

*Before the*  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, DC 20554

In the Matter of	)	
APPLICATIONS FOR CONSENT TO THE)	)	
TRANSFER OF CONTROL OF LICENSES	)	
AND SECTION 214 AUTHORIZATIONS	)	
FROM	)	
	)	
MEDIAONE GROUP, INC.	)	CS Docket No. 99-251
Transferor	)	
to	)	
AT&T CORP.	)	
Transferee	)	

**PETITION FOR RECONSIDERATION AND CONTINGENT  
PETITION FOR FURTHER RECONSIDERATION OF CONSUMERS UNION,  
CONSUMER FEDERATION OF AMERICA, AND MEDIA ACCESS PROJECT**

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April 13, 2001

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To: The Commission

**PETITION FOR RECONSIDERATION AND CONTINGENT  
PETITION FOR FURTHER RECONSIDERATION**

Consumers Union, Consumer Federation of America, and Media Access Project (collectively "CU, *et al.*") seek reconsideration of the Commission's *Order*, FCC 01-95, CS 00-251 (rel. Mar. 16, 2001) ("*Suspension Order*"), which "suspend[ed]" deadlines for complying with non-severable conditions attached to the previously approved merger of AT&T Corp. ("AT&T") and MediaOne Group, Inc. ("MediaOne") (collectively, "AT&T" or "Applicants"). *AT&T/MediaOne Merger Order*, 15 FCC Rcd 9816 (2000) ("*Merger Order*"). In the event the Commission denies the requested reconsideration of the *Suspension Order*, CU, *et al.* seek further reconsideration of the *Merger Order* and the Commission's decision denying reconsideration thereof. *Order on Reconsideration*, CS Docket 99-251, FCC 01-47 (rel. Mar. 14, 2001).

**INTRODUCTION AND SUMMARY**

The contingent further reconsideration sought here is based upon the new facts and changed circumstances. 47 CFR §1.106(c)(1). They are as follows:

- On October 25, 2000, AT&T announced plans to "restructure" itself into four separate companies. *AT&T To Create Family Of Four New Companies*, <http://www.att.com/press/item/0,1354,3420,00.html> (accessed April 9, 2001).
- On December 21, 2001, the Commission announced its determination that AT&T had made an irrevocable election that it would divest its TWE ownership interest by May 19, 2001. *Order*, FCC 00-447, CS-99-251 (rel. Dec. 21, 2000) ("*AT&T Election Order*"). AT&T has not sought reconsideration or review of the Commission's determination.
- On January 22, 2001, the Commission released a decision approving the merger of America Online and Time Warner, Inc. to form America Online/Time Warner ("*AOL/Time Warner*"). *AOL/Time Warner Merger Order*, FCC 01-012, CS 00-33 (rel. Jan. 22, 2001) ("*AOL/TW Order*"), in which the Commission found, *inter alia*, that certain of the deleterious effects of that merger would be remediated because AT&T had made an final and irrevocable commitment to divest its 25.5% ownership interest in TWE, thus eliminating AT&T's and AOL/Time Warner's common ownership of TWE. *Id.* at ¶269. The AOL/Time Warner merger decision became final and not subject to appeal on or about February 21, 2001.
- On March 2, 2001, the United States Court of Appeals issued its decision in *TWE v. FCC*. Unless the decision is vacated by rehearing or appeal, it would invalidate the FCC's cable television horizontal/ownership cap adopted pursuant to Section 11 (c)(2) of the 1992 Cable Act.

Each of these events occurred after the last opportunity for CU, *et al.* to present such matters to the Commission. 47 CFR §1.106(b)(2)(i).

CU, *et al.* ask the Commission to reconsider and vacate the *Suspension Order*. As explained below, the suspension was arbitrary and capricious because the Commission's directive requiring AT&T to divest its ownership interest in Time Warner Entertainment Co., LP ("TWE") is grounded in the Commission's public interest authority. As a consequence, the required divestiture was not undermined or invalidated by the decision of the United States Court of Appeals for the D.C. Circuit in *Time Warner Entertainment, LP v. FCC*, 240 F.3d 1126 (D.C. Cir. 2001) ("*TWE v. FCC*"), which invalidated the Commission's cable horizontal ownership rule, 47 CFR §76.503-04 (no cable company

may reach more than 30 percent of subscribers in the national multi-channel video programming market).

