

AT & T Tells FCC 'I Told You So' on T-Mo Layoffs

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AT&T is linking the layoffs of 1,900 T-Mobile USA call center workers to the FCC's decision to block the two companies' merger, a scathing critique which prompted a quick response from the agency.

AT&T said the cuts at T-Mobile were the very jobs it would have preserved if the buyout had gone through, citing past predictions that there would be "major layoffs" at T-Mobile if the deal failed.

"The FCC argued that the merger would cost jobs, not preserve them, and that rejecting it would save jobs," Jim Cicconi, AT&T's senior executive vice president of external and legislative affairs, said in a Friday afternoon post on the operator's official blog. "Rarely are a regulatory agency's predictive judgments proven so wrong so fast."

T-Mobile said late Thursday that it planned to close seven call centers and slash 1,900 jobs to "[invest for growth](#) [1]." Cicconi directly blamed the FCC for the fresh reductions in T-Mobile's workforce.

"But for the government's decision, centers now being closed would be staying open, workers now facing layoffs would have job guarantees, and communities facing turmoil would have security," he said.

The FCC quickly fired back, saying the merger would have had a major impact on employment.

"The bottom line is that AT&T's proposal to acquire a major competitor was unprecedented in scope and the company's own confidential documents showed that the merger would have resulted in significant job losses," an FCC spokesman said.

AT&T's job claims were a major part of its defense for the T-Mobile takeover. While telling investors it expected to generate [significant synergies](#) [2] from the deal, it told the government it would repatriate 5,000 outsourced call center jobs to the United States and create new positions through expanded investment in its LTE network.

The FCC's review [ultimately refuted](#) [3] AT&T's jobs claim. Its final analysis found the transaction would have shrunk AT&T and T-Mobile's workforce as redundant positions were eliminated and caused a "significant reduction" of indirect jobs.

AT&T said the FCC's report showed "[logical inconsistency](#) [4]."

This is not the first time AT&T has gone after the FCC since the T-Mobile deal failed.

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It has also used its official blog to issue barbed comments about the agency's policies on [data roaming](#) [5] and spectrum.

In addition to today's post about workforce reductions at T-Mobile, AT&T also criticized the FCC's handling of its proceeding on interoperability rules for the 700 MHz band, regulations that have been advocated for by many of AT&T's smaller competitors.

Instead of looking at just the different band classes, AT&T vice president of federal regulatory affairs Joan Marsh said in a blog post today, the FCC should re-evaluate regulations that are already on the books.

"FCC rules flat out prohibit 700 MHz A-block deployment in more than 30 markets" because of regulations that "prohibit the operation of 700 MHz A-block devices in the areas where there are over-the-air Channel 51 broadcast signals," Marsh said.

An FCC spokesman didn't reply to requests for comment on Marsh's statement, but one thing is for certain - neither the FCC nor AT&T is ready to set down their swords just yet.

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