



The history of Verizon Communications

Verizon Communications Inc., based in New York City and incorporated in Delaware, was formed on June 30, 2000, with the merger of Bell Atlantic Corp. and GTE Corp.

Verizon began trading on the New York Stock Exchange (NYSE) under the VZ symbol on Monday, July 3, 2000. It also began trading on the NASDAQ exchange under the same symbol on March 10, 2010.

The symbol was selected because it uses the two letters of the Verizon logo that graphically portray speed, while also echoing the origin of the company name: *veritas*, the Latin word connoting certainty and reliability, and horizon, signifying forward-looking and visionary.

While Verizon is truly a 21st century company, the mergers that formed Verizon were many years in the making, involving companies with roots that can be traced to the beginnings of the telephone business in the late 19th century.

Government regulation largely shaped the evolution of the industry throughout most of the 20th century. Then, with the signing of the Telecommunications Act on February 8, 1996, federal law directed a shift to more market-based policies. This promise of a new competitive marketplace was a driving force behind Verizon's formation.

Verizon's formation

The mergers that formed Verizon were among the largest in U.S. business history, culminating in a definitive merger agreement, dated July 27, 1998, between Bell Atlantic, based in New York City, and GTE, which was in the process of moving its headquarters from Stamford, Conn., to Irving, Texas.

GTE and Bell Atlantic had each evolved and grown through years of mergers, acquisitions and divestitures. Each had proven track records in successfully integrating business operations.

Prior to the merger, GTE was one of the world's largest telecommunications companies, with 1999 revenues of more than \$25 billion. GTE served approximately 35 million access lines through subsidiaries in the U.S., Canada and the Dominican Republic, and through affiliates in Canada, Puerto Rico and Venezuela. (Access lines are the individual landline connections from a customer's premises to the telecommunications network.) GTE was a leading wireless operator in the U.S., with more than 7.1 million wireless customers and the opportunity to serve 72.5 million potential wireless customers.

Bell Atlantic was even larger than GTE, with 1999 revenues of more than \$33 billion. It served 43 million access lines, including 22 million households and more than 2 million business customers. It also managed one of the world's largest and most successful wireless companies, with 7.7 million Bell Atlantic Mobile customers in the U.S. and international wireless investments in Latin America, Europe and the Pacific Rim. Bell Atlantic's Directory Services was the world's largest publisher of directory information, including operations in Europe.

The Bell Atlantic - GTE transaction — valued at more than \$52 billion at the time of the announcement — was designed to join Bell Atlantic’s sophisticated network that served its densely-packed, data-intensive customer base in 13 states from Maine to the Virginias with GTE’s national footprint, advanced data communications capabilities and long-distance expertise. The purpose was to create a company with the scale and scope to compete as one of the telecommunications industry’s top-tier companies.

The merger closed nearly two years later, following review and approvals by Bell Atlantic and GTE shareowners, 27 state regulatory commissions and the Federal Communications Commission (FCC), and clearance from the U.S. Department of Justice (DOJ) and various international agencies.

The beginnings of Verizon Wireless

In the meantime, on September 21, 1999, Bell Atlantic and London-based Vodafone AirTouch Plc (now Vodafone Group Plc) announced that they had agreed to create a new wireless business — with a national footprint, a single brand and a common digital technology — composed of Bell Atlantic’s and Vodafone’s U.S. wireless assets (Bell Atlantic Mobile, AirTouch Cellular, PrimeCo Personal Communications and AirTouch Paging).

This wireless joint venture received regulatory approval in six months. The new “Verizon” brand was launched on April 3, 2000, and the wireless joint venture began operations as Verizon Wireless on April 4. GTE’s wireless operations became part of Verizon Wireless — creating the nation’s largest wireless company — when the Bell Atlantic - GTE merger closed nearly three months later. Verizon then became the majority owner (55 percent) of Verizon Wireless, with management control of the joint venture.

When Verizon Communications began operations in mid-2000, the leaders of Bell Atlantic and GTE shared management responsibility for the company. Former GTE Chairman and CEO Charles R. “Chuck” Lee became Verizon’s founding Chairman of the Board and co-CEO, while former Bell Atlantic CEO Ivan Seidenberg became Verizon’s founding President and co-CEO. In accordance with a leadership transition plan announced at the time of the merger, Lee retired from Verizon in 2002.

