

# S.R.A. News



Volume 24 · Issue 1

**SNET RETIREES ASSOCIATION, INC**

Spring 2021



## Report to the Membership

By **JoAnn Alix-Gagain**

Wow what a year!!! It has surely been a whirlwind for many while being a long and lonely year as well. Technology has helped us to stay in touch and many have found other creative ways for families and friends to stay connected as well. It is so important to reach out and touch someone.

Volunteerism has blossomed; people everywhere, many of whom never thought of volunteering, came out to help others and their communities. So many folks have benefited from

this commitment and resolve to help others. It has been such a bright spot in an otherwise very divisive year. We all need to work at being more open to the opinions of others and more tolerant of their beliefs.

On a business note, I can tell you that most retirees will agree that the changing of life insurance was a rallying cry of "how could AT&T do this to us?" "Easy" is the answer, as they can. Life insurance is not and never has been protected under any law or labor agreement, just as your health-

care is not either (with the exception of those grandfathered). Pensions are the only benefit protected by ERISA. Other retiree groups across industries have brought the loss of benefits to the courts and unfortunately have yet to be successful. This is an issue that really should be addressed by changes in current laws. However, major lobbyists will fight it tooth and nail on behalf of major corporations who are also major political donors. You ask

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**The below email was sent to all SRA Members in January who have provided to us an email or who have registered on our redesigned website.**

**For those of you who cannot register on our site or choose not to or to provide an email will continue to receive the newsletter via US Mail.**

January 21, 2021

Happy New Year to my fellow SRA Members:

The SRA is pleased to be sending this communication to all members who have provided us with an email address. There will be additional notices in the future.

We recently updated our website [www.snetretirees.org](http://www.snetretirees.org). The site includes past newsletters and other items of interest. Once you register your membership, you will be verified and have full access to the website. If needed, you may change your address, send in questions or change your password without having to contact us. Membership applications are also available there for you to share with other retirees who may not be current members.

So many costs have gone up over the years as you all know firsthand. Our largest expenses are our membership meetings and the SRA newsletters that we send out twice per year. Therefore, for members who have provided us with email addresses, beginning with the Spring 2021 newsletter, we will send the newsletter out by email. This will reduce our costs considerably, enabling us to remain viable for all members for much longer. Members who have not provided an email will continue to receive the newsletter

by U.S. mail.

I am also pleased to be able to share with you and your family the new **AT&T 2021 reference guide known as "WHERE TO GO FOR MORE INFORMATION"**. The guide is attached to this email and contains website, telephone number, and address information for AT&T that you might need as a retiree. We suggest that you print it and/or make it available to your family as needed. It will also be included on our website.

All good news, right???? So on to the not so good news for some that is coming ....

AT&T has informed the SRA and the other retiree organizations that they will be making changes to life insurance amounts and the death benefit for retirees, bargained (union) and management, this week who are **not Grandfathered** effective in a year. Starting this week and through the first week of February 2021 impacted retirees will start receiving a notification letter highlighting the life insurance benefits changes that specifically impact them. (please allow for mail delays as well)

Below is the outline of the changes that will become **effective on January 1, 2022:**

1. Former managers eligible for both life insurance and the

retirement death benefit will have those benefits capped at a flat \$15,000 and \$25,000 respectively

2. Former managers eligible for life insurance only will have that benefit capped at a flat \$15,000
3. Former bargained employees eligible for both life insurance and the retirement death benefit will have those benefits capped at a flat \$25,000 and \$25,000 respectively
4. Former bargained employees eligible for life insurance only will have that benefit capped at a flat \$25,000

**Again, there are NO changes for Grandfathered retirees.**

AT&T has stated the rationale for this change was to be "closer to the market trends in this area". The leadership of the retiree organizations have sent a letter to the Senior VP of Benefits stating that AT&T was once "THE" leader not a follower, and to reconsider this as well as review the disparity in the amounts. We will keep you posted. If you have any questions for AT&T or want to vent your own thoughts, we will provide details on where to send them very soon.

Stay safe, wear your masks and stay well!!!

JoAnn Alix-Gagain  
President

### "Membership Report" From Page 1

what can we do as an organization and as individuals? The power of the pen often gets action. The SRA along with other retiree associations have written to newspapers regarding the matter, hoping for publication. But the bigger impact might come from individuals as shareholders and AT&T customers.

In this issue you will find several sample letters for you to edit in your own way and send to the AT&T Board of Directors. Highlight your loyalty to the corporation for years as an employee, a retiree, a consumer and in many cases a shareholder. We have all been important brand ambassadors for this company, promoting it to our family, friends and community.

We hope that you will be diligent and get these letters in the mail as soon as possible. We also will be working on a shareholder proposal to be presented at the 2022 AT&T Annual meeting to get their attention on this issue as we have done with important issues in the past. It most likely will involve Executive Compensation and Bonus plans at AT&T. We are unable to submit though for the 2021 Proxy, as the deadline for submission was November 2020.

AT&T has not responded to any questions regarding further funding of reimbursement accounts for those who have them. As you know the current commitment from the company is to fund through the year 2023.

The new AT&T Medical Advantage Plan was rolled out along with other plans for 2021 healthcare. The company will not share the numbers of those who switched to this plan from other plans. We also provided assistance to numerous retirees and their dependents who had issues during and after enrollment. All issues that were brought to the SRA were resolved to the retirees' satisfaction.

