

Expect cable bills to increase in 2016

By Gerry Smith, BloombergNews

While facing a growing number of consumers who drop pay-TV for cheaper online alternatives, Time Warner Cable Inc., Comcast Corp., Dish Network Corp. and AT&T Inc. are all planning to increase their prices early next year – at the risk of turning off more subscribers fed up with the rising cost of television.

It's part of the vicious circle at the heart of the U.S. media industry's current troubles. To attract viewers who are migrating to Netflix Inc. and Amazon.com Inc., programmers are spending billions of dollars on developing scripted shows and on the rights to air sporting events – one of the last things that people still watch live. They are passing on those costs to cable- and satellite-TV providers by charging higher fees to carry their channels. Those providers, in turn, are passing on some of those costs to consumers.

In the coming weeks, Time Warner Cable is raising its sports programming fee by \$2.25 to \$5 per month and its broadcast programming fee by \$1 to \$3.75. Comcast, the biggest U.S. cable company, will increase its broadcast fee by \$1.75 to \$5 and its regional sports fee by \$2 to \$3. Phone and satellite companies are planning similar increases, which vary depending on the package. All say the moves are because of the rising cost of carrying broadcast and sports networks.

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