Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D. C. 20554

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov TTY: 1-888-835-5322

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

October 9, 2002

## **NEWS MEDIA CONTACT:**

John Winston (202) 418-7450 jwinston@fcc.gov

## FCC FINES SBC COMMUNICATIONS, INC. \$6 MILLION FOR VIOLATIONS OF COMMISSION MERGER CONDITION

<u>Washington, D.C.</u> – Today, the Federal Communications Commission fined SBC Communications, Inc. (SBC) \$6 million for violating a competition-related condition that the FCC imposed when it approved the 1999 merger of SBC and Ameritech Corporation.

In approving the merger, the Commission required SBC to offer the shared transport unbundled network element in the former Ameritech states on terms at least as favorable as those offered to telecommunications carriers in Texas as of August 27, 1999. On January 18, 2002, the Commission issued a Notice of Apparent Liability ("NAL") finding that it appeared that SBC had willfully and repeatedly violated this requirement in each of the five former Ameritech states by restricting the use of shared transport by carriers providing intraLATA toll service. The NAL proposed to issue a forfeiture against SBC for the statutory maximum of \$6,000,000, and provided SBC with an opportunity to respond.

In today's order, the Commission rejected all of SBC's arguments in response to the NAL. The Commission emphasized that SBC had willfully and repeatedly violated the clear requirements of the Merger Order, thereby causing delays in the availability of shared transport, and forcing competing carriers unnecessarily to expend time and resources in state proceedings to enforce their rights.

Action by the Commission, October 8, 2002, by Forfeiture Order (FCC 02-282). Chairman Powell; Commissioners Abernathy, Copps and Martin.

File No. EB-01-IH-0030

Enforcement Bureau Contacts: John Winston or Suzanne Tetreault at (202) 418-7450.