## S.R.A. Response Team

The S.R.A. Response Team is active and ready to assist our members with problems relative to Health Benefits and Pension items.

Before placing a telephone call to a member of the Response Team, for assistance, be sure you have contacted the AT&T Benefits Center.

The S.R.A. Response Team Members ready to assist you are:

<b>JoAnn Alix-Gagain</b>	203-758-2409 (jagagain@snet.net)
<b>Frank Pagerino</b>	203-929-7487

The SRA was unable to conduct our Florida meetings this year due to the Covid-19 pandemic. We do hope to hold our meeting at Holiday Hill in September. In June we will assess the conditions and limitations on gatherings, and determine if we will in fact have the meeting. We do not want to limit the number of attendees so that will be a factor.

This is also the very first edition of our newsletter that will be emailed to almost 700 members. We have made this decision after review of our escalating costs to mail the newsletter to all. This will be a huge savings to our organization and will allow us to continue in the future. As most of you know dues are no longer collected for existing members and new members pay a onetime membership fee. Occasionally, we do receive donations from our members which is very generous in today's times. We do appreciate your generosity. We still hold our AT&T shares.

We launched a new and improved SRA website and we have had great feedback. Please take a look at it. If you are a current SRA member, register on the website and your registration will be approved within 24 hours for full access. We plan to use it frequently to

update the membership on items of interest. Also, those who do register will get the newsletter as soon as it goes to the printer. No need to wait for it to be delivered or lost in the US mail. You will also be contributing to the SRA financial well-being longer term.

I also need to ask you all to do me a personal favor. I maintain the database with all of your mailing addresses, emails, cell numbers, home numbers, vacation addresses, etc. When we sent out our first email blast in 2021 to all members who have given us an email address in the past, we had over 40 email address bounce back to us as no longer viable. I have to tell you I did call some folks and reached disconnected lines too. I am sure some of you have cut the cord. I just do not have the time to try to track you down to send you our mailings, newsletters etc. If you have not advised us of a change and the post office can not forward your mail or your email has bounced back, I am sorry. You have to let me know of changes as applicable. You can use the contact page on our website [www.snetretirees.org](http://www.snetretirees.org) to drop me a note. (Because I monitor those too!)

I wish you all healthy days ahead and hope to see you in September, 2021!!!



## S.R.A. News

This is the official publication for SNET Retirees Association, Inc. members. It contains timely news and feature items of interest to all SNET retirees.

S.R.A. is a nonprofit organization. Readers are encouraged to send or phone news tips.

**[www.snetretirees.org](http://www.snetretirees.org)**



## EXECUTIVE BOARD

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# Elliott Management U-turns to reinvest in AT&T

By **Harry Baldock**  
Total Telecom

## After divesting in AT&T stock in late November, Elliott Management has decided to reinvest in the operator just four months later

In November last year, Elliott Investment quietly divested of their \$3.2 billion stake in AT&T. Now, just four months later, it seems that they want back in on the action – albeit on a seemingly smaller scale.

The company had initially purchased the stake in the operator in Q3 of 2019, quickly taking aim at AT&T's raft of mergers left it one of the world's most heavily indebted companies, driving down the stock value. In September of that year, investors from Elliott sent AT&T a public letter in which they criticized the companies M&A strategy as well as other elements of the business's management.

AT&T responded by saying they would work with Elliott to make significant changes and reduce the company's debt. AT&T's long time CEO Randall Stephenson retired in the middle of 2020, replaced by John Stan-

key, previously the company's COO. The operator continued to streamline their operations, cutting further jobs; in fact, the company reduced their staff by around 42,000 over the past three years.

But perhaps most crucially, AT&T said it would initiate a share repurchasing strategy. In the March of 2020, AT&T said it would repurchase \$4 billion-worth of shares during Q2, aiming at driving up the price of its remaining shares. However, this plan was ultimately put on the back burner as the coronavirus pandemic struck.

Nonetheless, the measures taken by AT&T were seemingly enough to make offloading the stock suitably attractive to Elliott, who fully divested in the November of 2020.

Now, Elliott is seemingly reinvesting in AT&T. However, where Elliott's previous investment was valued at over \$3 billion, this new stake appears instead to be around \$100 million, only around 1% of Elliott's total portfolio. The reasoning behind the new investment is unclear, but the lack of scale means Elliott will not have the same scale of influence on AT&T's strategy moving forward.

## Federal Communications Commission Approves Frontier's Chapter 11 Restructuring

NORWALK, Conn.--(BUSINESS WIRE)--Frontier Communications Corporation (OTC: FTRCQ) ("Frontier Communications") announced today that it has secured approval from the Federal Communications Commission (FCC) for its Chapter 11 restructuring. Frontier now has regulatory approvals, or favorable determinations, for its required change-in-control applications related to its court-supervised restructuring from the FCC

and 13 states: Arizona, Georgia, Illinois, Minnesota, Mississippi, Nebraska, Nevada, New York, Ohio, South Carolina, Texas, Utah and Virginia.

Frontier expects to promptly consummate the transactions contemplated under its previously confirmed Plan of Reorganization and emerge from Chapter 11 in early 2021.

See "FCC" On Page 6



## With America's attention on COVID-19, drug makers are quietly raising US prescription prices

By **Darrel Rowland**  
The Columbus Dispatch

COLUMBUS, Ohio – With most Americans focused on COVID-19 vaccines, pharmaceutical companies are quietly raising the list prices of name-brand prescription drugs at a torrid pace.

