

NEWS RELEASE



International Brotherhood of Electrical Workers®
AFL-CIO-CLC

900 Seventh St. N.W.
Washington DC 20001

www.ibew.org

Edwin D. Hill, International President

Salvatore J. Chilia, International Secretary-Treasurer

FOR IMMEDIATE RELEASE

March 20, 2012

Contact: Jim Spellane 202-728-6014

Jim_spellane@ibew.org

Chuck Porcari, 202-434-1168

CPorcari@cwa-union.org

GROWING BACKLASH AGAINST VERIZON WIRELESS ANTICOMPETITIVE DEAL WITH BIG CABLE OVER JOBS, PRICES

*Thousands of consumers mobilize against back room deal
that will raise prices and limit competition*

*Workers urge Congress to oppose monopoly that will
destroy economic development and jobs*

WASHINGTON, D.C. – As the Senate Judiciary Committee antitrust subcommittee plans to hold a hearing tomorrow on Verizon Wireless’s proposed monopoly with Comcast and Time Warner, thousands of consumers are mobilizing against the deal in communities across the country. If approved by the Federal Communications Commission, the deal would effectively result in an unchecked monopoly by the nation’s largest cable and wireless companies over the telecommunications industry, killing thousands of jobs, ending competition, raising prices for consumers, lowering service quality and discontinuing the development of high-speed internet infrastructure.

The proposed deal will end the build-out of Verizon FiOS, the only all-fiber optic commercial network in America, ending cable competition. Verizon FiOS, which delivers the “triple play” of cable TV, telephone and internet to millions of consumers, competes head-to-head with cable companies. But this lucrative deal will

kill Verizon's incentive to compete with cable and end FiOS development to new areas. Cities such as Baltimore, Buffalo, Albany, Syracuse and Boston, which were bypassed by Verizon FiOS, will never get the network, nor will any rural areas. Verizon has invested more than \$18 billion on developing and building out FiOS, creating thousands of jobs. This deal will prevent future investment, destroying badly needed economic development and jobs.

"The U.S. has dropped to 32nd on broadband speed behind nations like Romania and Lithuania. We need deals with clear commitments on speed, buildout and price for consumers," said Communications Workers of America President Larry Cohen. "We need wireline and wireless buildout. This deal will freeze then diminish wireline buildout. In short, we need policy that brings 100 percent of our nation into the 21st Century information-based global economy."

"Instead of planning for a stable future that provides a world-class telecommunications infrastructure for America, Verizon has chosen to strive for the lowest common denominator in the industry, pursuing a low-wage, poor-service and limited choice alternative that benefits only their top executives at the expense of everyone else. Their corporate strategy is out of step with the best interests of the industry and the American people," said IBEW International President Edwin D. Hill.

In the days leading up to the hearing, members of the CWA and IBEW have flooded the Capitol to speak with their legislators and hand deliver thousands of letters to U.S. Senators Chuck Schumer and Kirsten Gillibrand expressing constituents' outrage over Verizon's proposal. An online petition has gathered over 75,000 signatures from consumers against the deal. CWA and IBEW leaders and members will attend the hearing and those who can't be there in person will be able to watch via livestream and comment on the proceedings on twitter using the hash tag #monopoly.

The proposed deal has two parts. Verizon Wireless and major cable companies will jointly market each other's products allowing them to offer a "quadruple play" of video, internet access, voice and wireless service that would eliminate competition. Verizon Wireless would also pay \$3.9 billion to buy large segments of the wireless spectrum from Comcast, Time Warner, Bright House Networks and Cox, resulting in an excessive concentration of public spectrum in the hands of only a few corporate players.

Verizon Wireless has been less than forthcoming about the details of their marketing agreement, which was sent to the FCC with critical elements redacted. Industry and consumer groups subsequently filed a joint letter to the FCC arguing that Verizon Wireless must not be allowed to "make unilateral determinations that certain information is not relevant to the [...] public interest," and imploring the Commission to require Verizon

Wireless to file unredacted commercial agreements. The FCC has since required Verizon Wireless to disclose the full details of the deal.

###

The [International Brotherhood of Electrical Workers](#) (IBEW) represents approximately 725,000 members who work in a wide variety of fields, including manufacturing, utilities, construction, telecommunications, broadcasting, railroads and government.