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Consumers Begin the New Year Paying More for Cable TV Service

Anti-consumer actions reinforce need to promote competition in video market

CHICAGO, IL - The following statement can be attributed to Reverend James L Demus III, co-director of the Ministerial Alliance Against the Digital Divide (MAADD):

“In cities throughout Illinois, the cable companies are embarking on their annual tradition of imposing massive rate hikes on consumers. Recently, the cable companies that operate in Collinsville, Springfield, Hoffman Estates, Evanston and Chicago have announced that more rate hikes are on their way – hitting consumers with increases that range from a whopping 5% to 7%.”

“These arbitrary rate hikes illustrate exactly why competition in the Illinois cable TV industry is badly needed. Year after year the cable companies raise rates in communities where no competition exists but tend to lower rates in areas where competition is a threat. In Texas, for example, Charter Cable lowered rates by 25% once competition entered the market.”

“Unfortunately, the current video franchising system across Illinois is generally not working in the best interests of consumers. This outdated system was designed to protect the large cable conglomerates from competition by erecting barriers for competitors to enter the market and offer competing video services. As a result, Illinois consumers are left with ridiculously high cable rates and no choice.”

“For the sake of consumers, the state of Illinois must make a New Year’s resolution to put an end to cable’s free pass from competition and their ability to pressure municipalities into creating policies in their favor. The way to make this happen is for the Illinois General Assembly to follow in the footsteps of other states such as Indiana and Michigan and pass statewide video franchising legislation that would remove barriers for new competitors to enter the video market. This would allow competition to thrive in the state and permit struggling Illinois consumers to finally free themselves from the shackles that the large cable providers have on their wallets.”

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The Ministerial Alliance Against the Digital Divide (MAADD) is a 15,000+ member civil rights organization led by ministers that is devoted to bridging the digital divide between those who have ready access to technology and those who do not.