

AT&T makes changes in response to activist investor push

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In this July 18, 2019, file photo, is an AT&T retail store in Miami. AT&T will review its portfolio for assets it can sell off, pay down debt related to its Time Warner acquisition and add two board members as part of a plan to boost results. (AP Photo/Lynne Sladky, File)

AT&T said it will look for more parts of its business to sell off and add two new board members after pressure from an activist investor.

The moves are part of a plan to boost results that also includes paying down debt from its \$81 billion Time Warner acquisition.

The activist investor, hedge fund Elliott Management, on Monday said it supported AT&T's plans. It had called for changes in September as it revealed a 1% stake in the wireless company.

One business Elliott had called for AT&T to consider dumping: DirecTV, the struggling satellite TV operator acquired in 2015.

AT&T Inc. CEO Randall Stephenson said Monday that DirecTV was an important part of the company's [business strategy](#) over the next three

years, but that there were no "sacred cows" that would be exempt from being considered up for sale.

AT&T also said Monday that Stephenson would stay on through at least 2020.

AT&T is readying a streaming service, HBO Max, for launch in 2020 as more customers abandon traditional TV. It's entering a crowded field as Disney, Apple and Comcast all launch their own versions of a Netflix alternative.

Meanwhile, its TV [business](#) continues to decline, dropping 1.4 million customers in the third quarter. Even its [streaming service](#), a version of cable delivered online called AT&T TV Now, which was meant to help it combat the shrinking number of traditional TV customers, lost subscribers for the 4th straight quarter.

In its wireless arm, AT&T added 101,000 phone customers who pay a monthly bill, the more lucrative kind of [customer](#), up from 67,000 a year ago.

Overall, AT&T earned \$3.7 billion, or 50 cents per share, in the three months ended Sept. 30. Adjusted earnings topped Wall Street expectations.

Shares of the Dallas company jumped nearly 5% in midmorning trading.

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