantly realign our fundamental cost structure. It is a difficult conclusion to reach, but our long-term success requires us to adapt to the reality of the rapidly changing environment in which we are operating."

<http://www.usatoday.com/story/money/nation-now/2016/09/15/centurylink-plans-lay-off-up-3500/90431156/>