

Questionable CONNECTION?

A look at cable service in the Lowcountry and alternatives

To put it mildly, Hilton Head Island residents have had a rocky relationship with Adelphia Communications Corporation. Although the Town of Hilton Head has limited regulation rights and a franchise agreement with the cable giant that extends until 2022, town officials stepped in last fall to mediate complaints against Adelphia. Still, some residents want another local cable choice, and others have already joined the national trend of bypassing local providers altogether and subscribing to satellite networks.

Adelphia officials said they have been making big changes and hope island subscribers will give the “new” Adelphia another chance. “I think the old Adelphia didn’t have a very good relationship with the customers and with the town. We’re trying to change that,” said Chris Melcher, vice president of law and public policy for Adelphia.

The fifth-largest cable television company in the U.S., Adelphia serves more than 5.3 million customers in 30 states, including more than 20,000 subscribers in Hilton Head.

The “new” Adelphia refers to a reorganization of the company since filing for bankruptcy in June 2002. After being accused of financial wrongdoing, founder and CEO John Rigas and his brother, CFO Timothy Rigas, resigned in May 2002 and were subsequently indicted, along with John Rigas’ other two sons, on charges they embezzled \$3 bil-



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lion from the company. Now, with a new CEO, chairman of the board, board of directors, and management team, Adelphia intends to emerge from bankruptcy in early 2005, according to Melcher and Paul Jacobson, vice president of corporate communications for Adelphia.

“We’re trying to get the business back to where it should have been and to fix a lot of things that were broken at Adelphia,” Melcher said.

Adelphia is the sole cable provider on the island and is currently in its second of three, 15-year franchise agreements with the town. The contracts are part of a 45-year agreement that began in 1977, when cable was first brought to the island. The original cable system changed hands several times until Adelphia acquired it in 1991.

The town’s agreement with Adelphia came under scrutiny last October, when Town Council received a “higher than usual” amount of complaints about rate increases and problems with Adelphia’s customer service, said Greg DeLoach, assistant town manager. The Federal Communications Commission (FCC) has ruled that local governments can set the rates for basic cable packages if they decide there is no effective competition in a particular market. So town officials filed a petition with the FCC to allow the town to set Adelphia’s basic broadcast package rate.

According to DeLoach and reports in *The Island Packet*, rates for