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## **AT&T-BellSouth deal will Have Negative Impact on Small Businesses in the Long Term**

(Atlanta)- Two days after AT&T announced its deal to acquire Atlanta-based BellSouth, AT& T, BellSouth and even some telecom analysts are touting that, in the short-term, pricing for local and long distance service will not change and could even be reduced to compete with cable television companies offering the same service.

However, Randy Berlin, president of DiscountCall.com, an agent for several local and long distance carriers in the Southeast United States, says short-term price reductions are actually part of a looming long-term problem.

“Analysts who say that this deal will have little affect on consumers are grossly under estimating its impact. Currently, in a market such as Atlanta’s, there are a number of local and long distance carriers that small businesses can use including BellSouth, FDN, and U.S. Lec. Their level of competition leads to lower rates and higher levels of innovation. This is simple economics; companies want to stand out from their competitors.

But add AT&T to the mix, with a 69.4 million telephone access lines and 30 million long distance customers (what they would possess after merging with BellSouth) and smaller competitors may be pushed to the brink. AT&T can offer something as simple as free long distance calls to other AT&T carriers and because they would have such a large coverage area this offer would hold significant weight. Even if smaller regional carriers did the same thing they would not be able to compete. Without competition, AT&T may be free to raise prices as they please. The new AT&T can affect the VoIP market as well because many businesses throughout the South use BellSouth as their Internet provider. AT&T could easily raise ISP rates to compensate for consumers who switch over to VoIP to make phone calls,” said Berlin.

While the short term outlook looks good for small businesses, the long-term is bleak. Higher prices for any service can have damaging effects on small businesses, that’s why we feel this is an important subject to focus on in examining the impact of the AT&T’s acquisition of BellSouth. We offer these quotes and the opportunity to talk with us to gain further insight on an aspect of this issue that has yet to be considered. To speak to Randy Berlin, contact us at (404) 844-6800, x207.

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**About DiscountCall-** DiscountCall offers reliable, hassle-free phone and Internet (telecommunications) services to businesses of all sizes. This includes installation of

integrated T-1 and business lines, as well as high quality phone systems. Through one of the most comprehensive national carrier networks available in this market, DiscountCall has the coverage and service to meet the needs of a variety of location types; from single location companies to companies with thousands of branch offices and telecommuters scattered throughout the United States. For more information please visit, [www.discountcall.com](http://www.discountcall.com) or call (404) 844-6800.