

Facebook, Microsoft back AT&T's T-Mobile buy

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"Today, consumers are increasingly using smartphones, tablets, laptops and other mobile devices to wirelessly connect to the Internet and to each other," the companies said in a letter to Federal Communications Commission chairman Julius Genachowski.

"As a result, consumer demand for <u>wireless broadband</u> is dramatically



increasing and our wireless networks are struggling to keep pace with the demand," they said in the letter published on the FCC website.

"AT&T's acquisition of <u>T-Mobile</u> represents a near term means of addressing the rising consumer demand," they said. "For example, the merged company will be able to leverage a larger network of cell sites allowing greater reuse of spectrum and increasing the wireless broadband capacity of the network."

"The FCC must seriously weigh the benefits of this merger and approve it," the companies said. "Such action will help to meet the near term wireless broadband needs of consumers and ensure that we are globally competitive as the world increasingly embraces wireless broadband connectivity."

The other four signatories to the letter to the FCC in support of the proposed takeover of T-Mobile, the US unit of Germany's Deutsche Telekom, by AT&T were Avaya, Brocade, Qualcomm and Blackberry maker Research In Motion.

Rival Sprint Nextel has come out strongly against the deal, which would give AT&T around 40 percent of the market and make it the top US wireless carrier. Verizon is currently number one, followed by AT&T, Sprint Nextel and T-Mobile.

"AT&T's acquisition of T-Mobile will turn back the clock on wireless competition," Sprint chief executive Daniel Hesse told a Senate hearing last month looking into the deal.

"The wireless industry thrives on competition," Hesse said, and an AT&T acquisition of T-Mobile would mean that "two companies would largely control industry pricing."



Other opponents include the Computer & Communications Industry Association, which filed a petition with the FCC last month asking it to deny AT&T's bid.

"AT&T has blocked numerous innovations that have competed with its business model in the past from fax machines to cell phones," CCIA president and chief executive Ed Black said.

"This brazen merger proposal makes it clear they are once again seeking market power which will allow them to hold back innovation and maximize profits."

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