**Wednesday, May 25, 2011**

**Beware: AT&T's proposal can hurt you**

Ed Black

Black is president and CEO of the Computer & Communications Industry Association, which represents big and small innovative tech and telecom companies doing business in Virginia.

AT&T recently announced its proposed takeover of T-Mobile USA, a deal that would give AT&T and Verizon nearly 80 percent of all wireless industry revenues. They claim the acquisition will benefit unserved and underserved areas like Virginia's countryside.

In reality, the takeover would put rural Virginian carriers at the mercy of these behemoths with little or no incentive to negotiate fair and reasonable terms -- and communities from Roanoke to Lynchburg, Harrisonburg to Staunton would suffer as a result.

Rural consumers have historically received lower pricing on roaming services from T-Mobile when they travel to more bustling urban areas. With this merger, however, many Virginians may say so long to lower prices and high-quality customer service.

Smaller independent carriers and their customers could be subject to AT&T's higher charges whenever customers leave their regular geographic area and roam on AT&T networks. A bigger, stronger AT&T would have the power to dictate prices, terms and conditions to the wholesale roaming marketplace.

AT&T also argues that this merger will grant them greater access to additional spectrum so they can cover more out-of-reach areas. We don't buy it, and neither should you.

AT&T already has extremely valuable 700 MHz spectrum that is virtually unused. And since TMobile's network is already congested, gobbling up its network doesn't give AT&T any unused capacity. If AT&T is truly committed to increasing access to rural communities like it says it is, it could invest in new rural infrastructure for much less than the $39 billion this acquisition will cost.

Make no mistake: This takeover isn't about spectrum. It's about eliminating AT&T's most innovative and price-chopping competitor.

If this takeover is approved, we won't be just saying goodbye to award-winning T-Mobile customer service and pricing. Virginians may also be sending fond farewells to an array of customer service and telecommunications jobs. With an estimated 2,200 Virginia T-Mobile jobs at stake and an unemployment rate still hovering at 5.6 percent, an acquisition of this size will stifle the state's economic recovery -- which is not in the public's best interest.

Moreover, the merger leaves us with one less business to buy phones, one less customer to buy apps and one less company to buy and build new networks.

There's no doubt that a takeover of this size will lead to a loss in service, innovation and American jobs. As
such, this creates a real risk for Virginia consumers at a time when the Obama administration is calling for an increase in mobile broadband deployment.

Virginia residents deserve better. On Thursday, the U.S. House of Representative's Judiciary Committee will meet to discuss the effects the proposed merger will have on the industry and consumers. Don't let your voice go unheard. We encourage you to contact Rep. Bob Goodlatte and remind him that this gain for AT&T is a loss for Virginians.