

## IS “MA BELL” DEAD?

My associates know I worked for “MA BELL” (a.k.a. AT&T) and are asking “Is it time to send cards & flowers?”

The Bell Family roots date back to 1876 when PA BELL invented the telephone. Sadly, PA BELL passed away in 1922 - but not before founding a family that would touch virtually everyone around the world in a matter of years.

Some folks think MA BELL was starting to show her age in 1947 (71) by claiming she dropped the ball when the transistor was invented by Bell Labs, born in 1925. In 1958 she delivered the first modem, 1968 - nationwide 911 service, 1971 - Unix, and in 1977 fiber optic cabling.

In 1982 – at the grand old age of 106, MA BELL was essentially forced by the Government to break her family up and let each of the 22 children have their own piece of the action. This was the second forced emancipation – the first was in 1913 (Western Union.)

The breakup of her nation wide family weighed heavily on MA BELLS shoulders. Her 22 children intermarried, forming 7 new families known as the RBOCs (Regional Bell Operating Companies.) She decided to try adoption to fill the void (NCR & McCaw Cellular, etc.) After the breakup and the failing attempts to be a good step-mother, MA Bell appeared to have stumbled pretty hard.

At the age of 119 -- MA BELL seemed to have developed a severe case of Dissociative Identity Disorder (DID) (previously known as Multiple Personality Disorder-MPD.) The only cure in 1995 was to try a radically new procedure known as “cloning.” MA BELL created a clone (Lucent) and freely emancipated one of her step children (NCR.)

In 1996, while MA BELL was on the road to recovery, the Government stepped in once more and gave the RBOCs the right to sell long distance services on MA BELL’s turf. In return, she was to gain access to their “local” services a.k.a. “The Copper Mile.” The end result - a Telcom War - with battles between the families that would rage on for 9 more years.

After regaining some of her composer, MA BELL decided to give adoption another try and brought a new child (TCI) into the family. Given the battles raging under our very streets and into our homes, MA BELL’s doctors prescribed “more copper” and less iron in her blood.

In 2000, a major milestone in telecommunications happened – however hardly anyone noticed. For the first time in 124 years -- DATA traffic surpassed VOICE traffic over the network and a whole new era was to emerge. MA BELL noticed and started making plans to abandon her loyal Voice Consumers for more lucrative ventures in Data.

As the Telcom War moved into full swing, with MA BELL's focus on Data – she set her sights on the biggest adoption yet – MediaOne. This final adoption resulted in some \$100+ billion dollars invested in Data/copper. Then, the Telcom War's WMD hit home – the DotBomb.

MA BELL's “wireless” child was growing in leaps and bounds but simply couldn't seem to generate enough income to feed itself. In 2001, another child was freely emancipated and left to sink or swim on it's own in the highly competitive Wireless market.

In 2002, MA BELL in a desperate attempt to stay solvent spins loose one more child (AT&T Broadband) with the creation of AT&T Comcast. At the senile old age of 126, this may have been her last strategic blunder. MA BELL is left to struggle on with AT&T Business, AT&T Consumer, and a financial loss of some \$13 billion dollars.

She tried valiantly to keep her head above water while swimming with the sharks. However, pricing seemed to be beyond anyone's control. To add insult to injury, a major competitor (MCI) confused her even more by using “creative” book keeping techniques taking some really big bites out of the Voice market. This forced a rapid drop in pricing for the once lucrative Voice market -- resulting in a further withering of MA BELL's stature.

Last but not least, in 2004 her greatest foe of all (FCC) delivered the “coup de grace” by phasing out the Government-Mandated local access rates. MA BELL could no longer get copper to the home (at wholesale rates) and thus finally conceded the Telcom War by abandoning her 128 year old consumer voice business.

At long last after 129 years, MA BELL is being forced into Retirement. Her legacy and that of her family founded in 1876 has literally “Reached Out” and touched billions & billions of lives across our entire planet. MA BELL is not dead! One of her children (SBC) has come to her aid and will ensure the family name (AT&T) lives on for many more generations to come.