

MIDDLETOWN

Officials announce deal with Verizon

Some areas of the township should start getting Verizon cable television in a week or two.

By CHRIS ENGLISH COURIER TIMES

In this case, staying the course and going it alone appears to have paid off for Middletown.

The supervisors announced at their Tuesday night meeting a 15-year franchise agreement with Verizon to start providing cable television competition to Comcast in the township. Middletown officials had refused to sign on to a collective agreement Verizon had reached with several other area municipalities, including Bensalem, Lower Makefield, Newtown Township and Northampton.

Lisa Berkis, Middletown's public information coordinator and chairwoman of the Cable and Telecommunications Advisory Board, said Verizon cable television service could start in the far northern and western parts of the township in a week or two, a statement echoed by a company representative at Tuesday's meeting.

Verizon's FiOS TV, the company's name for its cable television service, should be available to a "large percentage" of township residents before the end of the year or sooner, added Verizon spokesperson Sharon Shaffer on Wednesday.

Middletown's separate agreement with Verizon offers more grant money than the collective agreement and assures Verizon service will be available to the entire township much sooner, Berkis said.

Under the collective agreement, it could have been up to 10 years before Verizon cable service was available in the entire township, with the Levittown sections being last on the list, said Berkis. The separate agreement assures full access in three to five years, she said.

The township's agreement with Verizon provides that 18 cents per Middletown subscriber per month be set aside by Verizon and given to the township as a grant to be used toward improving the government access channel and related technology, Berkis said. The amount increases to 20 cents in years 13 to 15 of the agreement, she added.

Assuming Verizon gets a 20 percent market share in Middletown, that will mean about \$100,000 in grant money for Middletown over the life of the agreement, Berkis said. Under a formula worked out in the collective agreement, the township would have received about \$51,000 in grants over 12 years, she said.

"This is a significantly better agreement than the consortium [collective] agreement," said Berkis. "We look forward to the advent of true cable competition in the township and offering our residents more choices and, hopefully, a better product all the way around."

Supervisors Lisa Pflaumer, Diane Marseglia, Jasper Caro, John J. Kelly III and Robert McMonagle unanimously approved the Verizon agreement.

Township resident Phil Schieber and his wife, Betty, said they were interested in Verizon cable service but recently committed to Comcast's "triple play" phone, cable and Internet service because they didn't know when the franchise agreement with Verizon would be reached. However, they loved the idea of cable competition in Middletown.

"To me, competition is what makes the world go around," Phil Schieber said.

Comcast spokesman Jeff Alexander said his company will not shrink from the challenge.

"I think competition is good for the companies and the customers," he said. "Being years ahead of Verizon, while they try to play catch-up, we will continue to roll out our triple play and other enhanced products and continue to take away their phone customers."

Under the agreement, Middletown will get annual payments of 5 percent of gross revenue from Verizon's township cable TV customers, the same percentage as the agreement with Comcast.

Since the two companies now will be sharing roughly the same number of cable TV

customers, Berkis doesn't expect the total received by the township every year to change much. Middletown's 5 percent cut from Comcast was \$584,000 last year and is expected to be about \$600,000 this year, said township finance director Betsy Reukauf.

The Verizon spokesperson Shaffer said many Middletown residents already receive Verizon Internet service over fiber optic cable laid by the company. The franchise agreement with Middletown will allow the cable television service to begin, she said.

"This is good news for the people of the township and for us," Shaffer said.

The company will be doing direct mail campaigns and sending representatives door to door to acquaint Middletown residents with Verizon FiOS TV, she added.

For more information, call Verizon at 888-619-5388.