Bell Labs: Profile

Company Background

Bell Labs is one of the largest research powerhouses in the communications industry. Its roots date back to the early 1900s with Bell Labs’ parent company, the American Telephone and Telegraph Company (AT&T).¹ When the engineering departments of AT&T and Western Electric Company were centralized in New York City in 1907, Bell Labs began the activities for which it has become renowned over the past century—developing innovative telecommunications equipment and engaging in a wide range of basic and applied research that has impacted the technological fabric of modern society. The company was formally incorporated in 1925 as an AT&T subsidiary under the name Bell Telephone Laboratories Inc.²

For decades, Bell Telephone Laboratories developed equipment and systems manufactured by AT&T. Some of its most touted telephone-related inventions included the first mobile phone service, which dates back to 1946, the first transatlantic telephone cable, and the first orbiting communications satellite. Then, in 1982, the relationship between Bell Labs and AT&T began a series of transitions. That year the monopoly that AT&T had over the telecommunications industry ended. The US Department of Justice antitrust suit against AT&T resulted in the breakup of the company into one long-distance service provider (AT&T) and seven local telephone service providers known as “Baby Bells” or RBOCs (Regional Bell Operating Companies).³ Bell Labs remained the research arm for only AT&T during the 14 years that followed. Finally, between 1996 and 1997, AT&T split into three companies, one of which was Lucent Technologies Inc.—a manufacturer of telephone and communication equipment.⁴ AT&T spun off Bell Labs to Lucent, and the new company eventually became known as Alcatel-Lucent Bell Labs.

Today, Bell Labs continues to be the innovation engine that fuels Alcatel-Lucent—a provider of fixed, mobile, and converged broadband networking and IP technologies. Alcatel-Lucent is headquartered in Paris, has operations in 130 countries, and is comprised of 77,000 employees.⁵ Bell Labs alone makes up over 1,000 personnel within Alcatel-Lucent Bell Labs. It runs its own headquarters in Murray Hill, New Jersey, and also operates research facilities in Belgium, China, France, Germany, India, Ireland, etc. In 2008, Bell Labs had a portfolio of more than 26,000 active patents and €2.5 billion invested in research and development (R&D) at its disposal.⁶ It uses these funds to pursue its mission:

To be the undisputed industry leader in innovative R&D, giving Alcatel-Lucent a decisive advantage in the marketplace.⁷