

Pluses of atandt –t- mobile merger

Experience



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The antitrust case on the AT &T –T- Mobile merger

Defend AT&T's Position as its CEO

The merger between AT &T and T-Mobile will provide more and better services for the service consumers and the entire general public at large. The merger will ensure that the consumers that currently using T-Mobile services will be seamlessly moved on to the AT&T platform with minimal friction and inconveniences on their part. The merger seeks to increase job opportunities and reduce the level of aggregate unemployment in the country. This will be achieved by increasing the amount of infrastructure required to ensure smooth 4G lite wireless services. Additionally, the number of technicians required to man and maintain the service will increase (Chang 57). The merger will also increase the consumer experience by offering the 4G service to those in the rural areas who are not able to access it easily. In this case, the merger will offer convenience to the public.

Defend the merger's as T-Mobile or Deutsch Telecom's CEO

The company seeks to leave the United States market, this is because there has been drastic decline in the number of consumers that use their services. The competition level is also very high. By law the company is allowed to leave the market especially if the profit margins are declining. In order to ensure that the consumers are well catered to, the company can choose the company that will take over their loyal clients, infrastructure and technological advancement. AT & T by taking over the resources of the company, will not only ensure better services the consumers only but will consequently expand the market to reach more people that need their wireless services.

Provide an expert testimonial as Verizon's or Spring Nextel CEO

T-Mobile by law is allowed to leave, conversely the telecommunication industry in the United States is oligopolistic in nature and when it merges with AT&T, the company will have a significant control over the market in terms of services and price (Jackhu & Malik 76). This can easily lead to a monopoly and the consumers will be further exploited. The prices can be increased and due to lack of another choice the consumer's welfare will not be catered to. Additionally, the merger will reduce the level of innovation as too much infrastructure and technology will be packed in one company. This will reduce the level of technological advancements expected in the industry and consequently reduce variety and improved consumer experiences.

Challenge AT&T's position as an antitrust lawyer working for the government

Antitrust laws are formulated to ensure that there is healthy competition within an industry and that the consumer welfare is catered to appropriately. In the event that the merger occurs, there is a high chance of a price bidding occurring. This is because AT &T and T-Mobile have 25% and 15% respectively of the market share control. Once merged, 40% is a greater share and can be used to push out competitors and unhealthy competition will emerge and the consumers will suffer the consequences. Additionally, the telecommunications industry heavily relies on changes in technology via innovation and invention, all these resources clustered in one firm will limit the rate at which new inventions will be made available and when they are invented monopoly will result as the firm will not only be able to have the latest innovations but also the largest market share control.

On ethics: As a party not diversity involved in the case. What do you think is right about antitrust? What do you think is wrong about antitrust? Why ?

The telecommunications industry in the United States is oligopolistic in nature and continuous merger of the top four companies will eventually lead to the industry becoming a monopoly that will charge exorbitant prices for basic services (Jackhu & Malik 78). The merger of the two companies is a violation of the antitrust ethics; needless to say the law always prevails. Each industry is governed by different law and if the laws that govern the industry allow for the company to merge and have such a significant market share control then the companies should proceed. Conversely if the laws do not then automatically the companies cannot merge.

On an ideal situation, if T-Mobile seeks to exit the US market, it should distribute its resources and clients amongst the remaining participants (Ware & Winter 98). For instance the Nextel can have the clients, Verizon can have the technological aspects and AT&T can have the resources including the infrastructure and human resources.