January is typically when increases hit the U.S. market. Already, more price hikes by drug makers have been recorded in less than half a month (813) this year than for all of January 2020 (737), according to research by Ohio nonprofit 46brooklyn.

That two-week 2021 total also is approaching the record for a full January during the past decade, 895, set in 2018.

“It is clear from the data that January 2021 is bucking the recent downward trends in brand drug maker list price increases,” said one of the founders of 46brooklyn, former Ohio Pharmacists Association lobbyist Antonio Ciaccia. “And it is also clear that aside from price increases, the launch prices for new drugs has been going up over time.”

The cost of prescription drugs remains among the top issues for Americans, surveys show. Three in 10 say they haven’t taken their medicine as prescribed due to costs, including many who skip doses or cut their pills in half.

It’s been a key issue in races from

the Statehouse to the White House, with President-elect Joe Biden promising a fix is a high priority for his administration.

Another record might come as well. To date this year, 100% of U.S. changes in drug prices this month have represented increases. That’s never come close to happening; the high for the month of January over the previous 10 years is 72%, recorded last year.

### **COVID-19 vaccine-maker Pfizer raises prices on almost 200 drugs**

Pfizer, which with BioNTech developed the first COVID-19 authorized for use by the federal government, has raised the prices on 193 name-brand drugs this month, although the median increase is a modest 0.5%.

“This modest increase is necessary to support investments that allow us to continue to discover new medicines and deliver those breakthroughs to the patients who need them,” said company spokeswoman Amy Rose in a statement.

However, the price jump was about 5% for several of Pfizer’s most popular drugs, such as Xeljanz, which treats rheumatoid arthritis, psoriatic arthritis, and ulcerative colitis; Lyrica, used for nerve and muscle pain; Ibrance, a breast cancer inhibitor; and sedative Xanax.

In January 2020, Pfizer raised the price of just 81 drugs and actually

decreased the charge for 20 others. A year earlier, it was 49 price increases and one decrease.

USA TODAY Network local coverage from

The brooklyn46 Research’s dashboard did not show any entries for the other COVID-19 vaccine maker, Moderna, because that company has not yet had any other drugs approved by the Federal Drug Administration.

So far this year, the median 2021 price elevation by all drugmakers is 4.9%.

But in the complex world of drug pricing, essentially no one actually pays the list price, usually called the wholesale acquisition cost. The actual, or net price is greatly impacted by rebates and discounts from the list price, and those hidden factors are rising, Ciaccia noted.

“Due to the general lack of transparency within the entire prescription drug supply chain, the public is left in the dark on our American-made drug pricing dysfunction,” he said.

The overall net cost of brand-name drugs actually fell in 2020, while list prices grew at their slowest rate in at least 20 years, according to the online publication Drug Channels.

Of course, what you pay personally is mostly affected by your health insurance.

Although generic drugs far outnumber brand names, the latter account for about 80% of drug spending in the U.S.

***The below letter has been sent to numerous newspapers around the country in hopes of publication.***

## AT&T Fails Retirees

In the days and months of the worst pandemic this country has suffered in modern times the AT&T Corporation has pulled the rug out from most of its retirees. The corporation that prided itself on being the “leader in the market place” has determined it is better to be further down the ladder. We referring to the recent decision to reduce and, in some cases, eliminate life insurance plans that have been in place for over 20 years for most of their older retirees.

AT&T when expressing this elimination of this benefit for retirees stated that it was being done to manage their investments in “new benefits”. Those new benefits cited in the letters would only be applicable to current employees.

The announcement also stated retirees would be given a onetime opportunity to purchase life insurance at “lower rates” in the fall. Benefit managers and insurance agents cite group buying, discounted rates for life insurance have been around for years. There is no way that many folks will now at this time of life and preexisting conditions be able to afford to purchase new plans, no matter the

discounts.

Life insurances along with other health benefits were part of **overall total** compensation while employed, for both union and management employees, a company position often used when discussing, raises, benefits, vacation time etc. when we worked. You may say “sour grapes”, well of course there is, especially when AT&T has determined that union retirees’ life insurance should be capped higher than management retirees. When asked, why... complete silence on that telephone line in Texas.

And now as we enter our later years, they reduce the life insurance provisions along with the ongoing reductions in healthcare coverages. Again, part of our total comp packages. AT&T can say health plans and life insurances are not protected under ERISA all they want. But when is your word your bond, AT&T?

The corporation has made many bad business decisions over the last several years. So the plan now is to recoup some revenues from the backs of your retirees. Has the Board of Directors taken a reduction in fees,

benefits, and life insurance plans? No, because AT&T indicates the need to “have highly qualified folks on their board to have good direction and make good business choices.” How has that worked out? We don’t know of any business or residential consumer who called a Board of Director for dial tone or for a telephone number back in the day. And now the Board can rehire and afford to pay the former CEO& Chairman Randall Stephenson an **additional \$1 MILLION for 12 months** of consulting on top of his retirement provisions and stock options that are obscene. He chaired this Board and again bad business decisions on his watch and you bring him back?

AT&T needs to reconsider this decision for their retirees (who are also referred to “company ambassadors”) because these ‘ambassadors’ are starting to pull the plug on AT&T.

