

**STATEMENT OF
CHAIRMAN AJIT PAI**

Re: *Rules and Policies to Promote New Entry and Ownership Diversity in the Broadcasting Services*,
MB Docket No. 17-289

Everyone needs help from time to time, even the greatest among us. Hercules learned from Chiron, Luke learned from Yoda, Daniel learned from Mr. Miyagi, and Harry Potter needed to learn from Dumbledore before taking on Voldemort. Sometimes we need someone to show us the ropes before we venture out on our own.

That's the basic idea of an incubator program: Established broadcasters will pair with, and provide support to, small new entrants, including women and minorities, to help promote diversity of ownership in the broadcast sector. Relationships like these will help address the significant barriers that currently make it hard for many to enter the broadcast industry, including lack of access to capital.

The idea of an incubator program has been discussed for decades. The National Association of Black Owned Broadcasters first advanced the idea to the FCC way back in 1990, and the FCC first sought comment on it in 1992. And in the last 26 years, the proposal has been discussed in no fewer than seven different dockets. That's a lot of talk. But talk doesn't get the job done. So, this Commission has adopted a different attitude, one borrowed from Elvis Presley: "A little less conversation, a little more action."

Action came at long last this past November, when the FCC agreed to adopt an incubator program. And today, we establish rules for this program to enable it to get off the ground.

Under the procedures we are adopting, incubating stations will be able to pair up with small new entrants or existing struggling stations for a three-year incubation period. Among other things, the incubating station will provide invaluable support to the incubated entity in the form of mentoring, financial, engineering, and/or technical assistance, and operational support. The program will initially apply to the radio industry, as radio has traditionally been the most accessible entry point for new entrants and small businesses seeking to enter the broadcasting sector, and there is an appropriate incentive that is within our authority to grant to incubating stations.

For an incubation relationship to be deemed successful at the end of the three-year period, the incubated entity must either own a new full-service radio station or its previously struggling station must be on a firmer footing. In exchange, if the incubation relationship is successful, the incubating entity can receive a waiver of the FCC's local radio ownership rule that it can use in the incubated market or a comparable market.

Getting to this point took a lot of time, energy, and patience. In particular, I'd like to thank the Advisory Committee on Diversity and Digital Empowerment for its hard work on this issue. I'd also like to thank the FCC staff who worked so diligently on this *Order*. From the Media Bureau: Francesca Campione, Michelle Carey, Christopher Clark, Brendan Holland, Thomas Horan, Jamila Bess Johnson, Radhika Karmarkar, Holly Saurer, Al Shuldiner, and Sarah Whitesell. And from the Office of General Counsel: Bill Dever, Bill Scher, and Royce Sherlock.