

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

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UNITED STATES OF AMERICA,  
Plaintiff,

v.

Case No.  
1:17-cv-02511

AT&T INC., DIRECTV GROUP  
HOLDINGS, LLC, and  
TIME WARNER INC.,  
Defendants.

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CONFIDENTIAL - PURSUANT TO PROTECTIVE ORDER  
VIDEOTAPED DEPOSITION OF RANDALL STEPHENSON  
Washington, D.C.  
FEBRUARY 6, 2018  
9:05 A.M.

Reported by:  
Karen Brynteson, RMR, CRR, FAPR  
Job No. 53278

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8 Q. Okay. Before I move to this  
9 next set of documents, let me take a  
10 little -- change topic of areas here for a  
11 minute.

12 A. Okay.

13 Q. And I am going to cover some  
14 topics that we believe should be  
15 irrelevant to this case, but some of the  
16 people on your side have raised some of  
17 these issues, so I have got to ask  
18 questions about them.

19 A. Okay.

20 Q. So it is correct, isn't it, that  
21 in November of last year you had a meeting  
22 with Assistant Attorney General Delrahim  
23 and his Deputy, Andrew Finch, and I  
24 believe Mr. McAtee was there as well?

1           A.     Was it November? I don't have  
2           the calendar.

3           Q.     In the fall of last year.

4           A.     We did, yes.

5           Q.     And the purpose of that meeting  
6           -- that meeting was in the offices of the  
7           Antitrust Division?

8           A.     Correct.

9           Q.     And was anybody else present  
10          than the four names I mentioned?

11          A.     Mr. Delrahim, Finch, McAtee and  
12          me. That was it.

13          Q.     And the purpose of the meeting  
14          was to discuss the possibility that a  
15          lawsuit would be filed to challenge the  
16          proposed merger?

17          A.     Yeah. We covered a number of  
18          topics, but yeah.

19          Q.     Okay. And during that meeting  
20          you raised the subject of CNN?

21          A.     I did.

22          Q.     Okay. And you were the first  
23          one to raise the subject of CNN?

24          A.     Oh, yeah. I asked Mr. Delrahim

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MR. PETROCELLI: You mean in the meeting?

BY MR. CONRATH:

Q. In the meeting.

A. I asked Mr. Delrahim, I think my language, this will be pretty close: If I were to walk in here tomorrow and tell you I had gotten my head around selling CNN, would that allow you to wave this deal through? And he said, unequivocally, no.

Q. Was there anything else said about CNN in that meeting?

A. I don't think so. We talked a lot about sports programming.

Q. And so, just so I understand it, it is correct that at no time did anyone from DOJ say that you should do something specifically with CNN and only CNN to get the merger approved?

A. I have stated that publicly.

Q. And no one from DOJ suggested spinning off just CNN?

A. No.

1 Q. Okay. And no one from DOJ  
2 suggested any management changes at CNN?

3 A. No.

4 Q. Okay. So the Antitrust Division  
5 representatives did suggest the  
6 possibility of spinning off either all of  
7 Turner or all of DirecTV, correct?

8 A. In that meeting, I am trying to  
9 remember how it was characterized, but  
10 that we would need to sell one of the two,  
11 yeah.

12 Q. But -- but in the context of  
13 that, there was no one from the Department  
14 suggesting singling out CNN?

15 A. No.

16 Q. Is it your belief that anything  
17 else was said in your meeting with  
18 Assistant Attorney General Delrahim and  
19 his Deputy, Mr. Finch, that gives you  
20 reason to believe that there is any reason  
21 for this lawsuit other than the merits of  
22 this case?

23 A. I have a lot of reasons of  
24 suspicion, yes, just a lot of facts. Not

1 anything Mr. Delrahim has said to me  
2 directly, things Mr. Delrahim has said in  
3 the public domain, and then those -- those  
4 positions changing once he is put into the  
5 role of head of the Antitrust Division.

6 So, I mean, there is, you know,  
7 areas that causes one logically to  
8 question what the true motivation is  
9 behind this.

10 A classic vertical merger,  
11 candidly, this is such a change in  
12 approach for the Antitrust Division, that  
13 also causes one to wonder why would Mr.  
14 Delrahim change his position so markedly  
15 after assuming the role in antitrust? So,  
16 yeah, there is a lot of things that cause  
17 me to question. I said that publicly as  
18 well.

19 I'm not -- I have no detailed  
20 information that there is anything  
21 specific. I'm just looking at the -- the  
22 data and the facts and positions made by  
23 Mr. Delrahim, and positions stated very  
24 clearly and loudly by our President.

1                   We talked about one example  
2                   where a President of the United States  
3                   made a position very publicly about the  
4                   FCC's position he would like to see taken  
5                   on net neutrality, and how the FCC  
6                   Chairman's position changed.

7                   And that just makes one question  
8                   have we seen something similar here, where  
9                   a President states his intention and his  
10                  preference and then the head of antitrust  
11                  changes their position?

12                  I don't know. It just is  
13                  something that causes me to question a lot  
14                  about what's -- what's the motivation.

