

## 'AT&T' name coming back

By Barbara Grady, BUSINESS WRITER

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Good ol' Ma Bell is coming back, if in name only.

AT&T — the name once synonymous with telephones — will return as the name of the company delivering local telephone service to most Californians after SBC Communications Inc. completes its acquisition of AT&T Corp.

San Francisco Giants fans may face another name change for their baseball park, as well, although company officials wouldn't confirm that Thursday.

Completion of the \$16 billion deal came a step closer Thursday when the U.S. Justice Department cleared it of antitrust concerns after months of review. The Justice Department also approved the merger of Verizon Communications Inc. and MCI Inc. Both deals still need approval from the Federal Communications Commission and regulators in several states.

"The AT&T name has a proud and storied heritage, as well as unparalleled recognition around the globe," SBC Chairman Edward Whitacre said in an announcement about the name change.

Indeed, it was AT&T founder Alexander Graham Bell who invented the telephone in 1875 and put it into commercial use. AT&T then wired the nation with telephone cables and was virtually the only provider of telephone service for nearly a century. AT&T's Bell Laboratories division invented many key technologies, from the transistor that led to the creation of semiconductor chips, to fiber-optics, or the use of optical pulses of light to transmit phone calls, which, in turn, led to the ability to transmit data quickly.

And ironically, it was AT&T's ubiquitous power as the monopoly telephone service in the U.S. that caused the Justice Department in 1984 to break it up into a long distance company and seven regional Bell telephone companies.

Now one of those "Baby Bells," SBCCommunications, is buying the mom, AT&T.

"It is ironic for one of the Baby Bells to acquire the Ma Bell name, AT&T," said telecommunications analyst Jeff Kagan of Kagan Associates in Atlanta.

The acquisition itself of the parent by the spun-off company is "totally ironic," said consultant Allen Long of Long & Associates in Castro Valley, because it reverses the efforts of 21 years ago.

But choosing the AT&T name over the SBC one is widely thought to be a smart move.

"There is so much equity in the AT&T name, it represents 100 years of telecommunications and people trusting it" with their telecommunications needs, said branding specialist Laurel Sutton of Catchword strategic brand development firm in Oakland. "To throw it away would be foolish."

Sutton and the telecommunications analysts all noted that AT&T is better known in the business world — where SBC wants to expand — and internationally, while San Antonio-based SBC is known to consumers, mostly in the 13 states where it offers service.

Baseball fans, however, might balk at a name change for the San Francisco ball park yet again. The baseball stadium opened as Pacific

Bell Park in 2000 and then became SBC Park after SBC dropped the Pac Bell name following an acquisition. The name is likely to change again, although SBC would not say when or if the ballpark will be renamed.

"There is no timetable to changing the name of the ballpark," spokesman John Britton said Thursday. "No decisions have been made about what the name will be."

Britton said that SBC plans to work closely with the Giants and other sports franchises that partner with the company, which includes the SBC Center, home of the San Antonio Spurs, and SBC Classic golf tournament in Los Angeles, to come up with a new name and discuss when to make the change.

"Sometimes teams have printed tickets in advance or have other concerns," Britton said. "We're very sensitive to the great partnerships we have."

But the company did acknowledge the clout of the AT&T name and its hopes that AT&T will usher it into the market of large-scale Internet communications.

"This is the brand that will lead the industry in delivering the next generation of communications," Whitacre said, naming Voice over Internet Protocol as a service he hopes to expand.

For a decade after the 1984 breakup, long distance telephone service was a lucrative business that kept AT&T a powerful company. But after the 1996 Telecommunications Act, which deregulated the industry and allowed local, long distance and cable TV companies to enter each others' businesses, long distance companies began to falter. They had a tough time entering the local business. Times became even tougher for long distance companies when cell phones and Internet e-mail came on the scene, usurping some long distance calling. In fact, MCI filed for bankruptcy protection.

Still, AT&T and MCI remain dominant providers to businesses and governments for large network and Internet backbone transmission. It is that business market that SBC and Verizon are after in seeking to acquire the long distance companies. Verizon has bid \$8.5 billion for MCI.