In the event the Commission were to conclude, for any reason, that the *Merger Order* does not presently require the prompt divestiture of AT&T's ownership interest in TWE, CU, *et al.* ask that the Commission reconsider the *Merger Order* and its *Order on Reconsideration*. The findings already made on the basis of the record in this case fully justify the remedy directed therein on the basis of the Commission's public interest authority.

Moreover, new facts and changed circumstances cited above provide powerful additional reasons why such action is necessary. In particular, CU, *et al.* believe that the findings made in the AOL/Time Warner proceeding require the Commission to preserve the public interest by eliminating the AT&T's and AOL/Time Warner's common ownership of TWE. Moreover, CU, *et al.* submit that the AT&T restructuring plan precludes any reasonable prospect that the promised synergies of the MediaOne acquisition—such as the rapid deployment of facilities-based local telephony—will ever be realized. Inasmuch as the Commission considered the increased deployment of such services to be an offsetting public interest benefit which would arise from the transaction, the Commission should modify its analysis to give significantly less weight to the purported benefits of permitting the AT&T merger to proceed. This, in turn, provides significant additional impetus for directing the divestiture of the AT&T's TWE partnership interest in a full public interest review.

Finally, because the suspension was ordered approximately two months prior to the compliance deadline, CU, *et al.* ask that the Commission direct AT&T to complete its divestiture as soon as possible, and in no event later than 75 days after of the release of its decision.

**I. THE COMMISSION MUST REMEDIATE THE HARM IDENTIFIED IN THE**

### ***AT&T/MEDIAONE MERGER ORDER.***

The Commission approved the AT&T/MediaOne merger notwithstanding its concern that it would pose significant harm to the public interest. *Merger Order* at ¶3. To remediate these threats, the Commission insisted that AT&T come into compliance with the cable horizontal ownership rule by May 19, 2001. *Id.* at 4.<sup>1</sup> The validity of that rule, however, is now in question, *TWE v. FCC*, 240 F.3d 1126 (D.C. Cir. 2001). As a result, the Commission has "suspend[ed]" the actions it required of AT&T. *Suspension Order*.

Because AT&T did not appeal the Commission's approval of its merger, CU, *et al.* believe that AT&T remains obliged to comply with the "non-severable" conditions placed on its merger. *See Tribune Co. v. FCC*, 133 F.3d 61 (D.C. Cir. 1998) (conditions attached to approval of transaction are final and non-appealable once applicant takes control of an acquired license). CU, *et al.* therefore urge the Commission to reconsider its *Suspension Order*, and to clarify or find that AT&T retains a continuing obligation to fulfill the terms of the *Merger Order* by disposing of its ownership interest in TWE.

#### **A. The Commission Found Public Interest Harms in the *Merger Order*.**

The Commission found that the merged company "will be able to exercise excessive market power in the purchase of video programming." *Merger Order* at ¶3. It further determined that:

the merged entity presents *an especially potent force in the video programming market* because AT&T, MediaOne, and TWE are the industry leaders both in their operation of cable systems and their ownership of video programming networks. .... Not only will the merged entity have attributable interests in a vast number of programming networks, including many of the networks with the largest number of

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<sup>1</sup> The Commission has ruled that, pursuant to the *Merger Order*, AT&T has made an irrevocable election that it would divest its TWE ownership interest by May 19, 2001. *AT&T Election Order*. AT&T has not sought reconsideration or review of the Commission's determination.

subscribers nationwide, but *new networks will reduce their chances for long-term success if they do not meet the terms and preferences of the merged firm*. The combination of these two factors makes the merged entity *a potentially powerful gatekeeper that could affect the diversity of video programming delivered to consumers*.

*Merger Order* at ¶59 (emphases added).<sup>2</sup> The Commission considered with particularity the merged entity's relationship with TWE, and concluded that the merger would create an "align[ment] of interests" that would include the common economic interests of AT&T and TWE in the video programming arena. *Merger Order* at ¶43.

Citing the *1999 MVPD Competition Report*, the Commission also noted that "the merged entity may coordinate its purchasing decisions with other MVPDs, which would further expand the merged entity's bargaining power and ability to prevent the launch of a new programmer that AT&T, MediaOne, and TWE disfavor." *Merger Order* at n.173 (citing 15 FCC Rcd at 1056, ¶177).

