

AT&T wants to extend iPhone deal until 2011: WSJ

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A customer walks into an AT&T Wireless store in San Francisco, California in 2008. US telecom giant AT&T Inc. is seeking to extend until 2011 the deal with Apple making it the exclusive service provider for the iPhone in the United States, The Wall Street Journal said Wednesday.

US telecom giant AT&T Inc. is seeking to extend until 2011 the deal with Apple making it the exclusive service provider for the iPhone in the United States, The Wall Street Journal said Wednesday.

The newspaper, citing "people familiar with the matter," said AT&T chief executive Randall Stephenson was in discussions with Apple to

extend their agreement, which expires next year.

It said an Apple spokeswoman declined to comment, saying only, "We have a great relationship with AT&T."

The newspaper said Stephenson also declined to discuss the terms of AT&T's agreement with [Apple](#) beyond saying it was a multi-year deal.

As the Journal pointed out, the iPhone has been a huge boon to AT&T, which added 4.3 million iPhone subscribers in the second half of 2008 alone.

Stephenson told the paper that with or without the iPhone AT&T plans to invest heavily in wireless and that two-thirds of its capital outlays in the next five years will go to wireless-network investments and acquisitions.

The Journal said that since Stephenson took over two years ago, AT&T has spent 18.8 billion dollars buying radio spectrum and cellphone companies and has spent over 1.3 billion dollars to discount the [iPhone](#).

The company also looked at potential overseas acquisitions last year and discussed a deal with Indian cellphone giant Reliance Communications Ltd. but balked at the 30-billion-dollar price tag, the newspaper said.

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