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Motley Fool
Why Rumors of Cable's Death are Greatly Exaggerated

International Business Times
Could The FCC's Set-Top Box Rules Kill Cable Town USA?

Washington Post
The future of TV is arriving faster than anyone predicted

Wall Street Journal
YouTube's Quest for TV Advertising Dollars

Fox Business
The Netflix Ceiling Is $11.99 a Month -- Not $9.99

McClatchyDC
FCC's Mignon Clyburn works to bridge America's digital divide

Lancaster Intelligencer-Journal
Faith still matters in Pennsylvania elections

Pittsburgh Post-Gazette
A quick glance at

Despite some dispute, the people at Service Electric stake claim to being the first cable television company in the U.S., having been established in 1940. With 17,000 customers in Wilkes-Barre alone and more than 300,000 system-wide, Service Electric today retains the company's main mission of customer service and satisfaction.

Larry Shewack, who has run the Wilkes-Barre office since 2004, said Service Electric is customer-oriented. "We're a local company," Shewack said. "We respond quickly to customer concerns." Shewack said customer satisfaction is the best way to assure customer retention. "We have same day/next day service," he said. "We want to keep our customers happy."

According to the company's historical record, founder John Walson created the country's

Pennsylvania's primary races

philly.com
Why should I vote in the Pa. primary?

Seattle Times
Editorial: State budgets should not be left to a last-minute deal

Pittsburgh Tribune-Review
DeWeese seeking new trial

first cable TV system in the 1940s in Mahanoy City, where high mountains and buildings blocked TV signals to homes. According to those historical records, in 1979, the U.S. Congress and the National Cable Television Association recognized Walson as having invented cable television in the spring of 1948. Service Electric's historical record shows Walson was employed by the Pennsylvania Power & Light Company. In addition to that occupation, he and his wife also operated an electric appliance store under a General Electric franchise.

In 1947, the Walsons began selling television sets at their appliance store. Because Mahanoy City was surrounded by mountains, an antenna tower was built on top of a nearby mountain. Searching for ways to increase television sales, a line was constructed from that antenna site to Walson's appliance warehouse. Then in June 1948, that line was extended on utility poles to the Walsons' appliance store, connecting several families to his community antenna system. Three television sets were displayed in the window of the store. Many people congregated in front of the store to view either channel 3, 6 or 10 from Philadelphia. As a result, a new industry was started in America.

From this early beginning of cable television, Walson began constructing systems in nearby communities and others, who noticed his success, were quick to follow in areas where reception of television signals was difficult or impossible. Shewack said Service Electric is constantly upgrading its equipment. "Right now, we are in the process of installing a new control unit for the Internet," he said. "That's a $1 million investment."

Shewack said the biggest change in the business has been the popularity of streaming television shows over the Internet. He said the basic package available at Service Electric cost $39.95 per month, giving the subscriber 35 "limited basic" channels and Internet access. The cost of cable TV is always rising, Shewack said, noting that every Jan. 1 there are rate hikes. He said those costs are driven upward by programmers like ESPN, MTV, CNN, other networks and local stations, as well.

Shewack said Service Electric employs 40 people, including contract labor. The 17,000 customer figure is down from an all-time high of 26,000 some 20 years ago, something Shewack attributes to satellite TV. Shewack has an antique television, circa 1940s, in his office. The size of the screen is comparable to that of an iPad, or a large cell phone. "In 20 years from now, everything we have today in this industry will be obsolete," Shewack said. – ***Wilkes-Barre Times Leader***

Peter Froehlich lives at the end of a mile-long dirt road in a part of Maine where pickup trucks share the right of way with dairy cows. The local cable company won't run a line down the road, and his cellphone is useless because he lives in a wireless dead zone. Now Froehlich, 70, worries a new Maine law will eventually allow the telephone company to unplug him from the plain old telephone service he depends on. "If they get out of the landline business, I will have no way to connect with anybody else, unless I get in my truck and drive out," he said.

Maine is joining a growing group of states that have passed laws to limit or remove requirements that telephone companies provide traditional, price-controlled phone service — in essence, moving toward a day when plain old landline phone service goes from an endangered species to extinct. Concern is acute in Maine, the most rural state and the one with the oldest average population.

