

# Telecoms against AT&T, BellSouth merger

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A group of telecom companies urged the Federal Communications Commission to reject the merger of AT&T with BellSouth.

Cbeyond Communications, Grande Communications, NuVox Communications, Supra Telecom, Talk America, XO Communications and Xspedius Communications were among those calling the merger a threat to competition Tuesday.

The group submitted comments to the FCC arguing that the merger would harm competition, undermine the implementation of the Telecommunications Act of 1996 and cause an incentive to discriminate against competitive providers, leading to a creation of a monopoly.

"The time has now come when the FCC must ask itself, 'Are we going too far this time?'" said Heather Gold, senior vice president of government relations at XO Communications. "This merger will do nothing to bring more competition and choices for consumers and businesses. It will concentrate even more market power in the new AT&T, which is quickly reassembling the old Bell System. The FCC needs to say that enough is enough, and stop the incessant effort of AT&T to reestablish its nationwide wireline monopoly by using monopoly profits to gobble-up its competitors, rather than by competing for customer loyalty through innovation and service."

"We have been down this road before of failed promises following previous Bell to Bell mergers, like those of SBC and Ameritech," Gold added. "The conditions on this merger must have strong enforcement

mechanisms with severe penalties if they are not followed. The function of regulatory agencies is to enforce its policies, not to rubber stamp industry actions which thwart those policies."

If the merger is not denied however, the group is asking that the FCC impose some 20 conditions, including: requiring AT&T/BellSouth to file with states just and reasonable rates for "section 271" network elements; providing access to copper loops decommissioned by AT&T/BellSouth; eliminate eligibility criteria on EEL UNEs; and divestiture AT&T's metropolitan network assets in BellSouth territory and BellSouth's wireless assets, including licenses in the 2.5 GHz range, among other things.

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