Comcast promised not to raise prices—guess what happened next

Enlarge / A Comcast sign at the Comcast offices in Philadelphia.

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Comcast offered customers in Utah a “lifetime” price guarantee in order to compete against Google Fiber, then later violated the lifetime promise by raising those customers’ prices, according to a lawsuit pending in a federal court.

“In 2016, Comcast was under intense competitive pressure from Google’s high speed fiber-optic data service,” the lawsuit says. In Salt Lake City, “Comcast engaged extra sales staff to try to effectively beat the Google Fiber sales staff as they made their way up and down the streets of each neighborhood. To compete, Comcast sales staff began to offer ‘lifetime’ contracts to some of its customers and sold Comcast’s broadband services by using door to door salespeople, especially in cities and neighborhoods where Google was aggressively offering its fiber-optic service.”

Customer Brian Baker, the plaintiff in the proposed class-action suit, says that in July 2016 he took up Comcast’s offer for a $120-per-month plan including TV, Internet, and phone service. Baker’s lawsuit says he received a mailing from Comcast that said the $120 price would be locked in for as

long as he wanted.

The mailing included a price list, on which a Comcast salesperson had written that “this is a lifetime price” and that “these are not promotional prices—no yearly increases,” the lawsuit said. A copy of this mailing is exhibit B toward the end of this court document.

When Baker contacted Comcast to accept the offer, the salesperson again “emphasized that the Triple Play price was no mere short-term promotion, but was a ‘lifetime price,'” the lawsuit said. Baker and Comcast then “entered into a contract providing that Plaintiff would pay $120 per month for Defendant’s ‘Extreme Triple Play’ services for life,” the lawsuit said. (Another exhibit in the lawsuit shows the service order, but it doesn’t mention a lifetime guarantee.)

The lawsuit claims that “as many as 20% of Comcast’s over 200,000 contracts in Utah may be ‘lifetime’ contracts.” But in June 2019, Comcast increased Baker’s bill by $10 a month, and “Other customers have had their bill unilaterally increased as much as $50 per month over the specified ‘lifetime’ rate,” the lawsuit says.

The complaint continues:

> *Many customers, upon seeing the substantial increase in monthly billing, contacted Comcast and were told by Comcast employees or representatives that Comcast’s “lifetime” plan does not exist in spite of the previous representations by its sales staff and in spite of the numerous written contracts with the “lifetime” language prominently displayed.*

Seeking class-action certification

The lawsuit was originally filed in a Utah state court on August 14 and was transferred last week at Comcast’s request to US District Court for the District of Utah. We contacted

Comcast about the lawsuit today and will update this story if we get a response. Comcast has until October 18 to file an answer to the complaint in court.

The lawsuit seeks certification of a class including all people who “entered into a ‘lifetime’ contract with Comcast on which Comcast reneged.” It further seeks financial damages and an “order enjoining Comcast from increasing the price on other lifetime contracts and restoring the price to original levels for contracts it has breached.”

Comcast’s alleged reneging on the lifetime prices came after Google Fiber pulled back from its ambitious fiber broadband plans. In October 2016, Google announced layoffs and that it was “pausing” or ending fiber operations in 10 cities where it hadn’t yet fully committed to building.

Google Fiber continued offering service in most areas where it was already available, including Salt Lake City. But construction slowed down, leaving many Salt Lake City residents without the option to purchase Google Fiber and making it easier for Comcast to hold onto customers.

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