**JoAnn Alix-Gagain**

President SNET Retirees Assoc

**Monte Baggs**

President Telco Retirees Assoc (Pac Bell)

**Jane Banfield**

VP Telco Retirees Assoc ( Legacy AT&T)

### “FCC” From Page 4

Upon emergence, Frontier will have reduced its total outstanding indebtedness by more than \$10 billion and will move forward with enhanced financial flexibility to support continued investment in an improved customer experience and long-term growth.

“We continue to make important progress in our constructive engagement with regulators across our service territories, and this approval from the FCC marks a major

milestone,” said Bernie Han, President and Chief Executive Officer. “We continue to await approval in just four states and are working to expedite those approvals to enable the Company to emerge from Chapter 11. Our team remains focused on our transformative strategy to strengthen our financial foundation, improve our operations and enhance our customer experience throughout the U.S.”

Jonathan Spalter, President and CEO of USTelecom said, “We are pleased by the FCC’s affirmative decision for Frontier. More

than ever, Frontier serves a vital function in providing essential telecommunications services. This decision is a major step toward successfully completing the Company’s restructuring, enabling it to move forward in delivering services to its customers and creating benefits for communities across the U.S.”

The U.S. Bankruptcy Court for the Southern District of New York confirmed the Company’s Plan of Reorganization in August 2020.

***This edited article discusses benefit changes for current employees only.***

# AT&T Cuts Retiree Healthcare & Employee Benefits

By **techstaffer in ATT**

As a recruiter I'm often asked about benefit packages offered by certain companies. Over the last year there have been substantive changes in benefits coming from Fortune 500 companies with most of the changes going the wrong way. We've seen many large corporations choose to cut employee benefits whether that be pension, 401(k), or healthcare. Verizon created headlines all the way back in 2005 when they announced they would freeze their pension program. In the years to come many corporations followed suite by moving to defined contribution plans as opposed to defined benefit plans. This trend culminated in General Electric deciding to freeze the largest pension fund in the United States. Other corporations have decided to target 401(k) plans. ExxonMobil announced earlier this year that they would suspend their 401(k) matching program indefinitely. Which brings us to AT&T

A surprise announcement was made on Monday where AT&T stated in a Memo that they will be reducing benefits in 2021 and 2022. I wanted to make sure my AT&T clients were informed about what exactly is going away.

AT&T CEO John Stankey has expressed a goal of \$10 billion in cost cuts and the company has made it clear that worker's benefits are next on the chopping block.

So who will be affected by these cuts? **Employees retiring after 2022 will be hit the hardest, as they will lose all medical coverage** typically

given to retirees. AT&T will no longer supplement monthly premiums for medical or dental. This may not affect all employees. You should call the benefit office to inquire about your particular situation.

This announcement comes on the heels of AT&T alerting employees that **they will no longer offer a Healthcare reimbursement account for those who retired after January 1st, 2021.** Currently things like out-of-pocket costs, supplemental coverage, and incremental coverage are covered by a healthcare reimbursement account from AT&T. According to AT&T's Summary Plan description the HRA credit is worth \$2,700 for an employee and \$1,500 for an eligible dependent. If an employee takes full advantage of this benefit this would be worth \$4,200 per year. Over a 20 year period this could save an employee and their family about \$84,000.

AT&T pension benefits are being reduced as well. AT&T uses a Career Average Minimum (CAM) or a Pension Band Minimum (PBM) formula to calculate your pension contributions. Your CAM benefit is determined by multiplying your career pension compensation by a percentage and then dividing by 12. Currently that percentage is 1.6%. After January 1st 2022 that percentage will drop to 1%.

Management employees may receive a benefit based on the PBM formula. The PBM benefit is determined by multiplying a percentage by your pension compensation. Currently that percentage is 1.2%. After Janu-

ary 1st 2022 that percentage will be reduced to 0.75%.

AT&T will also reduce its life insurance benefit. After January 1st 2021, the life insurance benefit will now be distributed as a flat \$15,000 payment as opposed to a percentage of income. The company will also offer the option to purchase supplemental life insurance during annual enrollment.

AT&T is not the only company to cut benefits during the pandemic. History shows time and time again that when a recession hits corporation will decrease or suspend benefits. We witnessed this in the 2001 recession when General Motors, Charles Schwab, Goodyear Tire & Rubber, & Ford all decreased or suspended their company match programs. The same happened in 2008, with Forbes reporting that nearly 20% of companies with over 1,000 employees reduced or suspended 401(k) contributions. Unfortunately, that trend seems to be continuing in the wake of the current recession brought on by the Coronavirus pandemic. According to CNBC, 8% of employers have reduced or suspended 401(k) contributions in this year alone. Major companies like Amtrak, Marriott Vacations Worldwide, and ExxonMobil have all suspended their 401(k) matching programs. In ExxonMobil's case employees lost a company match of up to 7%, severely hindering an employee's ability to save for retirement. AT&T's cuts will also make it significantly more challenging for retirees to make their money last as long as they need.

# Letters to AT&T Board of Directors **SAMPLE**

## Regarding Life Insurances Reductions

Many of you have asked what can you do as individuals regarding the announcement about changes to Life Insurance amounts and Death Benefits cancelations for NON Grandfathered retirees effective 1/1/2022.

Below are several ways to communicate your issues to the Board of Directors as the Benefit Department has not responded well to any questions raised by the retiree groups. Mr. Sankey answers to the BOD so let him feel the impact that we retirees as shareholders and consumers can have, hopefully.

The office of the Secretary of the Board at AT&T will either forward the original letter as addressed or provide Directors with summaries of the submissions, with the originals available for review at the Directors' request.