Seidenberg retired as Chairman and CEO in 2011 and was succeeded by Lowell C. McAdam, who became CEO in August 2011 and Chairman on Jan. 1, 2012. McAdam was Verizon’s President and COO before becoming CEO, and he was CEO of Verizon Wireless prior to that.

Recent Verizon history

A bellwether for the industry, Verizon Communications was added to the Dow Jones Industrial Average in 2004. Verizon has a regional presence in wireline and national presence in wireless markets, with well more than 100 million Americans connecting to a Verizon network daily.

With the addition of MCI Inc., in 2006, Verizon is also a leading provider of advanced communications and information technology solutions to large-business and government customers worldwide.

With the acquisition of Alltel Corp. in early 2009, Verizon Wireless became the largest wireless service provider in the U.S., as measured by the total number of customers.

With the acquisition of AOL Inc., completed in June 2015, Verizon began the next chapter in the company's history, with intentions to become the #1 global media technology company for creators, advertisers and consumers on a mobile-first network platform.

Verizon's business focus is to deliver the promise of the digital world to customers, and as of year-end 2015:

- Verizon employed a diverse workforce of 177,700 and generated nearly \$132 billion in 2015 revenues, ranking #15 in the Fortune 500.
- Verizon operated America's most reliable wireless network, with more than 112 million retail connections worldwide. Wireless revenues, which have exceeded revenue from wireline services since 2008, totaled nearly \$92 billion in 2015.
- Verizon provided communications and entertainment services over America's most advanced fiber-optic network, and delivers integrated business solutions to customers in more than 140 countries.

The company's headquarters is located at 1095 Avenue of the Americas in New York City, and it has a major operations hub, the Verizon Center, in Basking Ridge, N.J.

In 2014 and 2015 alone, Verizon invested a total of nearly \$35 billion to maintain, upgrade and expand its technology infrastructure. Verizon's strong cash flow from operating activities (\$38.9 billion in 2015) has enabled the company to invest in growth areas — particularly broadband and wireless — even as the company has maintained a healthy dividend. In September 2016, Verizon's Board of Directors approved its tenth consecutive annual dividend increase.

Wireless investment and growth

Through 2015, Verizon has made more than \$110 billion in network investments in wireless. This is in addition to major spectrum purchases.

In August 2008, Verizon Wireless expanded to many rural markets by completing its purchase of Rural Cellular Corp. for \$2.7 billion in cash and assumed debt.

In January 2009, Verizon Wireless completed its purchase of Alltel from Atlantis Holdings LLC, expanding the company's network coverage to nearly the entire U.S. population. (Alltel had been formed in 1983, with the merger of two independent telephone companies: Allied Telephone in Arkansas and Mid-Continent Telephone in Ohio. By the time the transaction with Verizon was announced in June 2008, Alltel was a wireless company with approximately 13 million customers.) Verizon Wireless paid approximately \$5.9 billion for the equity of Alltel. Immediately prior to the closing, the Alltel debt associated with the transaction, net of cash, was approximately \$22.2 billion.

In December 2011, Verizon Wireless announced agreements to purchase Advanced Wireless Spectrum (AWS) licenses from SpectrumCo — a joint venture of Comcast, Time Warner Cable and Bright House Networks — and from Cox TMI Wireless. The spectrum licenses under the two agreements covered 93 percent of the U.S. population, and the purchased closed in August 2012.

In January 2015, the FCC completed an auction of 65 MHz of spectrum, which it identified as the AWS-3 band. Verizon participated in that auction and was the high bidder on 181 spectrum licenses, for which it paid approximately \$10.4 billion.

During 2015, 2014 and 2013, Verizon invested \$9.9 billion, \$0.4 billion and \$0.6 billion, respectively, in acquisitions of wireless licenses. This spectrum has fueled Verizon's wireless network development and customer growth.

In March 2008, for example, Verizon invested \$9.4 billion for a nationwide spectrum footprint, plus 102 spectrum licenses for individual markets around the U.S., in the FCC's 700 MHz auction. Using this spectrum, Verizon launched its 4G LTE (fourth-generation Long Term Evolution) mobile broadband network in December 2010, the most advanced 4G network in the U.S., in 38 major metropolitan areas covering one-third of all Americans.

Verizon quickly expanded this network, announcing it would bring 4G LTE network to an additional 140 markets by the end of 2011. By year-end 2015, Verizon's 4G LTE network covered approximately 312 million people in the U.S., including those in areas served by the company's LTE in Rural America partners. In 2015, Verizon announced its commitment to lead the industry in developing and deploying 5G (fifth-generation) wireless technology, with field trials beginning in 2016.

