

AT&T Learned Absolutely Nothing From Failed T-Mobile Deal

Jim Cicconi Blames Deal Opponents for T-Mobile Layoffs

Part of the reason the AT&T T-Mobile deal collapsed (aside from it being *one of the most anti-competitive telecom deals ever proposed*) was AT&T's hubris -- which ranged from paying random non-telecom related groups to parrot support, to the glib commentary of their top lobbying and policy guru, Jim Cicconi. Throughout the deal, Jim was consistently upset how [nobody was willing to believe his made up facts](#) -- like how eliminating T-Mobile would somehow magically increase competition while lowering wireless data prices.

You'd think after taking such a severe public beating for the failed deal (not to mention for their recent wireless price hikes and throttling), AT&T would lay low for a little while. Perhaps pause for a moment, rest leisurely on the giant bags of money created by their [seemingly endless new fees, bad ideas and price hikes](#), and contemplate why exactly they're a company that consistently sits in last place in nearly every major customer satisfaction study. Instead, Jim Cicconi popped back up today to try and blame [this week's T-Mobile call center layoffs](#) on those who opposed AT&T's awful idea. From the [blog entry](#):

Normally, we'd not comment on something like this. But I feel this is an exception for one big reason-- only a few months ago AT&T promised to preserve these very same call centers and jobs if our merger was approved. We also predicted that if the merger failed, T-Mobile would be forced into major layoffs....Rarely are a regulatory agency's predictive judgments proven so wrong so fast. But for the government's decision, centers now being closed would be staying open, workers now facing layoffs would have job guarantees, and communities facing turmoil would have security. Only a few months later, the truth of who was right is sadly obvious.

The only correct sentence in that quote is the last one. In reality, T-Mobile's financial hit came in large part because of a mass exodus of T-Mobile users (most of whom fled to Sprint) who didn't want to be AT&T customers. Sitting in gridlock for months as AT&T executives scurried to put lipstick on the pig of a deal didn't help matters. Meanwhile, the 1900 net lost jobs at T-Mobile are a drop in the bucket to the expected [tens of thousands of jobs](#) that would have been eliminated as AT&T purged T-Mobile of redundant executive, support, and retail employees. AT&T's job creation claims were proven false. [Repeatedly](#).

AT&T won either way; they failed to eliminate a competitor (and make no mistake, **that** was the deal's primary objective) but still managed to weaken one. Better yet, AT&T gleaned all manner of sensitive competitive data about Sprint and T-Mobile during deal court proceedings, so they can get hard to work trying to just kill both companies instead of having to acquire them. When and if T-Mobile collapses entirely, AT&T can surely then blame consumers, Santa, or perhaps Julio Iglesias. Just as long as AT&T doesn't take the blame themselves. That could result in improvement and evolution into a company people actually like.

Now was the time for AT&T to sit down, shut up, pay attention to why they're becoming one of the most reviled names in telecom, and work toward fixing AT&T's borderline disdain for consumers and entitlement mentality. Instead, with one blog post Cicconi makes it incredibly clear AT&T learned absolutely nothing from one of the worst deals in telecom history and the unprecedented public opposition it generated.

Why would Cicconi decide to potentially make things worse for AT&T? In addition to just being petty and obnoxious because they were finally told no, Jim likely wanted to distract the press from the fact that AT&T was [sued this week by the DOJ for intentionally stealing millions from taxpayers](#) by helping to perpetuate IP relay service fraud. Apparently Cicconi would prefer the press talk about his hubris instead of his company's efforts to perpetuate and profit off of criminal activity.