

United States Senate

WASHINGTON, DC 20510

May 14, 2018

Mr. Randall L. Stephenson
Chairman, Chief Executive Officer, and President
AT&T
208 S. Akard St.
Dallas, TX 75202

Dear Mr. Stephenson:

We are writing about new reports this week that AT&T, beginning in October 2017, paid hundreds of thousands of dollars to Essential Consultants LLC, a “shell company ... used to pay hush money” created by President Trump’s personal attorney, Michael Cohen.¹

According to an email sent to AT&T employees:

In early 2017, as President Trump was taking office, we hired several consultants to help us understand how the President and his administration might approach a wide range of policy issues important to the company, including regulatory reform at the FCC, corporate tax reform and antitrust enforcement. ... Cohen was one of those consultants. Cohen did no legal or lobbying work for us, and our contract with Cohen expired at the end of its term in December 2017.²

Initial reports indicated that AT&T had paid Mr. Cohen’s firm a total of \$200,000; however, more recent sources indicate that the company paid Mr. Cohen “as much as \$600,000.”³ In other words, AT&T secretly paid the President’s New York-based personal attorney, through a limited liability corporation that he appears to have established at least in part to pay an actress to remain silent about a sexual affair with the President, hundreds of thousands of dollars while the company had critical business before the President and his Administration. These payments were made despite Mr. Cohen’s lack of experience and lack of knowledge about tax reform, antitrust issues, and FCC policy. At least three other companies – Novartis AG, Korean Aerospace Industries, and Columbus Nova, an investment firm with ties to Russian oligarch Viktor Vekselberg – made similar payments to Essential Consultants.

¹ New York Times, Firm tied to Russian Oligarch Made Payments to Michael Cohen (May 8, 2018) (<https://www.nytimes.com/2018/05/08/us/politics/michael-cohen-shell-company-payments.html>).

² CNBC, AT&T Paid Trump Lawyer Michael Cohen up to \$600,000 for ‘understanding inner workings’ of the president: source, (May 9, 2018) (<https://www.cnbc.com/2018/05/09/att-paid-trump-lawyer-cohen-up-to-600000.html>)

³ CNBC, AT&T Paid Trump Lawyer Michael Cohen up to \$600,000 for ‘understanding inner workings’ of the president: source, (May 9, 2018) (<https://www.cnbc.com/2018/05/09/att-paid-trump-lawyer-cohen-up-to-600000.html>)

In particular, AT&T had a significant financial interest in key Administration decisions, including whether the Department of Justice would contest the proposed merger with Time Warner, whether the Federal Communications Commission would overturn net neutrality rules, and whether the Administration would push a tax plan that gave huge breaks to corporations like AT&T. Given these ongoing and significant matters, the unusual series of payments by AT&T to the President's personal attorney raise obvious questions about corruption and whether AT&T, Essential Consultants, and the Trump Administration were engaged in a pay-for-play operation.

Earlier today, in a message to your employees, you acknowledged that "AT&T hiring Michael Cohen as a political consultant was a big mistake ... [and] a serious misjudgment," and told them that Bob Quinn, the Senior Executive Vice President responsible for hiring Mr. Cohen, "will be retiring."⁴ But other sources indicated that Mr. Quinn "was being forced to leave."⁵

To address these concerns, we ask that you provide responses to the following questions no later than May 25, 2018:

1. Which individuals at AT&T discussed, arranged, and approved the contract with Essential Consultants?
2. A January 12, 2017 pool report from Trump Tower shows that you entered Trump Tower at 9:13 a.m. alongside Robert Quinn, AT&T's Senior Vice President of External and Legislative Affairs.⁶ The same pool report shows that Michael Cohen entered Trump Tower just 8 minutes earlier at 9:05 a.m. Did you, Mr. Quinn, or any other AT&T executives meet with Michael Cohen, Mr. Trump or any other executives of the Trump Organization on January 12, 2017? If so, did any of those discussions involve a potential work by, or a contract with, Essential Consultants and Mr. Cohen?
3. What was the timeframe of all discussions about the contract? Please indicate when and how the initial contacts and all other contacts were made, and which individuals at AT&T and Essential Consultants (or other entities related to Mr. Cohen) were involved.
4. Detail the amounts and dates of all payments by AT&T to Essential Consultants. How was the amount of AT&T's contractual payments set? Was the amount and payment structure based on a proposal by Mr. Cohen or by AT&T officials?
5. Explain AT&T's decision to consider Essential Consultants and the determination that Mr. Cohen was qualified to advise on policy matters?

⁴ AT&T, A message from Randall (May 10, 2018) (posted on Twitter.com at https://twitter.com/Hadas_Gold/status/994932355528830977).

⁵ Wall Street Journal, AT&T Executive Who Oversaw Michael Cohen's Contract Forced Out (May 10, 2018).

⁶ <https://twitter.com/gregorykorte/status/994253095277391872>

6. Did you or any other AT&T official request or direct any contacts between Mr. Cohen and President Trump (either before or after the Presidential inauguration) or any other official working for the Administration or on the Presidential Transition? Are you aware of any such contacts? If so, please list and describe them.
7. When AT&T signed the contract, or during the term of the contract, did AT&T at any time make a determination of whether the relationship with and payments to Mr. Cohen were required to be reported to the FEC, any other campaign finance officials, or any other federal or state authority? If so, please provide copies of all documents and communications related to this discussion.
8. Does any current or former AT&T official have knowledge of the disposition of any of the funds that AT&T paid to Essential Consultants? Were any of these funds ultimately received by Mr. Trump, or any member of the Trump family or Trump Organization, or were they used to pay debts or liabilities of President Trump, his family, or the Trump Organization? Did any AT&T official believe, or have reason to believe, that any payments made to Mr. Cohen would be provided, in full or in part, to Mr. Trump or to any legal entity in which Mr. Trump or his immediate family had an ownership interest?
9. Did AT&T, or any of its affiliates, have any contractual relationship or pay any funds to any other entity or individual affiliated with, associated with, or represented by Mr. Cohen? If so, please list all such relationships or payments.
10. According to AT&T's statement, the company paid "several consultants to help us understand how the President and his administration might approach a wide range of policy issues important to the company." Please provide a complete list of all consultants that the company paid for this purpose, the amount paid, the date of payment, and the duration of the contacts. List every policy issue for which Mr. Cohen provided, or had agreed to provide, consultant or other services.
11. Why did Mr. Quinn decide to retire this week? Was this retirement planned prior to the news of the payments to Essential Consultants? Did Mr. Quinn make the final decision to sign the contract with Essential Consultants? Did Mr. Quinn decide to retire of his own volition, or was he "forced to leave" the company?
12. Please provide copies of all communications between AT&T and Essential Consultants, or copies of any other communications related to this contract, including any internal AT&T discussion of the contract with Essential Consultants.
13. Please provide a complete, unredacted copy of the contract.
14. Please provide any AT&T guidance document outlining the internal approval process for entering into agreements like the one AT&T entered with Essential Consultants. Please provide any documents memorializing the completion of this approval process.

15. Did or does AT&T have any other contractual relationship with or pay any funds to any other entity or individual affiliated with, associated with, the Trump Organization? If so, please list all such relationships or payments, including relevant dates.
16. Is AT&T fully cooperating with any and all federal or state law enforcement inquiries related to Essential Consulting or Mr. Cohen?

Thank you for your attention to this matter.

Sincerely,



Elizabeth Warren
United States Senator



Richard Blumenthal
United States Senator



Ron Wyden
United States Senator