



# We Are the Network

*A Message from AT&T Employees*

[www.cwa-union.org](http://www.cwa-union.org)

[www.WeAreTheNetwork.org](http://www.WeAreTheNetwork.org)



**A**T&T employees are proud of our company, the 7th largest in the world, with \$12.9 billion in profits in 2008.

AT&T's first quarter 2009 profit of \$3.13 billion beat expectations because of strong growth in video and data services and wireless, keeping the company on track for continued solid gains. That was the consensus of industry observers, analysts and the company's top executives. "For this economy, it was an outstanding performance," one analyst commented.

***AT&T's strength is its integrated 3G wireless, fiber, and copper networks. Communications will continue to "go mobile," but the backbone wireline network remains fundamental to the company's operation, and its success. In the first quarter of 2009:***

- AT&T increased revenue from wireline IP data revenues by 16.4%, driven by U-verse and business IP services.
- AT&T increased wireline broadband and TV connections by 673,000 in the first quarter, including a net addition of 284,000 U-verse TV subscribers.
- 60% of U-verse TV subscribers switched to AT&T from one of its competitors.
- AT&T increased average wireline revenue per household by 2% despite access line losses.

Compare AT&T's positive financial outlook with cable companies that have yet to develop effective wireless strategies or mobile data options like wi-fi hotspots and laptop cards. AT&T, a company based on integrated offerings and transitioning from voice alone to voice, video and broadband connectivity, is far better positioned as an industry leader.

In the emerging telecommunications landscape where wireless and wireline technologies are thoroughly interconnected, so are all the workers who build and support them. But in the current atmosphere of economic crisis, AT&T is pursuing short-sighted goals. The company wants to shift more health care costs to employees—a move that will save only a fraction of one percent of operating costs and one that has a great cost to AT&T in terms of employee morale, because it lowers workers' standard of living at a time when the company has posted a \$3 billion profit this quarter.



Since 1983, the Communications Workers of America and AT&T have negotiated path-breaking health care cost containment and cost sharing agreements. This year, we have the opportunity to continue to work together for real health care reform. That's a much better solution than a short-sighted approach based on increased cost shifting to workers.

First, national health care coverage will save AT&T some \$600 million and increase shareholder value by \$5 billion at AT&T's current price-to-earnings ratio. Second, this is the next logical step in a long history of management and CWA working together to control health care costs. Today, with the U.S. spending twice as much of its GDP as other developed nations on health care, the need for change couldn't be clearer. Workers and management must unite to make health care reform happen now.



AT&T is well-positioned to lead the industry and help move our nation out of economic crisis and back to prosperity. Employees are looking to AT&T to set the right priorities so that working together, we can continue to build the digital economy that is so critical to the economic growth and future of our country.

***A message from members of the  
Communications Workers of America  
April 2009***