By far, Verizon's largest investment in wireless occurred in February 2014, when the company completed its acquisition of Vodafone's 45 percent indirect interest in Verizon Wireless in a transaction valued at approximately \$130 billion. The historic transaction – one of the largest in business history – gave Verizon full ownership of the U.S. wireless industry leader in network performance, profitability and cash flow.

Wireline and global services

At year-end 2015, Verizon's wireline network served 9.2 million broadband connections in 12 states and the District of Columbia – with the divestiture of wireline services in three states pending at the end of first-quarter 2016.

In wireline, Verizon launched an industry-leading initiative in 2004 to bring customers the next-generation broadband services — fiber-optic-based Internet and video services called Fios. From 2004 through 2015, the company invested more than \$25 billion to deploy Verizon's fiber network, passing 20.5 million premises in the U.S. as of year-end 2015.

Verizon began selling Fios Internet services in the Dallas suburb of Keller, Texas, in August 2004, and the company had 7.0 million Fios Internet customers by year-end 2015. The company began selling Fios video services in September 2005 and had 5.8 million Fios video customers by year-end 2015. Fios revenues represented 80.4 percent of total consumer and mass market wireline revenues in fourth-quarter 2015.

In addition to domestic wireline services, Verizon offers strategic services and other core communications services to medium and large business customers, including multinational corporations, as well as state and federal government customers. In 2015, global enterprise revenues were \$12.9 billion.

Verizon Enterprise Solutions offers an array of advanced information and communication technology services, including global Internet Protocol (IP) network, cloud, and IT (information technology) solutions, and business communications, IoT (Internet of Things), data, security and mobility services.

Acquisitions

Over the past decade, Verizon has made a number of acquisitions to build its portfolio of next-generation communications services.

On February 14, 2005, Verizon announced an agreement to acquire MCI Communications Corp. in order to enhance its ability to deliver the benefits of converged communications, information and entertainment across the country and around the world. Qwest Communications later announced its own bid for MCI, but in May 2005 the MCI Board endorsed an amended bid by Verizon. The merger closed on January 6, 2006, in a transaction valued at approximately \$8.5 billion.

In May 2007, Verizon announced an agreement to acquire Cybertrust, a privately held provider of global information security services.

In January 2011, Verizon announced an agreement to acquire Terremark Worldwide Inc., a global provider of managed IT infrastructure and cloud services, for a total equity value of \$1.4 billion. The transaction closed in April 2011, and accelerated Verizon's strategy to deliver a portfolio of highly secure, scalable on-demand solutions to business and government customers globally – building on the global network capabilities that Verizon gained through its acquisition of MCI.

To complement the Terremark acquisition, Verizon acquired CloudSwitch, an innovative provider of cloud software technology, in August 2011.

In July 2012, Verizon acquired Hughes Telematics. The transaction expanded Verizon's capabilities in the automotive and fleet telematics marketplace and helped accelerate growth in emerging IoT applications. Verizon's strategy to simplify the IoT and accelerate its adoption includes the launch in 2015 of ThingSpace, an IoT platform designed to assist developers create, test, manage and market their IoT-based solutions aimed at major vertical markets, such as energy, health care and connected cities.

In November 2013, Verizon acquired the assets and operations of upLynk, a leading technology and television cloud company. In December 2013, Verizon announced an agreement to acquire EdgeCast, an industry leader in content delivery networks. In January 2014, Verizon and Intel Corp. announced an agreement for Verizon to purchase the assets of Intel Media, a business division dedicated to the development of cloud TV products and services.

Those three businesses were integrated into the Verizon Digital Media Services (DMS) organization, which uses world-class technology to help companies prepare, deliver and display digital media content including video, web pages, applications, mobile ads and live events on any screen.

In June 2015, taking another significant step in building digital and video platforms to drive future growth, Verizon purchased AOL Inc. for \$50 per share – an estimated total value of approximately \$4.4 billion. Verizon's acquisition further drives its LTE wireless video and OTT (over-the-top video) strategy.

The capabilities of AOL, combined with DMS, enabled Verizon to launch go90 in 2015. This is a mobile-first social entertainment platform that provides the opportunity for ad-supported mobile video streaming. In January 2016, Verizon introduced FreeBee Data, a sponsored data service.