Thirteen states in the past three years have said telephone companies can use alternative technology, like wireless and broadband Internet, to provide basic service. Maine is the first to end basic phone service mandates in communities where there is competition, said Sherry Lichtenberg, principal at the National Regulatory Research Institute. FairPoint said that it will still offer landline service in those areas but that the service quality and price will be left to the free market.

California is considering similar legislation. Ohio, Michigan and Kentucky have passed laws allowing telephone companies to stop offering traditional phone service and are now determining how to implement them, Lichtenberg said. "It will be interesting to see how fast other states follow Maine," she said.

The bill signed last week by Maine Republican Gov. Paul LePage gives the state's largest telephone company, FairPoint Communications, a "level playing field" in the most competitive areas of the state and maintains consumer protection in areas where choices are fewer, said Mike Reed, president of FairPoint in Maine, which has struggled financially since buying Verizon's landline business in northern New England in 2007. "Maine has recognized the tensions the entire country faces," Reed said.

Consumer groups that fought the bill argued it would allow FairPoint to abandon customers who still use their landline phones because they prefer the call quality and reliability. The senior advocacy group AARP, which led the opposition, later agreed not to fight the bill after lawmakers added consumer protections that made it harder for the company to abandon service.

Amy Regan Gallant, a lobbyist for AARP, said the group nevertheless remains worried about the long-term future of traditional telephone service in Maine, with its implications for older people not using wireless technology. "We do suspect this is the beginning of the end of landline phones," she said.

The issue resonates in Maine because vast parts of the state have spotty cell coverage and limited access to high-speed broadband service. But traditional phone companies can no longer afford the high cost of maintaining the legacy phone network in rural areas, and policy makers have yet to figure out a long-term plan for sustaining that network, said Jon Banks, an attorney with USTelecom, a trade group representing broadband service providers. "It's a rural problem," he said.

The battleground now moves to California. Lawmakers there last week heard testimony on a bill advanced by AT&T that would allow the company to discontinue legacy phone service in areas where alternative phone services are available. Consumer groups and the Communication Workers of America, the union that represents workers at AT&T and Verizon, are fighting the bill, saying it would replace regulated landline service with unregulated wireless service. But Lichtenberg said she has seen no evidence to date that ending the mandate has hurt consumers. – ***Associated Press***

Frontier Communications Corp. is facing a flurry of customer complaints after acquiring millions of phone, television and Internet accounts in three states from Verizon Communications Inc. this month. The Texas Public Utility Commission fielded more than 150 complaints about Frontier’s service this month, more than half of them in the past week, spokesman Terry Hadley said. The California Public Utilities Commission has recorded 235 Frontier complaints during the first half of April.

Eric Sowell, 40 years old, of Garland, Texas, said Friday he still can’t surf the Web from his home. His service failed two weeks ago, he said, and is still down despite a visit from a technician last week. Mr. Sowell, a software development teacher, has been spending more time at Starbucks and Buffalo Wild Wings to use Wi-Fi, he said, and plans to switch his broadband service to Time Warner Cable Inc. “It is really inconvenient beyond just, ‘I can’t watch my Netflix,’” he said. “I need the Internet for my job.”

Frontier spokesman Peter DePasquale said subscribers who lost service after the switch-over represented less than 1% of its customer base, which now includes 7.5 million voice lines and 4.5 million broadband connections. Most issues were fixed within hours, Frontier said, though some persisted as the company worked to properly handle the flood of new service workers who came over from Verizon. Frontier executive Carl Erhart said during a Texas commission hearing last week that many complaints stemmed from unrelated problems that happened to spring up around the same time as the Verizon switch-over, including an issue with a crucial piece of network equipment that knocked out digital services to some customers.

It isn't the start the Norwalk, Conn., company was planning on. Frontier Chief Financial Officer John Jureller in March stressed to investors that the company was working hard to make sure that operations would be uninterrupted on the first day it took over service. The deal closed on April 1. The $10.5 billion transaction to acquire Verizon's landline businesses in Florida, California and Texas roughly doubled Frontier's Internet and television subscriber base, and will boost its annual revenue to nearly $10 billion from $5.6 billion last year. It is part of the company's plan to build a profitable land-based telecom business as other companies invest in wireless technology and media.

