

**Before the  
Federal Communications Commission  
Washington, DC 20554**

In the Matter of AT&T, Inc.	)	
and BellSouth Corporation	)	
Applications for Approval	)	<b>WC Docket No. 06-74</b>
of Transfer of Control	)	

**COMMENTS BY THE ALLIANCE FOR PUBLIC TECHNOLOGY**

The Alliance for Public Technology (“APT”) appreciates this opportunity to comment on the application of AT&T and BellSouth for approval of their applications for transfer of control. APT is a nonprofit organization of public interest groups and individuals, working together to foster broad access to affordable, usable information and communications services and technology, for the purpose of bringing better and more affordable health care to all citizens, expanding educational opportunities for lifelong learning, enabling people with disabilities to be independent and productive citizens, creating opportunities for jobs and economic advancement, making government more responsive to all citizens and simplifying access to communications technology.

As it has in previous transfer of control proceedings, APT urges the Commission to evaluate whether the pending transaction serves the public interest, convenience and necessity<sup>1</sup> by examining whether it will promote the goal of Section 706 of the Telecommunications Act of 1996, to "encourage the deployment on a reasonable and timely basis of advanced telecommunications

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<sup>1</sup> 47 USC §214 (a).

capability to all Americans. . . ." <sup>2</sup> APT believes that in the 21<sup>st</sup> century, universal access to advanced telecommunications technologies and services is fundamental to effective communication, quality of life, and democratic participation.

AT&T and BellSouth (the "Applicants") assert that their merger will have a positive impact on consumers (as well as business customers), in ways that are consistent with the goals set forth in Section 706. The benefits the Applicants cite include more rapid roll out of advanced wireless services, accelerated deployment of multichannel video programming in BellSouth service areas, increased spending on research, development and innovation, more efficient introduction of innovative new wireline and wireless products and services, and strengthened national security and improved public safety. Furthermore, the Applicants assert that consumers will not suffer reductions in competition among mass market voice, Internet, wireless and international services.

APT wishes to highlight several of these asserted benefits for further discussion.

#### **Accelerated deployment of multichannel video programming**

The Application notes that AT&T has made a massive commitment to the commercial launch of IP video services ("IPTV"). AT&T expects to invest more than \$4 billion in its network and to add approximately 40,000 miles of new fiber to its facilities, which will "expand the high-speed broadband capabilities of the network and will enable AT&T to provide a broad array of video programming

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<sup>2</sup> 47 USC §157.

and other services on an integrated IP platform.”<sup>3</sup> In contrast, while BellSouth has made upgrades to its network that would support an IPTV service, it has not yet decided to commercially deploy such services. Thus, by combining BellSouth’s fiber assets with AT&T’s existing commitment to the broad rollout of IPTV, the merger will speed the deployment of IPTV in the BellSouth region.<sup>4</sup>

APT applauds the Applicants’ commitment to expanding competition to multichannel video services to BellSouth’s service area. This will allow consumers in the BellSouth territory to enjoy lower prices and better services. More importantly, however, the revenues generated by video services will help the merged company to support the billions of dollars of investments it is making for high-speed connections, which will be essential to economic growth, better education, improved health care, job creation, and full participation by U.S. citizens in 21<sup>st</sup> century society.

**Increased research, development, innovation and other synergies.**

After their merger, the Applicants expect to “spend more on innovation and investment in network infrastructure than the total spent by the merger parties individually before the proposed merger.”<sup>5</sup>

APT welcomes this commitment to additional investments in innovation and network improvements, especially in light of the AT&T Labs leadership on technologies such as Speech/Text conversion, which have the potential to benefit

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<sup>3</sup> *Description of the Transaction, Public Interest Showing and Related Demonstration*, Application Pursuant to Section 214 of the Communications Act of 1934 and Section 63.04 of the Commission’s Rules for Consent to the Transfer of Control of BellSouth Corporation to AT&T Inc. (filed March 31, 2006) (“Application”), at 21 (footnote omitted).

<sup>4</sup> *Id.*, at 23,24.

<sup>5</sup> *Id.*, at 48 (footnote omitted).

consumers who speak languages other than English, and people with disabilities. Further efforts by the merged companies in making IP-based communications products, services and applications accessible to people with disabilities would be particularly welcome, since IP-based technology currently does not come within the “telecommunications” definitions of the accessibility provisions of Sections 251 and 255 of the Act.<sup>6</sup>

**More rapid introduction of innovative new wireline and wireless products and services.**

The Application notes that while the Cingular Wireless joint venture between AT&T and BellSouth has been successful, the integration of the two companies will allow Cingular to be even more efficient and innovative. In particular, streamlined management processes will better enable AT&T and Cingular to meet the growing demand for next generation products that integrate wireless services with wireline communications.<sup>7</sup>

APT applauds the Applicants’ commitment to maintaining Cingular as a leader among wireless providers. In particular, Cingular has historically been sensitive to the mobile communications needs of people with disabilities, especially those with hearing losses

**Improved Public Safety**

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<sup>6</sup> 47 USC § 251(a)(2); 47 USC § 255.

<sup>7</sup> Application at 6-8.

The Application notes that the merger will improve our nation's national security and public safety capabilities, by "substantially enhancing the ability of the combined company to prevent or minimize service disruption following natural or man-made disasters."<sup>8</sup>

APT agrees that a robust, reliable telecommunications network is an essential component of our nation's critical infrastructure. Hurricane Katrina clearly demonstrated that financially strong wireline and wireless companies are needed to build, operate and maintain reliable networks. This merger should enhance the ability of the combined companies to prepare for and react to times of emergency.

## **Conclusion**

APT believes that the merger of AT&T and BellSouth can serve the public interest by accelerating the deployment of advanced networks. To ensure that these benefits reach all consumers in the service areas of the combined companies, however, APT recommends that the Commission monitor the merged company's deployment as is consistent with its oversight responsibility under Section 706

June 5, 2006

Respectfully Submitted:

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<sup>8</sup> *Id.*, at 33 (footnote omitted).

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