

Seven states join suit against AT&T, T-Mobile deal

September 16 2011



Seven US states threw their support on Friday behind the Department of Justice lawsuit seeking to block AT&T's \$39 billion takeover of T-Mobile.

Seven US states threw their support on Friday behind the Department of Justice lawsuit seeking to block AT&T's \$39 billion takeover of T-Mobile.

The Justice Department said the attorney generals of California, Illinois, Massachusetts, New York, Ohio, Pennsylvania and Washington had joined the suit filed in US District Court here last month.

The move is another setback for AT&T as it seeks to salvage the proposed takeover of T-Mobile USA, the US unit of Deutsche Telekom.

"We have had an excellent working relationship with a number of state

attorneys general and they have provided invaluable assistance throughout our investigation," the Justice Department said in a statement.

"We are pleased that these states have joined the department in its lawsuit," it said. "Together, we will seek to protect consumers from the anti-competitive harm that would result from this proposed transaction."

AT&T submitted a defense of its takeover bid for T-Mobile to the court last week, rejecting the Justice Department's assertion that the deal would be anti-competitive and claiming that it would benefit consumers.

"Rather than substantially reducing competition, the combined firm will usher in more intense competition to an already vibrantly competitive market," AT&T said.

US District Court Judge Ellen Huvelle has ordered lawyers for the Justice Department, AT&T and T-Mobile to attend a meeting on Wednesday to discuss the prospects for a settlement.

In the event the case goes to trial, the Justice Department proposed on Friday that it begin on March 19, 2012. AT&T has proposed a January 16, 2012 trial date.

(c) 2011 AFP

Citation: Seven states join suit against AT&T, T-Mobile deal (2011, September 16) retrieved 27 April 2024 from <https://phys.org/news/2011-09-states-att-t-mobile.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.