

BELLSOUTH DITHERED AND DALLIED AND IS NO MORE

It is now official. BellSouth Corporation has gone with the wind, or more precisely, gone to San Antonio, Texas. People have been asking me what I think of the takeover of my alma mater by its former Bell System country cousin, Southwestern Bell, now known as the “new” AT&T. To quote Rhett Butler, “Frankly, my dear, I don’t give a damn.” Adios.

The 13th-largest corporation in America at its birth in 1984, BellSouth is no more. Kaput. Killed by a management unwilling or unable to compete in the high-tech world in which it found itself, and outmaneuvered and outthusted by a once-sleepy Regional Bell Operating Company that we used to refer to derisively as Taco Bell. Had I known they were going to swallow up my old company, I swear I would have been nicer.

It is interesting to note that most of BellSouth’s top management was not invited to be a part of the new company. I guess the new AT&T didn’t want to run the risk of one day being subject to a takeover from Dairy Queen.

BellSouth Corporation had numerous opportunities to grow and expand over the years, including buying Sprint, MCI and parts of the old AT&T, but management could never bring itself to pull the trigger. Southwestern Bell’s management evidently had no such fears of failure. They snapped up former rivals Ameritech and PacTel, as well as AT&T, while BellSouth management downsized, outsourced, dithered and dallied.

BellSouth’s life should not have ended so ignominiously. At the time of divestiture from the “old” AT&T just 23 years ago, the corporation consisted of two very strong telephone companies, Southern Bell and South Central Bell, and a game plan to compete vigorously in whatever unregulated businesses we thought would best fit our future, including the nascent cell phone business — later to be known as “wireless.” We were located in the fastest-growing territory in the country. We had the best customers, the most dedicated employees, and the strongest financial position of the seven original Regional Bell Operating Companies. Wall Street analysts described us as “the Right Company in the Right Place at the Right Time,” and we were. Those were exciting and challenging days. We were doing everything for the first time, and doing it well. For seven straight years, Fortune magazine rated BellSouth as the Most Admired Company in the telecommunications industry. Southwestern Bell wasn’t on the radar screen in those days.

I retired from the company in 1994 as vice president of public relations to join the Atlanta Committee for the Olympic Games. Somewhere between that time and now, the company culture changed, and not for the better. It grew smug and complacent and timid. It squandered the hard work and dedication of a lot of people who had helped to make BellSouth a major player in corporate America.

While management was hard at work converting a corporate powerhouse into a takeover target, they also created new and innovative ways to make their retirees feel a part of the team, particularly one former officer who also happens to write a widely distributed newspaper column. A high-level executive confronted me at a company gala in front of a group of retired officers and spouses, and with no preamble announced to one and all that I was full of doggie-poo (not his exact words, but you get the idea) regarding some of my political opinions, with which he obviously disagreed. He really didn’t have to go to all that trouble. A simple “Thank you for your years of service to the company” would have sufficed. Ironically, Mr. Potty Mouth helped engineer BellSouth’s demise. I hope he enjoys his well-deserved retirement.

As for the new AT&T, it can be headquartered in San Antonio or on Mars for all I care. The one thing I do care is that some anonymous corporate bean counter doesn’t all of a sudden consider me and the other BellSouth retirees as “cost causers” and start boogering around with our pensions. We earned every dime of them, helping build a damn good company that deserved a much better outcome than this.