The Commission explained that cable operators obtain no competitive advantage from selecting programming independently because they generally do not compete with each other for subscribers, and that they do have an economic incentive to spread the costs of obtaining programming over many systems through coordinated action. The Commission found these incentives are likely to increase given recent consolidation in the MVPD industry. *Merger Order* at ¶¶56, 57.

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<sup>2</sup>This finding is bolstered by the Commission's analysis in the *Cable Horizontal Ownership Order* that, prior to AT&T's acquisition, TCI was capable of controlling the unaffiliated programming market. *Cable Horizontal Ownership Order*, 14 FCC Rcd 19098 (1999) (finding "credible evidence" in the record that an unaffiliated programmer would be disinclined to alienate a large MSO by seeking carriage on a competitor to that MSO).

**B. AT&T's Divestiture Obligation Survives *Time Warner Entertainment v. FCC*.**

**1. The FCC's Decision was Based on Its Public Interest Authority.**

The Commission evaluated the AT&T/MediaOne merger under its public interest test and did not rely solely on the cable horizontal ownership rule. It explicitly concluded that the divestitures that it ordered, although necessary to comply with the horizontal ownership rule, and thus necessary to meet the first two prongs of the public interest test, *Merger Order* at ¶73, were also necessary to comply with the third prong of the public interest test. *Id.* The Commission stated the divestiture would comply with the third prong because it "will ensure that the merger will not frustrate nor impair the Commission's...objectives with regard to the promotion of competition and diversity in the provision of video programming." *Id.* To reach this result, the Commission specifically relied not upon the Section 11(c) of the 1992 Cable Act, but explicitly cited its public interest authority conferred under Sections 214(d)<sup>3</sup> and 310(d)<sup>4</sup> of the Communications Act, to "analyze the potential effect that the merger will have on the delivery of communications services to consumers." *Id.* at n.223. Moreover, the Commission cited the D.C. Circuit's holding that the "FCC might well be required to take [anticompetitive factors underlying the rules] into account even if it were to abandon entirely the [cable television-telephone] cross-ownership rules." *NCTA v. FCC*, 747 F.2d 1503, 1510 (D.C. Cir. 1984). *Merger Order* at n.223.

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<sup>3</sup> Section 214(d) provides in pertinent part that "[N]o such authorization or order shall be made unless the Commission finds ... that it is reasonably required in the interest of public convenience and necessity...."

<sup>4</sup> Section 310(d) provides in pertinent part that "No construction permit or station license ... shall be transferred, assigned, or disposed of in any manner ... to any person except upon application to the Commission and upon finding by the Commission that the public interest, convenience, and necessity will be served thereby."

The fact that the Commission approved the merger pursuant to its public interest authority is not in dispute. Indeed, the use of that test was precisely what impelled then-Commissioner Michael Powell to write separately. He would have preferred that the Commission rely solely on application of its rules, rather than on the public interest standard, and for that reason concurred in the result reached by the Commission. *Concurring Statement of Commissioner Powell* at 1-2.

Finally, the Commission expressly relied on Sections 4(i) and (j), 214(a) and (c), 309 and 310(d) in its ordering clauses to require AT&T to take one of the three required actions. Moreover, it did not phrase these ordering clauses with explicit reference to the cable horizontal ownership rule. Instead, in each instance, it explicitly laid out the actions that AT&T would be required to take. *See Merger Order* at ¶¶184-196.

**2. The Court in *Time Warner* did not Critique the Analysis and Conclusions Relied Upon in the *Merger Order*.**

In the *Merger Order*, the Commission relied upon its finding in the *Cable Horizontal Third Report and Order* that new programming networks require access to 40% of MVPD subscribers to be viable. *Merger Order* at ¶55. The court explicitly found no flaw in the Commission's conclusion that a 40% open field is required for independent programmer, and in fact endorsed it. *TWE*, 240 F.3d at 1132, 1133. On the other hand, the court criticized the Commission for a lack of record support for its prediction that cable companies would act jointly to limit the programming available to the public. *TWE*, 240 F.3d at 1132-33. No such danger exists here. As detailed extensively above, the Commission explicitly found in the factual record unique to this case that the merged entity would be likely to utilize its size to "to exercise excessive market power in the purchase of video programming." *Merger Order* at ¶3. This predictive judgement is based on a detailed analysis of the

particular companies under consideration, and record support for their incentive and likelihood to act to limit programming. See *Merger Order* at ¶¶14-20, 25-27, 56-59.