Please include your name, address, if you are a shareholder, customer, number of years working and a contact number.

Cite your dissatisfaction with the reduction of your life insurance amount from and to amount, **also if you will be losing the death benefit.**

**BE RESPECTFUL!**

Use your own words.

This sample meant to highlight issues of concern. Personalize it. **We do not want form letters to be sent!**

Address written letters to:

**Office of the Secretary of AT&T Inc.**

**Board of Directors  
208 S. Akard Street  
Suite 2954**

**Dallas, Texas 75202**

I am writing to the BOD of

AT&T as a retiree of \_\_\_\_\_ as well as being a shareholder and customer of AT&T.

I want to express to the Board the shock experienced with the recent announcement of the arbitrary, capricious, complete disregard of retirees who are also customers and shareholders regarding the reduction of life insurance benefits the Company who I worked for committed to years ago while I was employed as part of my total compensation so I would not have to worry about it in retirement.

Your retirees have long been supporters of AT&T products and services as the leader in the industry. In fact, we helped to build that leadership position. This decision by a new department head to meet a departmental/ corporate goal is on the backs of those who worked like no others through storms, emergencies, and without question. And not ever remotely!!

***(If you are a management retiree you should question the disparity between union and mgt retiree amounts for the life insurance max amounts as well as no explanation for the disparity provided by the company:***

***Let me also state as a management retiree that in addition to the large reductions I along with hundreds of others are facing in our older years the company has determined for whatever reason why***

***Management are being discriminated against. You are clearly sending a message to the management retirees that we are less valued than the "bargained for" retirees. Really? Many who spent a major part of their lives, fighting the battles, worked round the clock to keep the company up and running during work stoppages, and led the troops to the success inherited from all the companies you have taken over the years. You are clearly discriminating against us. And done without explanation! It is a shameful display of the corporate values.)***

I have to ask do non-employee BOD members receive healthcare from AT&T or Life Insurance while they serve on the Board of after departure?

Some of the company executives will earn obscene bonuses at the end of the year for having accomplished this change due to "goal setting". The savings in expenses to the company will be a pittance compared to the exorbitant salaries and bonuses executives receive. As well as the potential loss of revenues by losing retirees as customers. We retirees have suffered significant "take backs" over the past years, even decades, as the leadership have made one bad decision after another, costing the company billions of dollars...and now you want to

See "Sample Letter" On Page 9



"Sample Letter" From Page 8

recover as much as possible on the backs of your retirees. It is unconscionable!

And do not insult my intelligence by stating other benefits will be available to replace this or that I will be able to buy at discounted rates more life insurance. I can't afford it at this time of life no matter the discounts. I do not need the corporate line already given to me.

Step back and reassess this, while there is time before it is implemented. I too will assess along with my family, friends and community organizations where I am still active how I proceed as a consumer with many other choices in the market.

Sincerely,

NAME

ADDRESS

TELEPHONE #

### Email LETTER/NOTE to Board of Directors:

You can send a briefer comment to the BOD by going to AT&T corporate web site at: <https://investors.att.com/>

Scroll down the page to: **Stockholder Services**

Click on "**More Information**" and scroll down to fill in the blanks and leave your message

**OR** you can directly send an email to the Board of Directors at: [g47603@att.com](mailto:g47603@att.com).

Let's send hundreds of messages!!!!  
Be part of the effort!!!!



## AT&T to spin off DirecTV, AT&T TV Now and U-Verse into new company valued at \$16.25 billion

By **Jessica Bursztynsky@JBURS**

By **Alex Sherman@SHERMAN4949**

### KEY POINTS

- AT&T has entered into a deal with private equity firm TPG to spin off its DirecTV, AT&T TV and U-Verse business, according to an SEC filing released Thursday.
- Under the agreement, AT&T and TPG will form a new company called DirectTV.
- The transaction implies an enterprise value for the new company of \$16.25 billion.

AT&T has entered into a deal with private equity firm TPG to spin off its DirecTV, AT&T TV and U-Verse business, according to an SEC filing on Thursday.

Under the agreement, AT&T and TPG will form a new entity called DirectTV that will own and operate the company's DirecTV, AT&T TV and U-verse video services. Bill Morrow, CEO of AT&T's U.S. video unit, was named as the new company's CEO.

The transaction implies an enterprise value for the new company of \$16.25 billion, according to the company. AT&T acquired DirecTV for \$48.5 billion (\$67 billion with debt) in 2015 and hoped to pair the national pay-TV company with its wireless service to offer a discounted bundle to customers. Digital distribution of video has supplanted satellite in recent years, causing DirecTV's value to plummet and AT&T to reposition its strategy around HBO Max, its flagship streaming video service.

"We certainly didn't expect this outcome when we closed the DirecTV acquisition in 2015," AT&T CEO John Stankey said on a conference call Thursday, while noting the deal is in the best interest of AT&T shareholders.

Following the close of the transaction,

AT&T will own 70% of the common equity and TPG will own 30%. The new company will be jointly governed by a board with two representatives from each of AT&T and TPG, as well as Morrow, the company said. AT&T will no longer consolidate the new video business on its balance sheet.

The two companies were expected to announce a deal as soon as this week, CNBC reported on Tuesday. AT&T's stock was up more than 1% in after-hours trading.

### Focusing AT&T

Hedge fund Elliott Management took an activist stake in AT&T in September 2019. In a letter to management, Elliott asked AT&T to focus its strategic operations while considering divesting noncore assets — including DirecTV.

