NEW YORK – To encourage technological innovation and economic growth, Attorney General Eric T. Schneiderman today announced that his office has joined the U.S. Department of Justice’s previously filed lawsuit to block AT&T’s acquisition of T-Mobile. The expanded lawsuit, filed today in the United States District Court in Washington, D.C., charges that the merger would violate federal antitrust laws and damage competition in both New York and national wireless markets. Since the merger was proposed in March, Attorney General Schneiderman’s office has closely reviewed its likely impacts, both independently and in close cooperation with federal authorities and other states.

“This proposed merger would stifle competition in markets that are crucial to New York’s consumers and businesses, while reducing access to low-cost options and the newest broadband-based technologies,” said Attorney General Schneiderman. “We must do everything we can to encourage innovation and job creation. In vulnerable upstate communities, where concentration in some markets is already very high, and in New York City’s information-intensive economy, the impact this merger would have on wireless competition, economic growth, and technological innovation would be enormous.”

T-Mobile, a subsidiary of Deutsche Telekom, is a low-cost provider of choice for millions of New Yorkers, and currently has 34 million customers nationwide, making it the fourth-largest wireless company in the country. The proposed merger would remove this key competitor from the market, creating the nation’s largest wireless company with a total of 130 million subscribers nationwide, and opening the door to a near duopoly shared by the merged firm and Verizon.

The complaint lists five market areas in New York, among dozens of others throughout the nation, where the merger would sharply increase concentration in wireless markets, thus limiting consumers’ choices and threatening higher prices. They are: New York City, Buffalo, Rochester, the Albany-Schenectady-Troy area, and Syracuse.

Schneiderman’s office has cooperated closely with the Department of Justice during the investigation, and helped lead a group of states reviewing the merger. The New York Attorney General’s Office has conducted numerous interviews of business enterprises throughout New York State and the country to assess whether the merger would result in harm to competition in business as well as consumer markets.

The investigation was conducted by Acting Deputy Bureau Chief Geralyn Trujillo and Assistant Attorney General Matthew Siegel in the Antitrust Bureau, as well as Mary Ellen Burns, Special Counsel, and Keith Gordon, Assistant Attorney General in the Consumer Protection Bureau, under the supervision of Acting Antitrust Bureau Chief Richard L. Schwartz.