

FairPoint opposed by state consultant

By DENIS PAISTE

New Hampshire Union Leader

CONCORD — Consultant Susan M. Baldwin, who testified for the Office of Consumer Advocate, said yesterday the pending merger of Verizon's Communications traditional telephone operations in New Hampshire, Maine and Vermont into FairPoint Communications is not in the public interest.

"Although I discussed various conditions the commission may want to consider, I do not think that there is any set of conditions that would make the transaction in the public interest," Baldwin said under questioning by attorney Scott J. Rubin, who represents the International Brotherhood of Electrical Workers and the Communications Workers of America.

She said her opinion relied in part on the testimony of David Brevitz, "who has demonstrated some serious financial concerns with the way the transaction is structured." Brevitz testified on behalf of the Office of Consumer Advocate and expressed concern over FairPoint's proposed debt load of \$1.7 in the \$2.7 billion deal.

Under questioning by PUC staff attorney Lynn Fabrizio,

Baldwin was highly critical of service quality under Verizon's stewardship.

"The numbers speak loudly and clearly. Verizon's service quality has been on the decline for a number of years," she said, noting that under the planned takeover of 1.5 million access lines in northern New England, FairPoint hopes to make 71 percent of access lines DSL-quality by 2010.

"Broadband's really becoming almost a necessity in today's society, and we really have too little, too late under FairPoint's plan," Baldwin said.

The national average for DSL availability in June 2006 was in some states as high as 88 percent, she said.

"Seventy-one percent is not enough to aspire to. ... Verizon has clearly left New Hampshire way, way behind the rest of the country," Baldwin said.

The Public Utilities Commission hearing that stretched over nine days ended yesterday. The PUC set a deadline of Nov. 20 for lawyers in the case to file briefs. There will be no opportunity for reply briefs.

In a closing statement yesterday, PUC Chairman Thomas B. Getz said, "... We have a momentous decision to make here. The record is extensive and the

facts and arguments are voluminous and complex.

"The proposed transaction before us is fundamentally different from the situation the commission faces when a larger company with more resources seeks to acquire a smaller company, and it can be relatively assured that there are the financial, technical and managerial capabilities within that new entity to address any outstanding operating concerns or any other issues of risk ...

"... We are left with difficult and interrelated questions," Getz said.

"Most apparently, is the proposed transaction, the transfer of control from Verizon to FairPoint, in the public interest? That question has at least two aspects. Is it in the public interest for Verizon to discontinue service in New Hampshire and to be relieved of all of its statutory obligations and is it in the public interest for FairPoint to assume control of the Verizon franchise?"

John F. Nestor III, who heads government relations for Verizon in New Hampshire, said yesterday, "We look forward to the commission considering everything and issuing a favorable decision by the end of the year."

Chrysler to cut more jobs

DETROIT (AP) — Chrysler LLC yesterday said it plans to cut up to 12,000 jobs, or up to 15 percent of its workforce, as part of an effort to slash costs and match slowing demand for some vehicles.

The automaker will cut 8,500 to 10,000 hourly jobs and 2,100 salaried jobs through 2008. The company already had begun cutting 1,100 temporary workers Wednesday. It will eliminate

the 13,000 layoffs Chrysler announced in February as part of a massive restructuring plan. Those cuts included 11,000 production jobs and 2,000 salaried jobs. The new round of cuts was expected to involve buyouts or early retirement packages similar to those made in February.

Chrysler officials said falling demand for vehicles in the U.S. market made the cuts necessary.

expects sluggish sales to continue in 2008.

"The market situation has changed dramatically in the eight months since Chrysler established the Recovery and Transformation Plan as its blueprint," Bob Nardelli, Chrysler's chairman and chief executive, said in a statement.

As part of the new plan, shifts will be cut or vehicle assembly

Winners of the Better Business Bureau's 2007 Torch Awards are, from left, Ralph Osborne, owner of Handyman Matters; Arthur Sullivan of Brady Sullivan Properties; and Martin Orlo of Water Energy Distributors.



DICK MORIN/UNION LEADER

Three NH firms honored for ethics with Torch Awards

By BENJAMIN KEPPLER

New Hampshire Union Leader

BEDFORD — Brady Sullivan Properties, Brookline-based home-repair service Handyman Matters and geothermal heat-system company Water Energy Distributors Inc. of Hampstead were named winners of the Better Business Bureau of New Hampshire's annual Torch Awards for Marketplace Ethics yesterday.

The state Torch Awards ceremony, now in its eighth year, recognizes firms that develop and maintain exceptionally high standards of ethical business practices. The three — one small, one medium-sized and one large company — were chosen from among a group of finalists.

"The solid ethical practices that are the core of all the businesses nominated make the task of choosing the best of the best a difficult one," said Howard Brodsky, the group's chair-

man.

The award winners graciously accepted the honors yesterday, thanking their employees for all their hard work and praising them for their devotion.

"It's nice to be recognized for something like this," said Ralph Osborne, owner of the Handyman Matters franchise serving southern New Hampshire. "For us to be recognized for high-quality customer service really speaks to the heart and soul of what we're trying to do."

"This is for you — you're great guys," said Arthur Sullivan, a Brady Sullivan principal, speaking to his employees upon receiving the award.

Martin Orlo, Water Energy Distributors' general manager, accepted the award on behalf of his company.

Hundreds of businesspeople attended the ceremony, held at the Event Center at C.R. Sparks on Kilton Road.

Along with the awards presentation, those in attendance

also heard from Bert Jacobs, chief executive of Life is good Inc., the Boston-based apparel and accessory company that has a distribution center in Hudson.

Jacobs, who started out hawking T-shirts along with his brother, John, now oversees a company with sales for this year estimated at \$105 million. He encouraged those in attendance to weave community efforts and charitable giving into their operations year-around. Along with doing good, Jacobs said those efforts help boost sales and allowed his company to enjoy very low employee turnover.

"Businesses can't live without community, and communities can't live without business," Jacobs said. "It's all about community. They're just a fantastic resource and in some ways, it's a method of building your business that's age-old and will be here hundreds and hundreds of years from now."