DirecTV, U-Verse and AT&T TV Now are based around a linear TV business of broadcast and cable networks that is losing millions of subscribers each year. AT&T made the decision to focus on its connectivity and streaming assets, the company said in a statement.

TPG isn't buying a stake in DirecTV Latin America or the regional sports networks that AT&T acquired in its 2015 DirecTV deal.

Stankey didn't rule out another transaction for the video businesses after the TPG deal closes. DirecTV and rival satellite TV provider Dish Network have long flirted with merging—including attempting a deal in 2002 that was blocked by regulators.

Both DirecTV and Dish are losing millions of satellite TV customers each year as consumers switch to streaming options. It's possible regulators could accept a future merger if the satellite TV continues to decline and other video options gain popularity.

"We will be diligent about exploring second options," Stankey said. "If something else occurs, we get 70% of the value."

# In Memory Of...

The name of the retiree is not listed until the family officially reports the death to the company, so at times you will see a date of death that is months old. The death of an active employee or a retiree can be reported by calling the Fidelity Service Center at 1-800-416-2363 and then following the prompts.

<b>BROWN, VERONICA</b>	NEW HAVEN	CT September 17, 2020	<b>DANOY, ESTHER T</b>	SOUTHBURY	CT .. November 2, 2020
<b>ADAMOWSKI, ELIZABETH A</b>	ANSONIA	CT... November 3, 2020	<b>DECKER, TERESA C</b>	BRANFORD	CT .... October 15, 2020
<b>ANTOS, FLORENCE P</b>	HAMDEN	CT December 24, 2020	<b>DELEHANTY, WILLIAM J</b>	EAST HADDAM	CT... November 9, 2020
<b>ARDOLINO, JOHN A</b>	MERIDEN	CT..... March 15, 2020	<b>DELGADO, GEORGE S</b>	EAST PROVIDENCE	RI . December 22, 2020
<b>ARSENAULT, LAURETTE</b>	FAIRFIELD	CT. September 17, 2020	<b>DELVECCHIO, ANGELINA A</b>	NEW HAVEN	CT.....October 30, 2020
<b>BABB, RICHARD L</b>	VENICE	FL... December 3, 2020	<b>DEPALMA, JEAN B</b>	BETHEL	CT ..... May 17, 2020
<b>BAIRD, HAROLD J</b>	STRATFORD	CT. December 22, 2020	<b>DEVINE, DONALD E</b>	OVIEDO	FL.....October 24, 2020
<b>BANISTER, LILLIAN E</b>	HAMDEN	CT..... October 21, 2020	<b>DICK, JAMES L</b>	TITUSVILLE	FL.....August 25, 2020
<b>BARONE, RICHARD J</b>	CHESHIRE	CT .... October 3, 2020	<b>DOTY, DAPHNE</b>	NEWTON	MA. November 13, 2020
<b>BARRETT, ROSEMARY L</b>	HAMDEN	CT..December 29, 2020	<b>DUQUETTE, CHARLES F</b>	MILFORD	CT ...November 8, 1995
<b>BATES, ADELE</b>	ALLENTOWN	PA. September 13, 2020	<b>DUTKANICZ, DONNA</b>	SEYMOUR	CT.... January 26, 2002
<b>BECK, JAMES J</b>	PUNTA GORDA	FL.....July 28, 2020	<b>EATON, WILLIAM L.</b>	SHELTON	CT..November 12, 2020
<b>BENTLEY, JEAN L</b>	HAMDEN	CT..... May 21, 2020	<b>ELKER, BRADFORD H</b>	MILFORD	CT.....March 19, 2018
<b>BLASIUS, WILLIAM G</b>	STAUNTON	VA.. November 14, 2020	<b>FARBOTKA, PATRICIA</b>	UNCASVILLE	CT.....August 30, 2020
<b>BOOKLESS, JACK</b>	NAUGATUCK	CT.. September 4, 2020	<b>FAULKNER, CLAIRE R</b>	NORTH HAVEN	CT.... January 14, 2021
<b>BOYLE JR., MICHAEL F.</b>	WALLINGFORD	CT..November 16, 2020	<b>FERNANDEZ, FRANK M</b>	MARIETTA	GA..... June 7, 2020
<b>BOYLE, BARBARA A.</b>	NORTH PORT	FL. September 11, 2020	<b>FOX, EDWARD C</b>	STAMFORD	CT September 10, 2020
<b>BRANDT, WILLIAM A</b>	MONTECELLO	IN . September 30, 2014	<b>FREDERICK, MILDRED H.</b>	MERIDEN	CT.....October 23, 2020
<b>BREAU, PATRICIA C</b>	CLINTON	CT September 26, 2020	<b>FREEMAN, LESSIE B</b>	NEW HAVEN	CT.... January 20, 2021
<b>BRODEUR, CLIFFORD A</b>	NAUGATUCK	CT. December 26, 2020	<b>GARNER, OWEN</b>	COPLEY	OH .... October 12, 2020
<b>BUTCH, ROBERT J</b>	ENGLEWOOD	FL..... January 7, 2021	<b>GRAHAM, LAURA A</b>	MERIDEN	CT..... July 27, 2020
<b>CAESAR, CHARLOTTE L</b>	WATERTOWN	CT. November 24, 2020	<b>GRIFFIN, RICHARD T</b>	SHELTON	CT.....August 27, 2020
<b>CAIRNS, IRENE E</b>	NEWTONVILLE	MA..... January 17, 2021	<b>GRIMSHAW, KATHRYN F</b>	TORRINGTON	CT September 20, 2020
<b>CAREY, JOHN J</b>	MELBOURNE	FL.....August 20, 2020	<b>GUERTIN, RAOUL A</b>	POULTNEY	VT.. December 17, 2020
<b>CASEY, DAVID W</b>	BRISTOL	CT.....August 25, 2020	<b>HAMMIE, CAROLYN</b>	CHAMPAIGN	IL.... November 8, 2020
<b>CASSAN, MICHAEL A</b>	HAMDEN	CT September 18, 2020	<b>HANECAK, THOMAS J</b>	NORFOLK	CT. September 18, 2020
<b>CHARLAND, ELEANOR C</b>	WATERTOWN	CT..... October 19, 2020	<b>HANRATY, ANN C</b>	HAMDEN	CT..... October 8, 2020
<b>CICERO, VIVIAN J</b>	WINDSOR	CT..... May 14, 2020	<b>HARVEY, THELMA P</b>	EAST GRANBY	CT.... October 12, 2020
<b>CIRINO, HENRY A</b>	TRUMBULL	CT. December 25, 2020	<b>HIPPLER, FRANCES N</b>	ROCKLEDGE	FL.....August 4, 2020
<b>CLARK, JEANETTE</b>	WINSTED	CT.. September 3, 2020	<b>HOWLEY JR, THOMAS E</b>	FAIRFIELD	CT.. December 10, 2020
<b>COLLINS, ESTHER P</b>	STRATFORD	CT. September 18, 2020	<b>HUNT, MARY E</b>	HAMDEN	CT.. November 19, 2020
<b>COTTON, LILA</b>	SAN ANTONIO	TX..... October 27, 2020	<b>IVES, BRENDA H</b>	BEACON FALLS	CT.... October 13, 2020
<b>CRANNEY, GERALDINE</b>	MONROE	CT... November 3, 2020	<b>JACKSON, LONA D</b>	JACKSONVILLE	FL....December 1, 2020
<b>CRUZ, WILLIAM</b>	E HARTFORD	CT..... October 18, 2019	<b>JACKSON, NINA</b>	NORTH ANDOVER	MA.. November 2, 2020
<b>CUMISKEY, MARGARET N</b>	WALLINGFORD	CT. September 19, 2020	<b>JANNETTI, ROBERT</b>	STONYCREEK	CT.....August 5, 2020
<b>CURTIS, DORIS T</b>	COCONUT CREEK	FL. November 24, 2020	<b>JOHNSON, TORD R</b>	BRANFORD	CT.... January 16, 2021
<b>CURTIS, ELIZABETH</b>	VERO BEACH	FL.....October 1, 2020	<b>JUAN, JUDITH H</b>	TAMPA	FL....November 7, 2020
<b>D'ANDREA, LAURA S</b>	SHELTON	CT.....January 11, 2021	<b>JUBA, JOHN</b>	TITUSVILLE	FL.....January 25, 2021
<b>D'EUGENIO, ROCCO J</b>	LADY LAKE	FL..... January 12, 2021	<b>KARDOS, JOSEPH M</b>	WALLINGFORD	CT.....January 2, 2021
<b>DALTON, MARY J</b>	ORANGE	CT .... January 13, 2021	<b>KELLY, THOMAS J</b>	OXFORD	CT September 30, 2020