In February 2016, in a move to continue to strengthen the foundation of America's best networks, Verizon announced an agreement to purchase XO Communications' fiber-optic network business for approximately \$1.8 billion. The transaction is expected to close in the first half of 2017. Separately, Verizon intends to lease available XO wireless spectrum to conduct 5G testing, with an option to buy XO's entity that holds its spectrum by year-end 2018.

Divestitures

At the same time Verizon has made significant network investments and acquisitions, the company has shed non-strategic assets and investments to focus on nationwide wireless, global enterprise and wireline broadband services concentrated in Northeast and Mid-Atlantic states.

Verizon sold wireline access lines in Alabama, Missouri and Kentucky in 2002 and in Hawaii in 2005.

In January 2007, Verizon announced the spinoff of wireline businesses in Maine, New Hampshire and Vermont to FairPoint Communications, Inc. This transaction closed on March 31, 2008.

In May 2009, Verizon announced the spinoff of wireline businesses in Arizona, Idaho, Illinois, Indiana, Michigan, Nevada, North Carolina, Ohio, Oregon, South Carolina, Washington, West Virginia and Wisconsin, and in portions of California bordering Arizona, Nevada and Oregon — to Frontier Communications Corp. This transaction closed on July 1, 2010. The total value to Verizon and its shareowners was approximately \$8.6 billion.

In February 2015, Verizon announced another agreement with Frontier to sell Verizon's local exchange business and related landline activities in California, Florida and Texas for approximately \$10.5 billion, including the assumption of \$0.6 billion of indebtedness from Verizon by Frontier. This transaction to close at the end of the first quarter of 2016.

In addition to these wireline transactions, Verizon divested directory publishing and certain international assets.

In 2006, Verizon spun off its U.S. print and Internet Yellow Pages directories company to Verizon shareholders. The spinoff resulted in a new public company called Idearc, later called SuperMedia Inc.

Verizon also sold its interests in telecommunications providers in the Dominican Republic, Puerto Rico and Venezuela in three separate transactions to América Móvil, a wireless service provider throughout Latin America, and a company owned jointly by Teléfonos de México (Mexico's leading full-service telecommunications company) and América Móvil. The sale of Verizon Dominicana closed in December 2006, and the other transactions closed in early 2007.

In another recent strategic transaction of note, in March 2015 American Tower Corp. acquired the exclusive right to lease, acquire or otherwise operate and manage many of Verizon's wireless towers for an upfront payment of \$5.1 billion, which also included payment for the sale of 162 towers.

Bell Atlantic corporate history

The term “Baby Bell” — synonymous with RBOC, or Regional Bell Operating Company — indicates that Bell Atlantic was one of the companies tracing its heritage to the Bell System, which was a common name for the organizational structure of the American Telephone and Telegraph Co. (AT&T) prior to 1984.

Until then — as the result of a 1913 agreement known as the Kingsbury Commitment and reinforced by the Communications Act of 1934 (the act that created the FCC) — the Bell System functioned as a legally sanctioned, regulated monopoly. The purpose of this sanction was the goal of “Universal Service” which, according to the 1934 Act, was “to make available... for all the people of the United States a rapid, efficient nationwide...wire and radio communication service with adequate facilities at reasonable charge.”

On January 1, 1984, 22 local telephone companies were split from parent company AT&T. At the time, it was the largest private business enterprise in the world, with more than 1 million U.S. employees; the company was popularly referred to as “Ma Bell.”

A divestiture occurs when one or more companies are split from a parent corporation, often by government order. The divestiture of AT&T was so large and unprecedented that it became known as simply “Divestiture.” Events leading to Divestiture included the FCC’s 1968 Carterfone decision, which allowed competition with the Bell System for telephone equipment, and a 1974 antitrust suit filed by the DOJ, charging that AT&T had unlawfully monopolized the telecommunications market.

After years of preparation and several months of trials related to this antitrust suit, the government and AT&T resolved their differences out of court, agreeing to a consent decree in January 1982. This is also sometimes called the Modified Final Judgment, or MFJ, since the settlement modified a 1956 consent decree also involving AT&T.

According to terms of Divestiture, the 22 operating Bell telephone companies were formed into seven regional holding companies of roughly equal size. Bell Atlantic was one of the original seven RBOCs, or Baby Bells, that began operations in 1984.

