



**Bernard C. "Jack" Young**

*President*

Baltimore City Council

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July 25, 2012

The Honorable Julius Genachowski  
Chairman  
Federal Communications Commission  
445 Twelfth Street, SW  
Washington, DC 20554

The Honorable Eric H. Holder  
U.S. Department of Justice  
950 Pennsylvania Avenue, NW  
Washington, DC 20530

Dear Chairman Genachowski and Attorney General Holder:

I write to join other Baltimore elected officials and community leaders to express my concern with the proposed anti-competitive deal between Verizon Wireless, the nation's largest wireless provider, and four major cable companies – Comcast, Time Warner Cable, Cox, and Bright House Networks – that is currently under review by your agencies.

As the President of the Baltimore City Council, I am deeply troubled by the potential negative effects of this transaction on Baltimore City. Baltimore is the largest city in Maryland with 620,000 residents and home to thousands of businesses. Baltimore is the largest seaport in the Mid-Atlantic region, is home to 12 institutions of higher education and leading medical centers including Johns Hopkins Hospital, and serves as the base for both manufacturing and service industries in the growing financial, business, health service, and technology sectors. Baltimore City is developing an entrepreneurial high-tech industry whose growth depends on access to an advanced communications infrastructure. Yet the broadband infrastructure that is so vital to economic growth, jobs, and the social fabric of our communities has not kept pace.

Specifically, to date, Verizon has refused to build a high-speed fiber-optic FiOS network in Baltimore City, although it has deployed FiOS in the six counties surrounding Baltimore. This puts Baltimore City at a competitive disadvantage relative to other communities in our region.

As you are well aware, high-speed broadband is critical to economic development and job creation, as well as improvements in health care, education, public safety, and civic discourse. Consumers benefit from competitive choice; small businesses benefit from reliable high-speed connections to suppliers and customers; schools and hospitals benefit from education and health-related applications; communications workers benefit from the jobs building, maintaining, and servicing networks; and families and communities benefit from the 21<sup>st</sup> century jobs and expanded tax base. Baltimore City

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depends on access to the same first-rate communications infrastructure available in Annapolis and the Baltimore suburban area.

Despite Verizon's past refusal to build its FiOS network in Baltimore, I was hopeful that this situation would change because, as Verizon's top executives recently noted, FiOS' strong financial performance would lead the company to "fill in" gaps in its FiOS network. But now, as a result of the Verizon/cable joint marketing agreements, I fear that Verizon will never build its FiOS network in Baltimore. These commercial agreements appear to eliminate any incentive that Verizon might have had to expand its all-fiber network to other parts of Maryland. After all, Verizon Wireless, a subsidiary of Verizon Communications, will now be able to sell video and broadband service from their former competitor, Comcast, as part of its bundled package in our community.

Moreover, Verizon recently announced that it will no longer sell stand-alone DSL services. This leaves the citizens and businesses in Baltimore captive to Comcast's cable and broadband monopoly. Without consumer choice and a competitive alternative, consumers and businesses will experience rising prices for video, Internet, and voice telephone services, less innovation, and reduced quality of service.

In addition, thousands of good, middle-class jobs that would otherwise be needed to build, maintain, service, and sell the Verizon FiOS network would not materialize. These quality jobs are vital to our economy so that we can expand. Without them, our young people will continue to leave Baltimore for other places that offer them the kind of advanced, 21<sup>st</sup> century technology that Verizon has refused to deploy in Baltimore.

As you review the Verizon Wireless/cable transaction, I strongly urge you to examine the impact of this transaction on competition and consumer choice and to ensure that Baltimore, MD is not left behind.

Sincerely,



Bernard C. "Jack" Young  
*President*  
Baltimore City Council