

Verizon slices up the bundle, lets customers choose

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This April 7, 2013 photo shows the Verizon Studio booth at MetLife Stadium, in East Rutherford, N.J. Verizon is giving its customers have more control over the channels they pay for as the cacophony of cord cutting reshapes cable TV. Verizon's FiOS Custom TV, available Sunday, April 19, 2015, gives customers the option to buy a \$55 base package with more than 35 channels plus two additional themed channel packs. (AP Photo/Mel Evans)

The Pay-TV bundle is finally getting more flexible.

Verizon said Friday it is giving its customers more control over the channels they pay for, one of the biggest signs yet that consumer taste for cord-cutting and watching shows a la carte is reshaping the cable industry.

Large cable bundles laden with dozens of channels and big price tags have pushed more people into cheaper streaming services like Netflix and Amazon and Hulu. Other late entries include HBO Now and Sling TV, not to mention sports oriented streaming services like MLB.com.

That's forcing changes in the pay-TV landscape, said Nomura analyst Adam Ilkowitz.

"This is more of an evolution than a revolution," he said. "This is not Verizon saying the bundle is dead—there's still a lot of bundling attached to it. This is an acknowledgement that consumer preference is maybe shifting."

FiOS Custom TV, available Sunday, gives customers the option to buy a base package for about \$55. That package has more than 35 channels—such as AMC, CNN and Food Network—plus two additional themed channel packs.

The offer does not include internet service.

There's currently seven channel packs to choose from, including genres such as sports, children and lifestyle. Customers can add more channel packs—which include about 10-17 channels on average—for \$10 each. They may also swap out channel packs after 30 days.

Other packages include Double Play, which has TV and Internet, and Triple Play, which includes TV, Internet and phone service. Double Play packages range from about \$65 to \$85 a month. Triple Play is priced

between about \$75 and \$95 a month.

No contract is required, according to Verizon Communications Inc.

Last month Sony announced the PlayStation Vue service, an online package of more than 50 channels starting at \$50 a month. While it's the most expensive of internet-only offerings, doesn't include some popular channels and is currently only available in certain cities, it's still less expensive than most traditional cable and satellite packages. Those packages typically run \$70 to \$100 a month, excluding promotions.

Other streaming services include Dish's Sling TV.

Verizon shares fell 32 cents to \$48.95 in morning trading Friday. Its shares are up almost 3 percent over the past year.

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