When it was formed, Bell Atlantic was based in Philadelphia and consisted of several telephone companies (Bell of Pennsylvania; C&P Telephone Companies of D.C., Maryland, Virginia and West Virginia; Diamond State Telephone, and New Jersey Bell) serving six states (Delaware, Maryland, New Jersey, Pennsylvania, Virginia and West Virginia) and the District of Columbia.

One key regulatory restriction imposed by Divestiture on all of the RBOCs was a prohibition against providing long-distance telephone services in their own jurisdictions. The MFJ had divided the U.S. into geographic areas within which an RBOC could offer telecommunications services. These areas are called Local Access and Transport Areas, or LATAs. Local telecommunications services were called intraLATA, while long-distance services were called interLATA. A similar traditional industry abbreviation is NNX, which refers to the three digits that follow an area code in a 10-digit phone number. These terms relate to the public switched telephone network, or PSTN.

Bell Atlantic/NYNEX

One of the most significant evolutionary steps for Bell Atlantic was a June 1994 agreement to form a wireless joint partnership with NYNEX, another of the original seven Baby Bells that began operations in 1984. The combined wireless businesses were to cover 55 million potential customers along the East Coast and in the Southwest.

This combination began operations in July 1995 under the name Bell Atlantic NYNEX Mobile. NYNEX (pronounced “NINE-x”), based in New York, was so named because it was composed of the New York and New England telephone companies that were formerly part of the Bell System (“NY” representing New York, “NE” representing New England, and “X” the undefined future).

NYNEX operated in seven Northeastern states — Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island and Vermont. For a decade, New York Telephone and New England Telephone were branded independently, but under Ivan Seidenberg’s direction, operations were internally “merged” under a single NYNEX brand on January 1, 1994.

The Bell Atlantic - NYNEX wireless partnership marked the beginnings of the current-day Verizon Wireless.

This partnership also began a relationship between the two RBOCs that resulted in an announcement on April 22, 1996, that Bell Atlantic and NYNEX had agreed to merge their entire operations in a transaction then valued at \$23 billion. On April 1, 1996 — less than two months after the signing of the Telecommunications Act — two other Baby Bells (SBC Communications and Pacific Telesis) had also proposed a merger, and more than a year of regulatory review and approvals followed for each.

The Bell Atlantic - NYNEX merger united a natural market in the adjoining Northeast and Mid-Atlantic regions. The “new” Bell Atlantic opened for business on August 15, 1997. As announced when the merger agreement was struck, the company retained the Bell Atlantic name and was headquartered in New York. Raymond Smith retained the title of Chairman and CEO of Bell Atlantic after the merger, and Seidenberg, who was formerly Chairman and CEO of NYNEX, became the Vice Chairman, President and Chief Operating Officer. Seidenberg was later named CEO, then Chairman upon Smith’s retirement at the end of 1998.

Even before their merger, both Bell Atlantic and NYNEX had been making headlines since the 1984 Divestiture. Under Seidenberg, NYNEX was widely recognized as among the first of the Baby Bells to embrace the new competitive era codified by the Telecommunications Act of 1996, and throughout the ‘90s Bell Atlantic’s Smith articulated a vision for the Information Superhighway made possible by the fledgling Internet.

In 1993, Bell Atlantic had proposed a merger with cable TV giant Tele-Communications Inc. — a high-profile deal later terminated by Bell Atlantic, but one that dramatically accelerated the pace of change in the industry, making it clear that convergence of digital technologies and industry consolidation were the way of the future.

The Bell System

Before 1984, as part of the Bell System, the histories of Bell Atlantic and NYNEX followed similar paths. They were, in fact, part of one management system, promulgated in 1908. Theodore N. Vail, the then-new president of AT&T, set forth a vision that would define the Bell System for many years to come — “One Policy, One System, Universal Service.”

The Bell System has a long and storied history, dating back to the very invention of the telephone and the first patent filed by Bell, applied for on February 14, 1876, and granted on March 7, 1876. Three days later, the inventor dropped a battery, spilling acid. He called out to his assistant, “Mr. Watson, come here!” and Watson heard Bell’s words over the new device.

Many books and other educational resources are available that chronicle the history of the Bell System — from 1917 when exchange names (“Pennsylvania 6”) were first added to four-digit phone numbers in New York (a practice that began to be phased out in 1960 with the introduction of “all number calling”), to the first public demonstration of the newly invented transistor by Bell Telephone Laboratories in 1948, to the introduction of Picturephone service coincident with the 1964 World’s Fair.