Accordingly, CU, *et al.* urge the Commission to reconsider or repeal its *Suspension Order* because the *Merger Order* is not dependent upon the validity of the horizontal ownership rule.

## **II. CHANGED CIRCUMSTANCES REQUIRE THE COMMISSION TO ORDER AT&T TO DIVEST TWE.**

If the Commission concludes that the AT&T/MediaOne Order did not rest on the public interest standard, and thus is not binding in light of the D.C. Circuit's decision, the Commission must undertake a public interest analysis to re-open the merger proceedings to find alternate methods to remediate the harm demonstrated in the record of that proceeding. At a minimum, it must remediate the harm that the Commission addressed by application of the defunct ownership rules. Its full public interest analysis, however, must also take cognizance of all the relevant public interest factors, which include changed circumstances since the *Merger Order*. 47 U.S.C. §309(a). Most important, since the *Merger Order*, the Commission has approved the AOL/Time Warner merger. Public interest harm will result if the corporate relationship between AT&T and the newly-created AOL/Time Warner continues.

### **A. The Commission Must Use its Public Interest Authority, At a Minimum, to Order AT&T to Complete its Divestiture.**

For the Commission to allow AT&T and MediaOne to merge without appropriate conditions would violate the Communications Act. Thus, if the Commission believes the D.C. Circuit's ruling in *Time Warner* alters the impact of the *Merger Order*, CU, *et al.* request the Commission to reconsider its *Merger Order* and, at a minimum, find alternate methods to remediate the harm demonstrated in the record of that proceeding. In this circumstance, the decision in *Time Warner*

would constitute changed circumstances under the Commission's rules and justify reconsideration.

The facts and law require Commission action. The Commission concluded that, absent a divestiture, the AT&T/MediaOne merger would cause harm to the public interest by endangering the diversity of programming sources. *Merger Order* at ¶73. The applicant entities bear the burden of showing that the proposed transaction meets that standard, *SBC/Ameritech Merger Order*, 14 FCC Rcd 14712, 14736 (1999), and the Commission may approve only those license transfers that meet the public interest standard, 47 U.S.C. §§214(a), 310(d). Without the Commission-ordered remedy, AT&T has not met its burden, and the merger would fail. *See, e.g., SBC/Ameritech Merger* at 14854 (if Commission analysis concluding that public interest harms outweigh benefits concluded without remedial conditions, the merger would fail the test). To avoid violating the law, therefore, the Commission must remedy the harm documented in the record before it.

CU, *et al.* request that the Commission reconsider its order so that, at a minimum, AT&T must come into compliance with the requirements of Sections 214(a) and 310(d).

**B. Because the AOL/Time Warner Merger is Complete, the Commission Must Require AT&T to Divest TWE.**

As explained above, the Commission's statutory duty is to review license transfers and approve only those that pass the statute's public interest test. In its order approving the AOL/Time Warner merger, the Commission found that, under the statute's public interest standard, AT&T and AOL/Time Warner may not share common ownership in TWE. If it believes a complete reassessment of the AT&T/MediaOne merger is necessary, the Commission must take this finding into account.

Moreover, enforcing this conclusion involves no new obligations on the part of any party. It merely enforces the election already completed by AT&T.

Specifically in its *AOL/Time Warner Merger Order*, the Commission found that the AOL/Time Warner merger "will increase the likelihood of discrimination by AT&T in favor of AOL." *AOL/TW Order* at ¶269. The Commission found that the linked corporate decision-making required by common ownership of TWE could be used by both AT&T and AOL/Time Warner to obtain cooperation from the other entity. *Id.* The Commission found that AT&T's election to divest TWE would remediate these harms, but found it necessary to impose interim conditions until the divestiture was actually complete. *Id.* Without the conditions, the Commission found AT&T might afford favorable access to AOL/Time Warner over other ISP competitors through the offer of more favorable pricing or improved technological features to AOL/Time Warner. This would cause harm to the competitive ISP market. *Id.* at ¶266.

The Commission has therefore found that a link between AOL/Time Warner and AT&T through TWE will harm the public interest. The Commission may not now ignore this harm as it reconsiders the AT&T/MediaOne merger. To do so would violate the Act.