# In Memory Of...

KITTLE, DAVID A	WESTBROOK	CT..... October 3, 2020
KNOX, ANITA G	WEST HARTFORD	CT..... August 1, 2020
KOCHANER JR, JOSEPH J	ROCKY HILL	CT... November 5, 2020
KONDRATOWICZ, PAUL	WATERFORD	CT..... July 28, 2020
KUCHINSKY, ANN S	ORANGE	CT..... October 2, 2020
LACY, DONALD H	CHESHIRE	CT September 28, 2020
LALIBERTY, JOHN M	LISBON	CT..... June 1, 2020
LANDISIO, MARIE L	NEW HAVEN	CT..... August 27, 2020
LANE, MARY E	PORT SAINT LUCIE	FL..... October 8, 2020
LANGFORD, VERDELL	NEW HAVEN	CT.. December 31, 2020
LARKIN, THEODORE F	MILFORD	CT..... January 11, 2021
LAUDER, PATRICIA	TIVERTON	RI .. December 15, 2020
LEE, EDWIN F	SOMERS	CT..... January 11, 2021
LETKOWSKI, DENISE	HAMDEN	CT..... January 9, 2021
LIEBER, ROBERT J	SOUTHBURY	CT ..... January 5, 2021
LLOYD, PHILLIP W	WATERFORD	CT.. November 12, 2020
LORD, ROBERT J	SOUTHINGTON	CT. November 20, 2020
LUSCHENAT, BARBARA	WALLINGFORD	CT... November 9, 2020
LYON, ROBERT F	NIANTIC	CT September 28, 2020
MACALLISTER JR, THOMAS C	ORANGE	CT... November 9, 2020
MACK, HAROLD	MADISON	CT. November 23, 2020
MAGGIORE, CATELLO E	WEST HAVEN	CT..... July 14, 2020
MANCINI, WILLIAM J	NAUGATUCK	CT.. November 27, 2020
MARLOW, BLANCHE R	S GLASTONBURY	CT... December 5, 2020
MARTINE, GORDON W	NEW ORLEANS	LA..... January 16, 2021
MASSARO, THERESA M	SHELTON	CT.. December 17, 2020
MATTEO, EDILIA	EAST NORWALK	CT..... October 10, 2020
MCCARTHY, JOHN J	NORTHFORD	CT.. September 5, 2020
MCDONALD, BETTY T	MILFORD	CT.. December 27, 2020
MCDONNELL, WILLIAM	SEYMOUR	CT... September 7, 2020
MCMAHON, ROBERT	SO NORWALK	CT.. December 29, 2020
MCMILLAN, ANN	NEW HAVEN	CT ..... October 8, 2020
MCNEILL, ERNEST M	AVON	CT..... October 12, 2020
MCNULTY, JAMES J	BRANFORD	CT... December 2, 2020
MCPARLAND, DEIRDRE	STAMFORD	CT ..... October 2, 2020
METZLER, HARRIETTE	LARGO	FL..... August 24, 2020
MILLER JR, EDWARD G	SEYMOUR	CT. December 28, 2020
MITCHELL, SOPHIE M	WEST HAVEN	CT.. December 27, 2020
MITCHELL, MARY F	BLOOMFIELD	CT ... November 7, 2020
MOHR, EILEEN	NAPLES	FL..... August 19, 2020
MONTESANTO, MICHAEL C	MADISON	CT. September 27, 2020
MOORHEAD, MARGARET T	RIVERVIEW	FL.... December 7, 2020
MORKIS, SYLVIA B.	SOUTH PASADENA	FL. November 24, 2020

