

March 21, 2011, 12:37 pm

AT&T Deal Joins a History of Antitrust Fights

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6:38 p.m. | Updated

AT&T's deal to buy T-Mobile USA for \$39 billion is shaping up to be a heated regulatory battle.

Federal trade and communications regulators, along with the Justice Department, must bless the deal, which would create the nation's largest cellular carrier.

Lawmakers are already denouncing the deal, saying it will reduce competition in an already consolidated industry.

The deal is the latest in a long line of mega-mergers to raise antitrust concerns. Here's a look at other prominent transactions that set off controversy in Washington.

Comcast-NBC Universal

DEAL: Comcast, the nation's largest cable company, agreed to acquire 51 percent of NBC Universal for about \$13.75 billion from General Electric in December 2009, capping nearly nine months of negotiations.

OBSTACLES: Democrats on Capitol Hill initially objected, contending the deal would constrain programming choices for consumers and result in higher cable-TV subscription prices.

OUTCOME: It took more than a year, but the Federal Communications Commission and the Justice Department finally agreed to the merger in January. The approval came with several conditions, including measures to curb Comcast's control of the online video marketplace.

AOL-Time Warner

DEAL: [America Online](#) agreed in January 2000 to buy [Time Warner](#) for \$165 billion, the biggest merger in history.

OBSTACLES: The merger involved an area largely unfamiliar to regulators, the Internet.

OUTCOME: The deal closed in January 2001, with the F.C.C. requiring AOL to open up its instant messaging services to make them more compatible with rivals'. The deal proved to be ill-fated. The combined company faced turf battles, an accounting scandal, plummeting stock price and shareholder lawsuits, ultimately forcing the businesses into a bitter divorce.

WorldCom-MCI

DEAL: MCI Communications, at the time the nation's second-largest long-distance telephone company, agreed in November 1997 to sell itself to WorldCom for about \$36.5 billion in cash and stock.

OBSTACLES: Consumer groups rallied against the deal, complaining it would send phone service prices through the roof.

OUTCOME: In the summer of 1998, the Justice Department and European regulators signed off on the deal, after MCI agreed to sell its Internet business. Following an accounting scandal, WorldCom filed what was then the largest bankruptcy in United States history. The company's chief executive was later convicted of fraud.

WorldCom-Sprint

DEAL: Following the acquisition of MCI, WorldCom set its sights on the Sprint Corporation in 1999, offering more than \$100 billion for the long-distance company.

OBSTACLES: Regulators were skeptical of the deal from the start, worried it would further stifle competition on the heels of the MCI takeover.

OUTCOME: WorldCom and Sprint abandoned their merger in July 2000.

AT&T-BellSouth

DEAL: AT&T's bid for T-Mobile is hardly its first major move. In March 2006, the telecom giant agreed to buy the BellSouth Corporation for around \$83 billion.

OBSTACLES: While the Justice Department cleared the way for the merger to advance, the F.C.C. was caught up in an internal debate over whether one of its members was allowed to vote on the deal. Robert M. McDowell, an F.C.C. commissioner — a former lobbyist for the telecommunications industry — abstained, leaving the commission deadlocked.

OUTCOME: The agency approved the deal in late 2006 without Mr. McDowell's vote, after the companies agreed to several concessions over [network neutrality](#).