

# 'AT&T seeks to buy DirecTV'

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AT&T, which offers wireless, Internet, and cable TV services around the

country, made an approach recently to DirecTV, which delivers television via rooftop satellite dishes.

The newspaper cited sources saying DirecTV was open to the offer, which could result in a deal worth \$40 billion.

A merger between the two would create a potent rival to [cable](#) TV company Comcast, which hopes to expand its coverage with the pending takeover of Time Warner Cable.

DirecTV has about 20 million customers, making it the number-two pay-TV company in the United States.

A combination of AT&T and DirecTV would have about 26 million customers, the Journal said, behind the 30 million of a Comcast-Time Warner Cable tie-up.

DirecTV has suffered in the market in recent years because its land-line competitors like Comcast are better able to bundle high-speed Internet services with television.

At the same time, the takeoff of entertainment delivery on demand via the Internet and wireless devices like smartphones has nearly stalled growth in the traditional pay television industry overall.

The Journal said it remains a question of whether telecommunications and antitrust regulators will allow an AT&T-DirecTV deal. Many pay-TV companies have near-monopoly positions in certain markets around the country, and consolidation, some analysts say, is reducing competition.

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