Moreover, requiring AT&T to divest TWE is merely enforcing a binding order of the Commission—such an action should require no further consideration by the Commission at all. As the Commission found, AT&T irrevocably elected to divest TWE. *AT&T Election Order*. Thus, any argument that AT&T is being required to take action based on the potential consequences of AOL/Time Warner's merger is without basis. It was only AT&T's required irrevocable election that allowed the Commission to address the harm identified in the *AOL/TW Order* with minimal intervention. *See AOL/TW Order* at ¶269.

### **III. AT&T'S RECENTLY ANNOUNCED BREAK-UP VIRTUALLY ELIMINATES THE PUBLIC INTEREST BENEFITS OF THE MERGER.**

The Commission's evaluation of the merger's public interest benefits were based on facts that are no longer valid. During the merger proceeding, AT&T argued that a number of benefits could be obtained only through a fully merged corporation, not through joint actions of independent companies.

On October 25, 2000 AT&T announced a plan to restructure itself into four separate companies: Wireless, Business Services, Broadband and Consumer Services. The proposed break up would, *inter alia*, place all of AT&T's long distance operations into Consumer Services. AT&T's business and networking customers would be served by Business Services. Cable systems are to be located in AT&T Broadband. *AT&T To Create Family Of Four New Companies*, <http://www.att.com/press/item/0,1354,3420,00.html> (accessed April 9, 2001). To the extent the newly divided companies share future operations, they will largely rely upon joint ventures and other cooperative agreements.

The break-up produces two consequences. First, it so substantially changes AT&T's business plan that it requires AT&T to justify *de novo* the benefits of its merger. Second, it further supports CU, *et al.*'s contention that the Commission should require the TWE divestiture.

**A. AT&T Has Backtracked on a Number of Promised Benefits.**

AT&T's recently changed business strategies eliminate even the possibility of realizing most of the benefits which the Commission believed were likely to offset the harmful effects of the merger. Thus, the FCC must update and revise its assessment of the "potential public interest benefits" which it determined would partially offset harmful aspects of the transaction.

Among the benefits upon which the Commission relied in approving the merger were the advantage of selling local telephony to former MediaOne customers under the AT&T brand name,

the connection of MediaOne systems to AT&T data and long distance networks, telephony switches and transport. *Merger Order* at ¶¶164, 167. The Commission credited AT&T's representations as to its projected deployment schedule based in large part upon the finding that AT&T had been "substantially successful in meeting projections filed in the AT&T/TCI proceeding." *Merger Order* at ¶176.

As a consequence of this fundamentally altered business plan, many, and perhaps even most, of the synergies upon which the FCC based its analysis of public interest benefits of the AT&T/MediaOne merger will not be realized. In particular, the creation of four separate entities significantly complicates and often eliminates, possible benefits related to AT&T's non-cable lines of business. *Id.* Four separate companies, even if related, cannot always function as if they were one. The Commission accepted, to some degree,<sup>5</sup> AT&T's vigorously argued claim that "joint venture agreements and other contractual arrangements will not produce the same efficiencies as the proposed merger, stating that a joint venture would be 'much less efficient than full integration.'" *Merger Order* at ¶157.

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<sup>5</sup> From the outset, the Commission has been skeptical about the quantum of these benefits. It acknowledged that, even without a merger, "MediaOne and AT&T, acting independently or in contractual arrangements with each other and other service providers, may achieve some of the benefits of the merger." *Merger Order* at ¶160.

The break up effectively ends any possibility that AT&T will offer many of the shared services which it had touted to the Commission. Bundling of local, toll and long distance telephone service has proven to be a highly successful strategy. Without this offering, the Broadband unit will be unable to compete effectively in states where ILECs have been authorized to begin offering long distance service to their residential local telephony customers. While the new Broadband unit would offer residential local telephony for AT&T cable customers, it will not own or retain access to facilities it currently uses for "all distance" local, local toll and long distance service; these are operated by a sector of the company which will be part of the new Business Services unit. AT&T SEC Form 8K/A (filed April 11, 2001), p. 73; *A New Lease For AT&T Broadband*, Electronic Media, October 30, 2000, p.1. AT&T Broadband's access to network switches and transport owned by Business Services will also be impaired.<sup>6</sup> Nor will AT&T's Broadband unit retain easy access to AT&T's traditional residential long distance services network, which will be operated by yet a third AT&T spin off, Consumer Services.<sup>7</sup>

Moreover, the break up plan creates considerable doubt as to AT&T's willingness and ability to maintain promised deployment schedules.<sup>8</sup> While AT&T claims to have met the lower end of its

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<sup>6</sup> See *AT&T's Four Way Split Has Wide Impact*, Multichannel News, Oct 30, 2000, p. 45. ("It's unclear if it makes sense for AT&T Corp. to own the "national" part of [AT&T Broadband's] Excite@Home's platform and leave AT&T Broadband with local and some parts of the regional platform.")