An underlying theme of Bell System culture has been an attention to customer service — whether exhibited by a bedrock commitment to protect customer privacy or by the heroic efforts of phone company managers and technicians to restore essential services following disasters.

This service ethic is often depicted by a Bell System-commissioned painting, “The Spirit of Service,” based on a photograph of New England Bell lineman Angus Macdonald in snowshoes, maintaining the only long-distance telephone lines between New York and Boston during the Great Blizzard of 1888. Bell System communications lines had stayed open during the severe March storm that otherwise had paralyzed the Northeast.

Examples of the Spirit of Service abound throughout the history of the Bell Atlantic and NYNEX telephone companies. In February 1975, a fire of unknown origin swept through a New York Telephone central office in lower Manhattan, causing the worst service disaster ever suffered by a single Bell operating company. The company restored lines serving more than 170,000 phones within 22 days — a technological feat that, at the time, would normally have taken a year or more. The effort was dubbed “The Miracle of Second Avenue.”

Decades later, the Spirit of Service was again exemplified by Verizon’s restoration efforts following the terrorist attacks on September 11, 2001.

The 9/11 recovery was enhanced by the scale and scope Verizon had obtained through the merger of Bell Atlantic and GTE, together with the cooperation of other companies in a now fully competitive industry. In New York, Verizon employees helped the NYSE resume trading and handle record volumes less than a week after the attacks on the World Trade Center. At crash sites in Pennsylvania and at the Pentagon, employees provided emergency services and rebuilt systems. In less than 90 days, Verizon had restored a phone and data network at Ground Zero of roughly the size and complexity of one serving a city the size of Cincinnati.

GTE corporate history

GTE, before its merger with Bell Atlantic, was the largest independent phone company in the U.S., owning numerous independent local telephone properties in rural and urban areas.

This distinction between “independent” and “former Bell System” meant that GTE and Bell Atlantic had historically been regulated very differently. For example, GTE was already providing long-distance (interLATA) services to customers at the time the merger with Bell Atlantic was announced.

Bell Atlantic’s entry into the long-distance business had been subject to greater restrictions. Under Section 271 of the Telecommunications Act, federal regulators were required to certify, with input from state regulators and the DOJ, that local telecommunications markets were fully open to competition before a former Baby Bell could be approved to offer long-distance service in a jurisdiction.

Bell Atlantic was the first of the former Baby Bells to file a Section 271 application that was approved by the FCC, and the company had entered the long-distance market in New York state in January 2000.

At the time of the Bell Atlantic - GTE merger in June 2000, regulators did not want to allow Verizon to have operational control of GTE’s Internet infrastructure business, which operated across LATA boundaries in all states, before Verizon had Section 271 approvals in former Bell Atlantic states (which occurred in 2003). Therefore, one condition to the FCC’s approval of the Bell Atlantic - GTE merger was the spinoff of this interLATA data business — an independent company called Genuity.

GTE was forged by a history of acquisitions and mergers — including the acquisition of hundreds of small telephone companies independent of the Bell System. These companies had been formed following the 1894 expiration of the last of the telephone patents granted to Alexander Graham Bell.

This expansion peaked in 1959 with the combination of three companies that formed the nucleus of early GTE: General Telephone, Theodore Gary and Co., and Sylvania Electric Products Inc. This non-integrated conglomerate produced a wide range of products. However, the company focused on telecommunications in the ‘80s and ‘90s:

- In 1981, the company formed GTE Mobilnet to construct and operate cellular systems in 1981. In 1989, GTE Mobilnet – with wireless assets now part of Verizon Wireless – was the first cellular provider to offer service nationwide.
- In 1983, GTE bought long-distance carrier U.S. Sprint from Southern Pacific Co. Five years later, GTE sold a controlling interest in GTE Sprint to United Telecommunications Inc.; the remainder was sold in 1992.
- In 1990, GTE began market tests in Cerritos, Calif., to provide voice, data and video services over a range of transmission networks, including fiber optics, coaxial cable and the copper wiring traditionally used in the phone industry.
- In 1991, GTE acquired Contel Corp. At the time, the \$6.6 billion transaction was the largest merger in telecommunications history, and GTE became the largest U.S.-based local telephone company and the country’s second-largest wireless company. (McCaw Cellular, which was subsequently purchased by AT&T, was the largest wireless company at the time.)
- In 1997, GTE made headlines with a cash offer to acquire MCI, which had already been targeted for acquisition by British Telecommunications PLC and WorldCom Inc. In November, MCI accepted WorldCom’s counter-offer.

