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Federal Communications Commission
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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE
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FCC AND SBC ENTER INTO CONSENT DECREE REGARDING ALARM MONITORING SERVICE

Washington, D.C. - Today the Federal Communications Commission (Commission) released an order adopting a Consent Decree between the Commission and SBC Communications, Inc (SBC). Today's action terminates certain enforcement proceedings pending before the Commission concerning compliance, by SBC's affiliates, Ameritech Corp. (Ameritech) and SecurityLink, with section 275 of the Communications Act of 1934 (Act).

Section 275 of the Act generally prohibits a Bell Operating Company ("BOC") from providing alarm monitoring services before February 2001. A "grandfather" exception in section 275 allows Ameritech to continue to provide alarm monitoring services that it had begun providing prior to February 1996. Section 275(a)(2), however, prohibits Ameritech from obtaining an equity interest in or financial control of additional unaffiliated alarm monitoring entities from February 1996 until February 2001.

From mid-1996 through the end of 1997, Ameritech acquired the assets of five unaffiliated alarm monitoring entities. With respect to four of the five acquisitions, the Commission previously found that Ameritech violated section 275(a)(2) of the Act, by obtaining financial control of unaffiliated alarm monitoring service entities prior to February 2001. Ameritech merged into SBC Communications after Ameritech acquired the five alarm monitoring entities.

In the Consent Decree, SBC agrees to use its best efforts to enter into a contract with a Buyer to divest itself of SecurityLink, prior to February 9, 2001, such that SBC does not retain control of SecurityLink or the Buyer. Divestiture of SecurityLink would result in divestiture of both the grandfathered alarm monitoring assets that Ameritech lawfully held before February 1996 and the alarm monitoring services assets that Ameritech unlawfully acquired after February 1996. If SBC is unable to enter into a contract to divest itself of SecurityLink by February 9, 2001, SBC agrees to make a voluntary contribution to the United States Treasury of one million dollars (\$1,000,000) on February 10, 2001.

Action by the Commission October 24, 2000, by Order (FCC 00-385). Chairman Kennard, Commissioners Ness, Furchtgott-Roth, Powell, and Tristiani.

File Nos. CCB Pol. 96-17, CCB Pol. 97-7, CCB Pol. 97-8, CCB Pol. 97-11

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