<sup>7</sup> See *id.* ("The split-up could put AT&T Broadband's plan to cut local cable telephony deals with other MSOs on the back burner.")

<sup>8</sup> See *Expansion on Hold - AT&T Broadband, LLC Trims Cable Operations*, Broadcasting and Cable, February 19, 2001, p. 10. ("Sources said AT&T has told [suppliers] that no additional systems will launch telephone services this year. Further, telephone service will not be expanded much in the systems already offering it.")

targets for calendar year 2000, many observers have pointed out that this was accomplished by changing its practices to combine results from AT&T and newly-acquired MediaOne properties. "They've tried to downplay the fact that they're including the MediaOne numbers,' said Mike Paxton, analyst for Cahner's In-Stat Group." *AT&T Claim Broadband Met Its Goal Questioned*, The Star-Ledger, December 8, 2000, p 65.

The proposed division of AT&T also casts doubt on the Broadband unit's ability to finance deployment.<sup>9</sup> In addition to the lost synergy, the divorce of the long distance unit also deprives AT&T Broadband of access to the significant cash generated by that division. *See AT&T in Pullback, Will Break Itself Into Four Businesses*, New York Times, October 26, 2000, p. A1.

**B. Divestiture of TWE is More Likely to Alleviate the Reduction in Benefits.**

Because of the reduced benefits which can be attached to the AT&T/MediaOne merger, the Commission must reassess what remedial action is needed to negate the harms. Divestiture of TWE, as demonstrated above, produces significantly more public interest benefit than a Liberty spin-off. Additionally, divestiture of TWE may have other benefits for the provision of local telephony by cable operators in the United States.

Thus far, Time Warner has been less aggressive than AT&T in its attempts to provide local telephone service. See, "Cox, AT&T Won't Call Many New Cities Soon," *Multichannel News*, February 26, 2001, p. 3. Nevertheless, Time Warner and AT&T have been unable to come to an

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<sup>9</sup> *See A New Lease for AT&T Broadband*, Electronic Media, October 30, 2000, p. 1. ("Analysts warn that AT&T Broadband, like other of its cable peers, will strain to close the gap between its swelling debt and the eventual return on its \$3 billion annual upgrade investments.")

agreement that would allow AT&T to provide local telephone service over Time Warner's systems. The joint ownership of TWE, as the Commission explained in the *AOL/Time Warner Merger Order*, increases the likelihood that AT&T will provide service over Time Warner systems. *AOL/TW Order* at ¶269. While provision of AT&T branded service over AOL/Time Warner systems may be beneficial, more benefit could be gained from severing AT&T's and AOL/Time Warner's relationship.

If the relationship were severed, AOL/Time Warner might be more likely to begin providing its own service. An additional, well-capitalized, cable operator seeking to successfully deploy local telephone service may improve the likelihood that voice communications over cable infrastructure will eventually succeed. Another entrant in the market may invest in and develop alternate technologies. It might try different marketing and business strategies. These additional experiments in the marketplace may produce a successful model where one major player would not.

For these reasons, CU, *et al.* believe AT&T will benefit by divesting TWE because its burden will be lessened if the Commission chooses to undertake a full public interest review on reconsideration.

## **CONCLUSION**

For the reasons described above, CU, *et al.* ask the Commission to reconsider and vacate its decision to suspend AT&T's deadlines for compliance with the *AT&T/MediaOne Merger Order's* conditions and declare that those obligations survive on the strength of the Commission's public interest authority. In the alternative, if the Commission disagrees, CU, *et al.* request the Commission a full public interest analysis pursuant to Sections 214 and 309 of the Act, taking into account the new facts and changed circumstances discussed above. In either event, CU, *et al.* ask the

Commission to direct AT&T to divest its ownership interest in TWE as soon as possible, and in no event later than 75 days after action on this petition.

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April 13, 2001

## CERTIFICATE OF SERVICE

I, Andrew Jay Schwartzman, certify that on April 13, 2001, I caused one copy of the foregoing *Petition for Reconsideration and for Further Reconsideration* to be served by first class mail upon the parties listed below.

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