MCI corporate history

As a standalone company prior to its 2006 merger with Verizon, MCI was a global communications provider that delivered advanced communications connectivity to business, government and consumers. MCI's Internet backbone network was the largest in the world based on company-owned points of presence.

MCI had 2004 revenues of \$20.7 billion, and its expansive global IP network spanned more than 100,000 miles. It was organized into three units: Enterprise Markets, which included the company's accounts in business and government; U.S. Sales and Service, which included small, medium and large business customers; and International & Wholesale Markets.

Before changing its name to MCI, Inc. in April 2003, the company was known WorldCom. It had been largely shaped by WorldCom's acquisition of MCI — the culmination of the same series of events described earlier involving BT and GTE. The \$37 billion transaction to form MCI WorldCom was the largest merger in U.S. corporate history when it was announced on Nov. 10, 1997, and it closed on Sept. 15, 1998.

In March 2002, a request for information from the U.S. Securities and Exchange Commission (SEC) relating to accounting procedures and loans to officers led to the April 30, 2002, resignation of WorldCom CEO Bernard J. Ebbers. In June 2002, shares of WorldCom fell to as low as 9 cents and the following month WorldCom filed for reorganization under Chapter 11 of the Bankruptcy Code.

By year-end 2002, under new leadership — including newly appointed CEO Michael Capellas — the company had already begun an unprecedented turnaround, sparked in part by the implementation of rigorous ethics and governance standards and policies. The company emerged as MCI from Chapter 11 protection in April 2004.

MCI's early history dates to William G. McGowan, who organized Microwave Communications Inc. in 1968, when the FCC's Carterfone decision allowed competition with the Bell System for telephone equipment. The 1982 MFJ, which opened the long-distance market to competition, was a turning point for MCI. It built out nationwide and international networks, established a vibrant brand and grew so rapidly that, by 1990, it had become one of the nation's largest telecommunications companies.

AOL corporate history

Originally known as America Online, AOL once connected more than 35 million people to the Internet, becoming a cultural icon and business behemoth. The company began operations in 1985 as Quantum Computer Services Inc., launching an online service called Q-Link.

In 1989, its Instant Messenger product included the greeting — “Welcome! You've got mail!” — which became an iconic symbol of the early days of online services.

Quantum was renamed America Online Inc. in 1991, and the company became known, beginning in 1993, for widely distributing floppy disks for computer users to access dial-up online services. The company expanded greatly in the 1990s — acquiring companies such as CompuServe, Moviefone and Netscape — and by 2000 the pioneering company was the largest Internet provider in the U.S.

In January 2000, AOL announced plans to merge with Time Warner in one of the largest – and most written about – transactions in business history. That transaction closed a year later, and information about this period of the company’s history can be found in many outside sources.

AOL spun off from Time Warner in 2009, and key AOL milestones and acquisitions since then have included:

- 2010- AOL acquires TechCrunch; AOL acquires 5Min Media
- 2011- AOL acquires The Huffington Post
- 2012- AdLearn Open Platform launches; HuffPost Live launches; TechCrunch Disrupt launches
- 2013- MAKERS launches on PBS; AOL acquires Adap.tv
- 2014- AOL acquires Gavity; AOL acquires Convertro; AOL acquires Precision Demand; AOL acquires Vidible; AOL receives two Emmy nominations for original programming; Built By Girls (BBG) launches Cambio
- 2015- ONE by AOL for Advertisers launches; AOL acquires Kanvas; NBC Universal and AOL partner for content and ads; AOL launches Partner Studio; Verizon acquires AOL for \$4.4 billion; Microsoft and AOL sign enterprise level partnership for Skype, Xbox, Outlook, and MSN ads and search across AOL properties; AOL acquires Millennial Media; AOL receives two Emmy nominations for original programming and MAKERS; AOL launches LIVE by AOL
- 2016- ONE by AOL for Publishers launches; NFL selects TechCrunch for 1st and Future Super Bowl event

Today, AOL is an independently run Verizon company built on four pillars: video, mobile, ad technology and platforms, and open ecosystems. The company has more than 700 million global unique users in 22 global markets, giving the company the third largest reach of any online property in the world.

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