

National Black Church Initiative

P.O. Box 65177

Washington, DC 20035

202-744-0184

dcbei2002@gmail.com

www.naltblackchurch.com

Contact:

Rev. Anthony Evans

202-744-0184

April 25, 2015

For Immediate Release

NBCI's 34,000 Black Churches Say NO to the AT&T-Direct TV Merger

Your Cable Bill Will Skyrocket!

Washington, DC – The National Black Church Initiative (NBCI), a faith-based coalition of 34,000 churches comprised of 15 denominations and 15.7 million African Americans, strongly opposes the AT&T-Direct TV merger. The FCC and the Justice Department should reject this merger on the grounds of antitrust guidelines and prior consumer fraud charges. To permit this merger to go forward, the government inevitable forsakes its role to protect vulnerable consumers given the history of both companies' engagement in fraudulent practices. The advancement of this merger will allow AT&T-Direct TV to do what they do best--steal and overcharge consumers. We urge all Christians to oppose this merger.

As President Obama has expressed continuously, companies do not need to steal from their consumers as a business model. Because of consistent forms of trickery and stealing, we have served public witness to lawsuits Direct TV has embattled because of their immoral practice of overcharging consumers and attaching cancellation fees to all of its customers. In a recent settlement with 50 states and the District of Columbia, an article reported how settlements served as a vindication of the ongoing practice of stealing from customers. The article reports "the settlements are supposed to end the long-vilified DIRECTV policy of imposing hundreds of dollars in cancellation penalties even if the reason for the customer canceling was due to the inability to receive a DIRECTV signal." AT&T, too, is guilty of the same immoral practice according to the FTC. AT &T has been convicted of cramming and fined \$105 million. An article reports according to the "FTC, AT&T Mobility, LLC allegedly charged consumers' mobile phone bills for third-party subscriptions or services that they never ordered or authorized. Many consumers weren't aware they had been paying — up to \$9.99 per month — for seemingly

random horoscope text messages, flirting tips, celebrity gossip, wallpaper or ringtones that showed up on their phones.”

Both of these companies are currently under federal monitoring because of their fraudulent practices. Simply put, how can the government allow for this? This is why NBCI must oppose this merger.

Additionally, they continuously target African American and other minority communities with these schemes in their deceptive, fraudulent consumer practices. Thus, to allow AT&T-Direct TV to merge, the government will be responsible for creating one of the biggest telecommunication consumer fraud machines ever.

Rev. Anthony Evans, President of the National Black Church Initiative, states “we have gotten tens of thousands’ complaints on the fraudulent practices of AT&T-Direct TV. We predict that consumer cable bills will go through the roof. We urge FCC and the Justice Department to kill this merger.”

According to the experts, there are other legal grounds in stopping this merger. In fact, antitrust authorities such as the U.S. Department of Justice actually have a guidebook to follow in these cases — the [Horizontal Merger Guidelines](#). Those guidelines include the [Herfindahl-Hirschman Index](#) (HHI), the analytical tool that regulators use to evaluate these deals to determine if the transaction is likely to be anticompetitive. The HHI is a measure of market concentration that factors in the number of firms in a given industry and their respective market shares. Drawing on decades of experience, the regulators are able to use the HHI to gauge whether a deal will enhance market power and lead to trouble.

For example, the DOJ considers markets with an HHI below 1,500 to be “unconcentrated.” This is equivalent to a market with roughly seven firms of equal size, and a merger here wouldn’t raise many, if any, competitive concerns. Markets with HHIs above 2,500 are considered “highly concentrated.” This is equivalent to a market with four equal-sized firms (or those with just a couple of *really* big firms and a bunch of much smaller ones).

Mergers that result in this level of concentration are concerning as they usually come with enhanced market power. Consider the AT&T/T-Mobile transaction: the post-merger HHI for this deal [would have been 3,100](#), an increase of nearly 700 points from the pre-merger value.

According to the *Merger Guidelines*, “[m]ergers resulting in highly concentrated markets that involve an increase in the HHI of more than 200 points will be presumed to be likely to enhance market power.” While the DoJ is careful to note that its HHI analysis is not “a rigid screen,” it’s going to look skeptically on any deal that concentrates markets to this level.

NBCI will not stand for its constituents to be subjected to this type of immoral practice of an AT-T-Direct TV merger. And we urge the **National Action Network, NAACP, the National Urban League, Operation PUSH, and the Leadership Conference on Civil and Human Rights** to stand up for those whose backs are against the walls and give voice to the poor.

About NBCI

The National Black Church Initiative (NBCI) is a coalition of 34,000 African American and Latino churches working to eradicate racial disparities in healthcare, technology, education, housing, and the environment. NBCI's mission is to provide critical wellness information to all of its members, congregants, churches and the public. Our methodology is utilizing faith and sound health science.

NBCI's purpose is to partner with major organizations and officials whose main mission is to reduce racial disparities in the variety of areas cited above. NBCI offers faith-based, out-of-the-box and cutting edge solutions to stubborn economic and social issues. NBCI's programs are governed by credible statistical analysis, science based strategies and techniques, and methods that work. Visit our website at www.naltblackchurch.com.