

DOJ Says Ruling on AT&T-Time Warner Ignored 'Economics and Common Sense'

The federal government challenged a judicial decision allowing AT&T to purchase Time Warner, arguing to a federal appeals court in Washington that the ruling suffered from "faulty logic" and ignored basic economic principles, according to *The Washington Post*.

The Justice Department asserted that the district court misunderstood the power dynamics at work when television distributors such as AT&T negotiate with TV programmers over content prices and terms, writes **Brian Fung**.

In its filing, the DOJ called the decision a "deeply flawed assessment of the government's evidence."

"It is fundamental to the economics of bargaining that a party derives leverage from having the ability to walk away, even if it never actually does so," the Justice Department wrote.

Read the *Washington Post* article.