

AT&T wants out of landline business

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The AT&T Communications Inc. corporate headquarters building in San Antonio, Texas. US telecom giant AT&T has asked US regulatory authorities to waive a requirement that it and other carriers maintain costly landline networks.

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AT&T, the oldest US telephone company, made the request in a filing last week with the <u>Federal Communications Commission</u> in which it also asked the FCC to set a "firm deadline" for phasing out wireline service.

"The business model for legacy phone services is in a death spiral," AT&T said. "With an outdated product, falling revenues, and rising costs, the plain-old telephone service (POTS) business is unsustainable for the long run."



The AT&T filing was in response to an FCC request earlier this month for input on plans to extend high-speed Internet broadband to the entire country.

It was published online by technology blog GigaOM.

AT&T said the high costs of maintaining the legacy phone network were "diverting valuable resources, both public and private, that could be used to expand broadband access and to improve the quality of broadband service."

The company said it was being forced to "dedicate substantial resources to an antiquated network and outdated service."

AT&T said that with the rise of cellphones and Internet communications such as VoIP less than 20 percent of Americans now rely exclusively on landlines for voice service and 25 percent have abandoned them altogether.

It said 700,000 lines are being cut every month.

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