

THE SUN

So much for predicting Baltimore FiOS for 2010 -- March 17, 2010, By Jay Hancock

In a column a year ago I guessed that Verizon would "start stringing cable and digging trenches in Baltimore in 2010," based on some tea leaves and meetings between the company and city officials. Doesn't look like it's going to happen, however.

Verizon spokesman Sandra Arnette told me a couple weeks ago that the company was concentrating on building out networks in localities where it already had franchise agreements. And she sends the same message in [Gus Sentementes' story](#) today on Progressive Maryland accusing Verizon of redlining Baltimore.

Here is my column from January 2009.

Mark Phillips of Ednor Gardens in Baltimore sees ads everywhere for Verizon's high-speed Internet and cable service.

He reads about "FiOS" in the paper. He wants to be your customer, Verizon. His family keep jamming their slower DSL line with entertainment downloads. When he streams video from Hulu.com, his daughter might not be able to do schoolwork online.

He doesn't really want Comcast's broadband product. FiOS lays fiber-optic cable right to your door, which he says is faster and more secure.

When will Verizon bring FiOS to Baltimore? he wants to know. He signed up for the "Want to know when FiOS Internet Service will be in your neighborhood?" e-mail notification. Silence. He bugs people in the Verizon Wireless stores. They don't know.

"I see ads everywhere, but I'm in limbo," says Phillips, a family physician. "I can't get a straight answer."

I couldn't get a straight answer either, but there seems to be creeping progress. The pressure is rising on Verizon to start serving Maryland's biggest city.

This is an educated guess: The company will start stringing cable and digging trenches in Baltimore in 2010, four years after it began bringing FiOS to Howard County and other, wealthier suburbs.

Marilyn Harris-Davis, executive director of Baltimore's Office of Cable and Communications, held what she described as "informal" contacts with Verizon this week. She wouldn't give details, and neither would Verizon.

"I anticipate they'll submit an application soon," she said. "My gut says within the next quarter or two."

That would launch negotiations probably lasting the balance of the year, with the first lines being laid next year.

"There's really nothing new to report on Verizon's plans to offer FiOS in Baltimore City," says Verizon spokeswoman Sandra Arnette. "We have not entered into franchise discussions with the city. We've only had some informal conversation. And I have no idea when formal discussions might begin."

The Phillips family's pent-up FiOS demand is typical. Baltimoreans inquire about FiOS "all the time," Harris-Davis says. "They write to the mayor. They write to this office. They call this office."

Comcast's Baltimore broadband products, the legacy of a 1980s cable franchise, don't have all the business to themselves. For household customers, Comcast competes with satellite TV, DSL Internet providers, including Verizon, and others.

But people want two cable competitors, a situation that has demonstrably lowered broadband prices in neighborhoods where Comcast and Verizon compete.

The masses are crying, yearning for broadband utopia. It's great public relations for Verizon.

Except when it's not. Verizon's strategy of connecting suburbs before it gets to older cities has prompted repeated charges of redlining - tapping the upscale gravy while depriving poorer folks of the best telecom products.

Wilmington, Del., "will not tolerate redlining of cable television service," said that city's News Journal. A New Jersey minister accused Verizon of proposing "a plan that leaves behind residents of apartment buildings and rural areas," according to the Courier-Post of Cherry Hill.

A Citigroup study a couple of years ago found that families served by FiOS in New Jersey, Connecticut and New York made 67 percent more than the average U.S. household income, reported the National Journal.

Verizon has said it makes sense to wire suburbs first because there are fewer regulatory and physical obstacles.

"As for redlining, it's against the law," Arnette said via e-mail. "And it runs counter to our 100-year legacy of providing great customer service. We do not discriminate in providing voice, broadband or FiOS TV service."

Baltimore "is very much part of the discussion" about where to go next, she said.

You can get FiOS in parts of Annapolis as well as certain neighborhoods in Anne Arundel, Howard, Baltimore, Montgomery and Prince George's counties. Verizon just signed deals with Bel Air and La Plata. It's negotiating with Harford and Charles counties.

As if to prove it's not allergic to big cities, it's negotiating with Philadelphia and has reached agreements with New York, Tampa and Washington.

But even within cities the redlining issue crops up.

The Philadelphia negotiations, which began in June, bogged down partly over which neighborhoods would be connected first, according to The Philadelphia Inquirer.

It's no surprise Verizon wants to wire houses that are likely to generate a return on its investment. It's spending an estimated \$23 billion to run cable past 18 million homes by the end of 2010. This economy can use that kind of capital expenditure.

But it's past time to hook up the Phillipses and the rest of Charm City. With deals struck or under negotiation in other big East Coast cities, Baltimore is a gaping urban hole in the FiOS grid.

The Philly talks are almost wrapped up. The Washington contract was signed last week. Verizon lawyers are about to have time on their hands. There's business to do in Baltimore.