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Federal Communications Commission
Office of the Secretary

RG REGIONAL GROUP, INC.

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March 31, 1992

Secretary, FCC
1919 M. Street N.W.
Washington, D.C. 20554

RE: RULE MAKING (RM7933)
PROCESSING SUSPENSION (RM-7932)

Dear Sir/Madam:

This letter is in response to NAB's call for a revised FCC approach to FM station allocation and licensing FCC file number RM-7933.

As the Vice President and Chief Operating Officer of Regional Group Inc., with AM/FM properties in Grand Rapids, Michigan; Sharon, Pennsylvania; and Binghamton, New York, we favor the NAB request.

Over the past several years the FCC has allowed a vast number of stations to enter already saturated radio markets, each offering fragmented formats and technical congestion that have delivered a dramatic blow to this industry. The move has and will continue to devastate many career broadcasters. This drive by the FCC for more stations must end now with a greater reliance placed on improving service from existing stations.

In addition, the FCC should consider the NAB's petition to delete licenses and allotments of silent stations, thus permitting upgrades of co-channel and adjacent channel stations, so that a more realistic assessment of radio service levels can be achieved before adding new stations.

We urge the FCC to require new station applicants/petitioners to demonstrate that the market to be served has the financial vitality to support another station and that you determine accurately how such an entry would effect local service in the market. We believe in order for you to accurately assess the markets, you must interview those broadcasters involved to get a clear picture of the market's health.

As a group, we encourage the FCC to support request (RM-7932) to suspend new station and new allotment processing during the period, while the agency reassesses its overall FM policies. We agree with the NAB's request that no suspension apply to efforts of existing broadcasters to expand or otherwise change their technical facilities

Since this letter is going directly to the FCC members, I've enclosed my letter to government officials in all the states we represent. It is our

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belief that the latest ruling on ownership changes set forth by the FCC was insensitive to the needs of the industry it serves. This is just another example of the FCC driven to serve people with big money and forget about the majority of great broadcasting operations in medium and small markets.

We invite you to leave your crystal palace in Washington and come into the real world of radio broadcasting. We encourage you to make some decisions that help the masses dedicated to the survival of this wonderful industry.

Sincerely,

Thomas W. Klein

Thomas W. Klein
Vice President
Chief Operating Officer

TK:vmd

cc: NAB Legal
Norman Volk

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Federal Communications Commission
Office of the Secretary

REGIONAL GROUP, INC.

March 18, 1992

Longworth House Office Building
Washington, D.C. 20515

As our representative, please help us stop the Federal Communications Commission from further destruction of the radio industry. The latest anti small business move on the part of the FCC is unbelievable.

As the Chief Operating Officer of a profitable small radio group, I can assure you it's very tough out here. With 80/90 drop ins allowed in the 80's, and now the new ownership changes, this could deliver the final blow to radio. I believe these changes will soon reflect to even more "bottom-line" declines to our already depleting revenue sources.

I've read numerous articles quoting FCC Chairman Alfred Sikes stating "the change was needed because ownership restrictions have caused radio's share of the mass media market to drop steadily." It's obvious that Mr. Sikes and the other FCC board members are out of touch with the radio industry.

The main cause of radio's problems was the expansion in the number of stations allowed by deregulation in the 1980's. In addition, many of these stations were permitted to move from their city of license which caused unsuspecting markets to have additional competition. The economic boom and availability of financing in the mid 1980's was followed by a recession that shrunk advertising. As a result, we now have more than 100 stations dark, a number of radio owners are in bankruptcy and hundreds are restructuring their debt.

In the long term, the changes will alter radio ownership dramatically in favor of the "big investors." The losers will be us--the small business owners, women, minorities, single-owner stations and new entries.

The new ownership rule provides an unfair competitive edge to the "big investor" as well, since they will already have a management team in the market consisting of a general manager, program director, engineer, plus, the sales and secretarial staffs. All they'll have to do is hire an on-air staff, thus making their expenses far less than their competitors.

All this, in addition to the fact that this move will ill-serve the public by endangering the diversity of programming and viewpoint available to the community because we will lack a variety of owners.

How many more radio stations need to go dark? How many more radio stations need to go bankrupt? How many more of us need to lose money before something is done to stop the FCC from destroying all our futures...all our dreams?

As a twenty year radio veteran and the voice for my 120 employees in New York, Michigan, Pennsylvania, and Ohio...we hope the time is now to stop the FCC from further destruction of this wonderful industry. We hope you feel the same!

Sincerely,

Tom Klein

Tom Klein
Vice President/Chief Operating Officer

WGRD AM/FM
Grand Rapids, MI

WPIC/WYFM
Sharon, PA
Youngstown, OH

WGRD/WAAL
Binghamton, NY

TK/dg