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The Hispanic Institute: FCC Fails to Grasp the Importance of Proposed AT&T/T-Mobile Merger

Statement by Board Chair Gus West

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The recent FCC staff analysis of the proposed merger between AT&T and T-Mobile was disappointing and failed to give proper weight to the facts and ignored the disproportionately negative impact that the failure of the deal would have on the Hispanic community.

The FCC's analysis ignored the longstanding desire of Deutsche-Telekom, T-Mobile's parent company, to withdraw from the U.S. market, which would leave many of T-Mobile's Hispanic customers without wireless service, and thousands of current T-Mobile workers without jobs. It would unequivocally eliminate the competitive element of a 4th national wireless carrier, the element the FCC says it wishes to preserve. The merger would help to ensure unbroken service to customers of both companies.

It also ignored AT&T's pledge to expand its advanced wireless service (4G LTE) to 97 percent of the U.S. population, which includes 50 million Hispanic Americans for whom wireless broadband plays a critical role in their lives. Fifty-three percent of Hispanics use mobile broadband as their principal means of Internet access, compared with just 33 percent of non-Hispanic whites – more than almost any other ethnic group. Only African Americans, at 58 percent, are heavier users, and they, too, would be disproportionately affected by the failure of the merger.

By attempting to block AT&T's efforts to build out its 4G LTE network, the FCC is threatening to hinder the Hispanic community's ability to use the internet at high speeds, putting them at a distinct disadvantage when it comes to job searches and educational opportunities.

The importance of broadband access to Hispanics cannot be overestimated. It is increasingly the way in which they interact with educational, business, civic and government resources. It also facilitates contact with friends and family, vital to building and sustaining strong communities.

Finally, and importantly, the proposed merger would have a strong positive impact on the job market. AT&T, which has an excellent history of inclusive hiring practices, has pledged that all call center employees would retain their jobs post-merger and that 5,000 currently off-shore call center jobs would return to the United States.

The FCC staff analysis was premature and incomplete. How could the FCC dismiss so many facts in its staff analysis of the deal? These factors need to be considered as discussions on the potential for a deal move forward. The FCC can fairly evaluate the potential devastating consequences that the failure of the deal would have on American consumers. FCC, yes you can.

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About The Hispanic Institute

The Hispanic Institute is a non-profit organization dedicated to providing an effective education forum for an informed and empowered Hispanic America. For more information, go to

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