

# Why your Cable TV Bill Increases

Cable TV rates have increased **188%** from 1995 to 2013. That's more than **DOUBLE** the price increase for other goods. These rates are expected to increase even faster in the next 5 years.



According to Nielson research, consumers' watching habits haven't really changed from watching **17.3 to 17.5** channels on average from 2008-2013 even though the number of channels you're forced to pay for has increased by **115** channels, a whopping **179%**.

## CABLE CHANNELS

**17.5** Watched

**160** Received

## Where Does all This Money go? *Money go?*

Cable TV distribution is made up of two components:



### Content Creators

Networks like Disney/ESPN, Discovery, Turner, Viacom, ABC, CBS.

The majority of the channels are owned by only a handful of Content Creators giving them lots of negotiation power.

These Content Creators require cable companies to take many or all of their channels - even if the cable companies' subscribers only watch 2 of the 10 channels offered. This reduces customer choice and increases costs substantially.

If negotiations become heated, the Content Creators often disconnect their signal to the cable company, making consumers' screens go black; often blaming the cable company for the disruption.



**PARK REGION**  
Mutual Telephone Co.

### Cable Companies

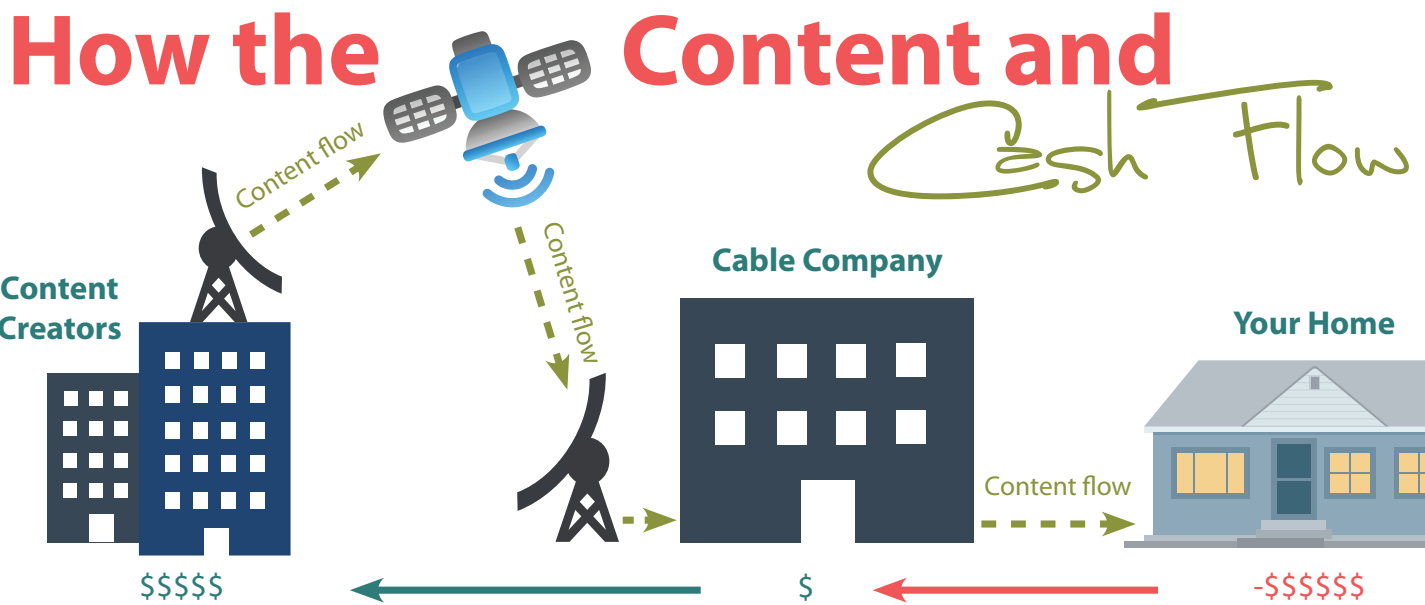
These are providers who broadcast the networks on their cable systems.

Cable Companies receive their signal from the Content Creators and then send the signal to your and your neighbors' homes. Cable companies then pay Content Creators for each subscriber who can access their channels.

A relatively small portion of your monthly bill stays with the cable company, much of the monthly costs are paid to the Content Creators. Thus when Content Creators increase their prices, it is normally passed along to customers.

While Cable Companies work tirelessly to negotiate better carriage requirements or a la carte options, the Content Creators remain committed to forcing all customers to pay for as many channels as possible.

## See what we're doing about increased costs ----->



## What are We Doing About

### Rising Cable TV Costs



**Negotiating as a group** - we're members of the National Cable TV Cooperative - we partner with many rural cable companies to get better pricing.

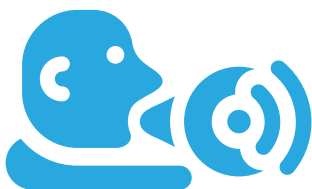
**Assessing the value of channels** - surveys and channel ratings maybe lead us to consider dropping channels that are too costly for the value they bring - unfortunately, dropping unpopular channels often requires removal of some popular programming.

**Advocacy** - we continue to work with regulators to educate them on the harm that these contracts do to rural America.

**Education** - We also work to educate consumers about these issues - visit [www.TVonMySide.com](http://www.TVonMySide.com)



## What Can You Do to Help Reduce Your Cable TV Costs?



Stay informed and stand by your provider. If your cable provider removes a network from your lineup, switching to another provider only strengthens the Content Creators' power to negotiate - only the loss of subscribers will get the attention of the large Content Creators.

Contact your legislators and tell them you want the option to choose your channels.

Provide feedback - if we send a survey about the channels you watch, please return it to us - your feedback is always important.

#### Sources:

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