



# National Latino Farmers and Ranchers Trade Association

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September 22, 2006

Chairman Kevin Martin  
Commissioner Michael Copps  
Commissioner Jonathan Adelstein  
Commissioner Deborah Tate  
Commissioner Robert McDowell

Re: Merger of AT&T and BellSouth

Dear Chairman Martin and Commissioners:

As President and CEO of the nation's leading advocacy group for Latino farmers and ranchers, I write to urge the Federal Communications Commission to closely scrutinize the proposed merger of AT&T and BellSouth. The nation's minority farmers and ranchers are constantly struggling to survive, and access to communications technologies can make the difference between profitability and ruin. Currently, only one in eight Hispanic households has broadband services, according to the National Poverty Center. This becomes even more critical as federal government agencies, in our case the U.S. Department of Agriculture, rely heavily on online application processes for our members to apply for program resources. As representatives of minority small businesses in some of the most rural parts of the country, we are concerned that AT&T will not serve our communities with quality communications services, and we ask the FCC to ensure that AT&T serves the "public interest" before it is permitted to acquire BellSouth.

Latino farm operators have increased in number over 50% in recent years, but we are struggling to compete against larger operations. Many of our farmers and ranchers lack even the most basic telecommunications infrastructure, including access to phones, broadband services, and other

important communications tools. Although the FCC has talked about connecting rural and minority communities, little action has been taken. The merger of AT&T and BellSouth provides a unique opportunity for the Commission to take concrete steps to promote deployment of next generation communications technologies in rural and minority communities.

Because AT&T and BellSouth will no longer compete against one another, consolidating control over the nation's largest wireline and wireless company into one company, consumers (particularly in rural areas) will necessarily have fewer choices. Indeed, reduced competitive pressure on AT&T could provide an incentive for the company to raise prices or reduce consumer offerings. But the FCC can prevent this market malfunction by imposing conditions on this merger that protect Latino and other minority and rural consumers against harm.

First, AT&T must take affirmative steps to end the digital divide. The FCC must ensure that AT&T deploys its next generation broadband networks in a nondiscriminatory manner. AT&T is seeking exemption from the nondiscrimination obligations of federal law, and has told Wall Street that it will primarily serve "high value" customers with its new high speed fiber optic network. The FCC must require AT&T to provide basic phone service and broadband technology to rural areas, particularly rural farm communities, in a reasonable and nondiscriminatory manner. AT&T cannot be permitted to widen the digital divide – it must commit to deploying new technologies equally to rural and to low income and minority communities.

Second, AT&T must not raise prices or lessen competitive alternatives. We understand that in prior mergers the FCC has accepted voluntary commitments from the merging parties that protect competition by ensuring availability of facilities and protect against price increases for a reasonable period of time. We would urge the Commission to accept such voluntary commitments from AT&T in this merger as well. Although AT&T professes a commitment to its customers, we are concerned that market consolidation of the scope proposed here would create adverse incentives. Concrete merger conditions that ensure against price increases and diminished competition would be important protections for our communities.

We appreciate your dedication to the public interest. With the addition of these few suggested conditions to the FCC's consideration of the AT&T/BellSouth merger, the Commission will take vital steps toward closing the digital divide.

Respectfully,

/s/ Rudy Arredondo

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