MOSKEY, BEVERLY B	MIDDLETOWN	CT ... October 10, 2020
MUCCI, VIRGINIA P	FORT PIERCE	FL.. September 16, 2020
MULVEY, JOHN P	GAITHERSBURG	MD.... January 19, 2021
NOFSINGER, FRANK M	NORTH HAVEN	CT..... October 10, 2020
NOVACK, BERNARD C	ENFIELD	CT..... January 7, 2021
O'DAY, HELENE B	BRISTOL	CT.. November 17, 2020
OLANDT, KATHY W	NEW BRITAIN	CT..... August 26, 2020
OLSON JR, WALTER W	PORTLAND	CT..... July 25, 2020
PENTA, VIOLET J	WEST HARTFORD	CT.... December 7, 2020
PICHETTE, NORMAN O	FORT MYERS BEACH	FL... February 28, 2020
PROULX, THERESA A	MADISON	CT.. December 16, 2020
RABIDEAU, RICHARD P	LISBON	CT.. November 17, 2020
REAVIS, WILLARD F	HASTINGS HDSN	NY .. December 8, 2020
ROBINSON, PATRICIA D	NEW HAVEN	CT. December 26, 2020
RODRIGUEZ, GUSTAVO	CHESTER	CT September 21, 2020
SANTAMAURO, SALLY R.	STUART	FL.. September 16, 2020
SCANSAROLI, VAL	NORWALK	CT September 25, 2020
SCHIETINGER, RICHARD D	EAST HARTLAND	CT.. November 12, 2020
SCHMIDT, ALICE M	ORANGE	CT September 23, 2020
SEQUEIRA, RUSSELL J	MILFORD	CT .... January 15, 2021
SHIPPEE, THOMAS C	PLAINFIELD	CT..... July 28, 2020
SHORT, MAMIE L	WALLINGFORD	CT. November 20, 2020
SITTY, KATHLEEN S	NEW LONDON	CT.... December 1, 2020
SMITH, ALICE A	EAST MILTON	MA. December 21, 2020
SMITH, RICHARD G	WOODSTOCK	GA..... January 21, 2021
STAMOS, CYRUS B	NORWICH	CT .. November 5, 2020
STEINGARD, NORMAN	AVON	CT..... October 5, 2020
SWANSON, MADELINE M	SHELTON	CT..... August 21, 2020
TARULLO, ALEXANDER	COLUMBUS	OH . December 17, 2020
THOMAS, DOUGLAS E	WALLINGFORD	CT. September 10, 2020
THOMPSON, JOAN S	NEW HAVEN	CT. September 24, 2020
TIRONE, CARL	MERIDEN	CT..... October 2, 2020
TRACY, JANE P	BRANFORD	CT.... December 1, 2020
TUCKER, JAMES M	NEWINGTON	CT .... January 12, 2021
TUROSKEY, JEAN S	SANDY HOOK	CT..... October 2, 2020
VIBBERTS, JAMES B.	CROMWELL	CT ..... October 1, 2020
VIOLANO JR, PHILIP J	NEW HAVEN	CT..... October 7, 2020
WALLACE, ALEXINE A	BRANFORD	CT..... July 26, 2020
WALTERS, LAWRENCE W	SEVERNA PARK	MD. September 4, 2020
WESTBERG, ROY W	ZEPHYRHILLS	FL..... August 29, 2020
WILSON, RAYMOND W	OLD SAYBROOK	CT.. November 17, 2020
WRIGHT, IRISH A	NEW HAVEN	CT..... January 23, 2021
YOSTON, ROBERT A	BELLEAIR	FL..... July 28, 2020

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*“When half of the people get  
the idea that they do not  
have to work, because the  
other half is going to take  
care of them, and when  
the other half gets the idea  
that it does no good to work,  
because somebody else is  
going to get what they work  
for, that is the beginning of  
the end of any nation!”*

– Unknown



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