

US appeals judge's order allowing AT&T to buy Time Warner

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The US Justice Department has appealed a judge's order allowing the AT&T mega-merger with media-entertainment giant Time Warner to proceed

The US Justice Department on Thursday appealed last month's ruling from a federal judge allowing AT&T to buy Time Warner in a mega-

deal that could reshape the media-entertainment landscape.

A notice of appeal was filed with a [federal appeals court](#) one month after Judge Richard Leon rejected the government's efforts to block the \$85 billion [deal](#) following a weeks-long antitrust trial.

Leon ruled the government had failed to meet its burden of proof that the tie-up between the largest US pay-TV operator and the media-entertainment giant would harm competition.

The decision delivered a stinging rebuke to Donald Trump's administration in its first major antitrust [court](#) case.

The two companies completed the merger in the days following the ruling, so if the government prevails, the appeals court could order the deal undone or require AT&T to sell off parts of Time Warner.

AT&T said it was prepared to defend the case on appeal.

"The (lower) court's decision could hardly have been more thorough, fact-based, and well-reasoned," said a statement from David McAtee, AT&T's general counsel.

"While the losing party in litigation always has the right to appeal if it wishes, we are surprised that the DOJ has chosen to do so under these circumstances. We are ready to defend the (lower court ruling) at the DC Circuit Court of Appeals."

The tie-up which was announced in late 2016 brings together AT&T's wireless and broadband networks and its DirecTV subscription service with the media assets of Time Warner, which include CNN and other Turner cable channels, Cartoon Network, premium channel HBO and the Warner Bros studios.

Critics of the deal have argued the court approval offers an effective green light to other major deals that could end up boosting prices and hurting consumers.

AT&T and Time Warner have argued the tie-up is needed to achieve size and scale to compete against online platforms like Netflix and emerging tech firms getting into video.

Trump had previously denounced the AT&T deal, vowing that his administration would block it because it would concentrate corporate power unacceptably.

This fueled speculation that Trump could be retaliating due to critical coverage of his administration from news broadcaster CNN, which was part of Time Warner.

Late last month, antitrust officials approved Walt Disney's proposed \$71.3 billion purchase of key 21st Century Fox assets, likely to lead to more consolidation in the sector.

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