The rise in customer complaints also shows the difficulty of handing off millions of customers to a new owner. Verizon has sold other landline assets to companies like FairPoint Communications Inc. and private-equity firm Carlyle Group LP, which bought Verizon's Hawaiian operations. Both telephone carriers later filed for bankruptcy protection.

But this isn't new territory for Frontier, which has struck such deals before. In 2010 it bought 4.8 million rural phone lines in 14 states from Verizon, and four years later it acquired similar assets in Connecticut from AT&T Inc. Both deals were smaller than the current Verizon transaction in which the company took over 3.3 million voice connections, 2.1 million broadband connections and 1.2 million Fios video accounts.

Frontier's Mr. DePasquale said the company inherited about 40,000 service tickets from Verizon in the latest handover. "That created a backlog on day one," he said, noting that those outstanding tickets have since dwindled to about 1,600. That is little consolation to Bill Nesbitt, a security consultant in Newbury Park, Calif., who said he lost service for nearly two weeks at his home office. The problem, which started on April 8, was fixed Wednesday when a technician came to his residence. "The phone is your lifeline," Mr. Nesbitt said. "One phone call could be several thousand dollars for me." – ***Wall Street Journal***

St. Louis is asking a lot from companies interested in providing high-speed Internet access here. It wants cheap, gigabit-speed connections across the entire city, plus free or discounted access in disadvantaged neighborhoods. What the city is offering in return is less clear.

A **request for information** issued last week mentions that companies may be able to use "a variety of public assets and infrastructure," including light poles and city-owned fiber-optic cable. It also says the city, the Downtown STL business group and the St. Louis Economic Development Partnership will make "the critical investments and policy modifications required" to secure faster Internet service.

That doesn't pledge a single dollar of public money, however, and one expert believes the city won't succeed without making a firmer commitment. "It's not enough to say we're here and we would like something better," said Christopher Mitchell, director of the community broadband initiative at the Minneapolis-based Institute for Local Self Reliance. "We haven't seen this approach be very successful." St. Louis officials seem to realize that no company will do everything they want. Mobin Khan, Downtown STL's director of economic development and research, said companies don't have to respond to all parts of the request.

A provider could propose to serve "innovation corridors" such as downtown and the Central West End, for example, without having to offer discounted service in low-income areas. "The intent is that collectively, from all the companies wanting to enter the market, we will be able to address all the goals," Khan explained.

A few places — such as Chattanooga, Tenn., and the Metro East community of Highland — have built their own citywide fiber networks. The guess here is that St.

Louis, a much bigger city with plenty of other infrastructure needs, won't go nearly that far. Other cities have made progress using a low-cost approach. Louisville, Ky., issued a request for information similar to St. Louis' in November 2013 and found three small companies willing to lay fiber in certain areas. It also caught the attention of Google Fiber, which said last fall that it might expand into Louisville.

Google Fiber put Los Angeles on its expansion list, too, after that city launched a gigabit project last year. Google Fiber — which offers super-fast connectivity for $70 a month — is already available in four cities, "upcoming" in seven and "potential" in 11 more. St. Louis would love to join that list. "We have reached out to Google," Khan said. "I don't know if they will respond formally, but we hope they will come to the table."

The city can count on a response from Elite Systems, says Jayson Vaughn, owner of the small Internet provider. His company serves more than 20 commercial and residential buildings in and near downtown, including 11 where it provides gigabit-speed service to apartment and condo dwellers. Vaughn wasn't sure which parts of the proposal he would respond to or what questions he would have for the city, but praised officials for making broadband a priority. "We're super excited about it," he said.

The attitude of AT&T and Charter Communications, the region's main Internet providers, may determine how fast the gigabit goals are reached. Charter says it expects to submit a plan, while AT&T already has announced that it will bring gigabit service to parts of the St. Louis area. The prospect of competition — from Google, Elite or anyone else — could speed up those plans. And that competitive jolt, Mitchell suggests, may be the most valuable outcome of the city's efforts. – ***St. Louis Post-Dispatch***

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