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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

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June 10, 1992

Ms. Donna R. Searcy  
Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

Re: In the Matter of Review of the Commission's  
Regulations and Policies Affecting Investment  
in the Broadcast Industry, MM Docket No. 92-51

Dear Ms. Searcy:

The Investment Company Institute<sup>1</sup> appreciates the opportunity to comment on FCC Notice of Proposed Rulemaking 92-96, concerning possible means for reducing unnecessary regulatory constraints on investment in the broadcast industry. Our comments relate to the part of the proposal that would increase the existing attribution benchmark for passive institutional investors, for purposes of applying the Commission's multiple ownership rules, from 10% of a media company's voting stock to 20%.

The Institute commends the Commission for proposing this change. Not only will it increase the availability of capital to media enterprises, but also it will give passive investors, such as investment companies, more flexibility with respect to investments in broadcast entities. We believe this increased flexibility will benefit both investment companies and their shareholders. Moreover, the Institute agrees with the Commission that in the case of passive institutional investors, there is little cause for concern about the possible exertion of undue influence. In any event, as the Notice of Proposed Rulemaking indicates, the Commission will

<sup>1</sup>The Investment Company Institute is the national association of the American investment company industry. Its membership includes 3,513 open-end investment companies ("mutual funds"), 254 closed-end investment companies and 12 sponsors of unit investment trusts. Its mutual fund members have assets of about \$1.396 trillion, accounting for approximately 95% of total industry assets, and have about 36 million individual shareholders.

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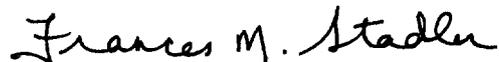
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continue to require licensees to certify that no passive investor 'has exerted or attempted to exert any influence over any of the affairs of the licensee.'

In conclusion, the Institute supports the Commission's proposal to increase to 20% the benchmark for investments by passive institutional investors in media companies for purposes of triggering the Commission's ownership attribution rules. If you have any questions about the foregoing comments, please contact the undersigned at (202) 955-3514.

Sincerely,



Frances M. Stadler  
Assistant Counsel