15                  Q. All right. So when you talk  
16                  about a change of position, you're  
17                  referring to an interview Mr. Delrahim  
18                  gave while a private citizen, obviously,  
19                  about the time the merger was announced;  
20                  is that right?

21                  A. Correct.

22                  Q. Anything else?

23                  A. In terms of change of position?

24                  Q. No. Is there -- yes, anything

1 else with respect to that?

2 A. So that statement was made.

3 Then the President made his comment about  
4 that AT&T/Time Warner merger.

5 Mr. Delrahim worked in the White  
6 House, not as a nominee of the Antitrust  
7 Division, for a period of time as a, I  
8 guess in the general counsel's office, and  
9 then is nominated for the position. And  
10 then Mr. Delrahim, once being confirmed,  
11 changes his position on this deal.

12 So those are the only data  
13 points I have.

14 Q. All right. So you are familiar  
15 with Mr. Delrahim's interview that  
16 mentions, among other things, that the  
17 transaction will be investigated by the  
18 Department, right?

19 A. Right.

20 Q. So you knew --

21 A. I have seen the whole interview  
22 end-to-end, yes.

23 Q. All right. And you know the  
24 transaction -- the investigation started



1           shortly after the transaction was  
2           announced?

3           A.     Yes.

4           Q.     You know that, correct?

5           A.     I am fully aware of that.

6           Q.     All right.  And you know that  
7           the Comcast/NBCU transaction was the  
8           subject of a lawsuit, correct?

9           A.     I do.

10          Q.     All right.  You mentioned the  
11          fact that Mr. Delrahim worked in the White  
12          House.

13                   Do you have any reason to  
14          believe there has been any communication  
15          from -- from the President to Mr.  
16          Delrahim?

17          A.     I have none.

18          Q.     Do you have any reason to  
19          believe that anyone in the White House  
20          gave any directions to anyone in the  
21          Justice Department as to what to do about  
22          this merger?

23          A.     I have none.

24          Q.     Do you have any reason to

1 believe that anyone outside of the Justice  
2 Department gave directions to anyone in  
3 the Justice Department as to what to do  
4 about the merger of AT&T and Time Warner?

5 A. I'm sorry, say that one more  
6 time.

7 Q. Sure. Do you have any reason to  
8 believe that anyone outside the Justice  
9 Department gave any directions to anyone  
10 in the Justice Department as to what to do  
11 about the merger?

12 MR. PETROCELLI: These  
13 questions, would you have reason to  
14 believe, I assume you are asking him  
15 -- I haven't been objecting but maybe  
16 I should -- does he have any  
17 knowledge?

18 MR. CONRATH: Yes.

19 MR. PETROCELLI: Okay, yes, does  
20 he have any knowledge. Of course, as  
21 you know, we have been asking for this  
22 evidence and we have not received it.

23 But he is just asking for your  
24 personal knowledge.

1 THE WITNESS: Do I have  
2 knowledge? No, I have no knowledge of  
3 anything specific.

4 BY MR. CONRATH:

5 Q. Okay. Have you had any  
6 communications about the merger with the  
7 President?

8 A. I have not.

9 Q. Okay. Have you had any  
10 communications about the merger with  
11 anyone in the Administration outside of  
12 the Antitrust Division?

13 A. Yes, I have.

14 Q. And can you tell us with whom?

15 A. It was a week ago Saturday with  
16 Gary Cohn.

17 Q. And tell us what transpired in  
18 that communication.

19 A. I -- I told Gary that this was  
20 B.S. -- I didn't say B.S. but I said the  
21 spelled-out version. And Gary implied  
22 that he was not at liberty to speak about  
23 it. And I said I understand, but this is  
24 B.S.

1                   And I told him great work on tax  
2 reform. I thought they did a terrific  
3 job. And that was the extent of the  
4 conversation.

5                   Q.     All right. Where was the  
6 communication? What was the occasion that  
7 you were --

8                   A.     The Alfa Club.

9                   Q.     Have you told anyone that you  
10 have had communications with the President  
11 about the merger?

12                  A.     No.

13                  Q.     Okay.

14                  A.     About the merger?

15                  Q.     Yes.

16                  A.     No. I have had conversations  
17 with the President, multiple of them,  
18 yeah.

19                  Q.     Sure. You -- have you told us  
20 -- so I asked you, describe for us -- a  
21 moment ago -- your feelings, concern about  
22 the nature of the reasons for the lawsuit.

23                                 Have you told us now all the  
24 facts on which -- of which you have

1 knowledge on which you base your concern  
2 or your feelings that the merger case was  
3 brought for reasons other than the merits?

4 A. I -- that's challenging my  
5 memory. But as I can recall --

6 MR. PETROCELLI: The question --  
7 I am going to object to the question  
8 as to form. But you can answer as  
9 best you can.

10 THE WITNESS: As I recall  
11 sitting here at this moment right now,  
12 I believe I have shared everything in  
13 terms of my -- what has caused me my  
14 concern about how the merger has been  
15 dealt with, yes.

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