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Comcast raising its cable-TV rates 3.2% Jan. 1

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The new year will bring higher prices for most Comcast Corp. cable customers in the Philadelphia region.

In what has become an annual ritual, the Philadelphia cable company is notifying subscribers through the mail that the price they pay to watch television will rise 3.2 percent starting Jan. 1.

The increases, which come as the company posts record profits, are well above the rate of inflation. According to the Bureau of Labor Statistics, inflation in the latest 12 months was 1.3 percent nationally and 2 percent in the Philadelphia area.

Some sample Comcast increases:

The monthly charge for the company's standard cable package, which includes basic cable with network television and some popular cable channels such as CNN and ESPN, will jump to \$52.55 from \$50.75, up 3.5 percent.

Subscribers to Comcast's Digital Plus with Standard Cable, a package that includes more than 100 cable channels, will pay \$67.50, a 2.7 percent increase.

Prices for Showtime and The Movie Channel will each rise \$1 a month.

Changes apply to Comcast's 1.8 million customers in Philadelphia, its Pennsylvania suburbs, and South Jersey, although prices can vary depending on where the customer lives.

"Price adjustments reflect the increased value of our services and more than \$300 million in investments to provide advanced products and services, improve the quality of our products, and enhance customer service," Comcast spokesman Jeff Alexander said.

The company has been hiring more customer service representatives, and adding night and weekend appointments, in addition to other improvements, he said. Even so, Comcast continues to score below average in J.D. Power surveys of customer satisfaction.

The overall 3.2 percent price increase takes into account discounts customers receive for subscribing to more than one Comcast service.

Alexander said more than half of the company's customers get "significant savings" by subscribing to more than one product.

The company said it was not changing prices for its high-speed Internet or digital-phone services. Comcast has not raised Internet prices for four years, Alexander said. The phone service was introduced last year.

Cable rates have increased 70 percent since they were deregulated in 1996, said Gene Kimmelman, vice president for federal and international affairs at Consumers Union, the advocacy group that publishes Consumer Reports.

Verizon Communications Inc. recently started competing with Comcast for cable customers, but the new rivalry has yet to result in lower prices.

A Verizon spokesperson said the company would raise the monthly charge for its FiOS Premier TV service for new subscribers by about \$3 to \$42.99 starting in January. Verizon service is expected to be available in some parts of the Philadelphia and South Jersey regions by the end of this year.

Andrew Jay Schwartzman, president of the Media Access Project, a public-interest law firm, said the continued rate hikes disprove arguments from the cable and telephone companies that they need lighter regulation because of increasing competition.

"The fact that rates are going up and not down," he said, "belies the claim that the telephone companies' entry into video is generating competitive benefits for the public."

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