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June 22, 1992

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

BY HAND DELIVERY

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
Washington, D.C. 20554

Re: GC Docket No. 92-52

Dear Ms. Searcy:

On behalf of Entertainment Communications, Inc., there are transmitted herewith an original and five copies of its Reply Comments in the above-referenced rule making proceeding concerning a reexamination of the Commission's Policy Statement on Comparative Broadcast Hearings.

If any additional information is desired in connection with this matter, please contact the undersigned counsel.

Very truly yours,

Brian M. Madden

Brian M. Madden

Attachment

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BEFORE THE

Federal Communications Commission

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JUN 22 1992

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of	)	
	)	
Reexamination of the Policy	)	GC Docket No. 92-52
Statement on Comparative	)	RM-7739
Broadcast Hearings	)	RM-7740
	)	RM-7741

To: The Commission

REPLY COMMENTS OF ENTERTAINMENT COMMUNICATIONS, INC.

Entertainment Communications, Inc. ("ENTERCOM"), by its counsel, hereby submits its Reply Comments for consideration by the Commission in the above-captioned proceeding.

ENTERCOM is a group owner of eleven radio broadcast stations located in seven states.[1/] As such, ENTERCOM is directly aware of the economic efficiencies and public interest benefits which can flow from efficient, professional ownership and management of multi-station radio combinations. ENTERCOM agrees that the Commission's existing criteria for awarding new broadcast authorizations in initial licensing proceedings have become outdated. We therefore welcome the Commission's initiative in this

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1/ ENTERCOM's stations include: WDSY and WDSY-FM, Pittsburgh, Pennsylvania; KLDE(FM), Houston, Texas; KRXX(FM), Minneapolis, Minnesota; KMZZ, Richfield, Minnesota; KMTT and KMTT-FM, Tacoma, Washington; KITS(FM), San Francisco, California; WKTK(FM), Crystal River, Florida; WYUU(FM), Safety Harbor, Florida; and KOQL(FM), Oklahoma City, Oklahoma.

proceeding to bring those standards into line with current realities.

ENTERCOM supports the positions expressed by the National Association of Broadcasters ("NAB") in its initial comments in this proceeding, filed June 2, 1992. ENTERCOM agrees with the NAB, and with the Commission, that the current "integration" criterion is unrealistic and should be abandoned. There is absolutely no reason, either in theory or in fact, to conclude that a station owner who works on station premises will provide service superior to that provided by professionally managed stations in a national chain. The Commission's current "integration" criterion is premised on the presumption that station owners are better able to run a broadcast station than professional station managers. This notion lacks both intuitive validity and empirical support. In ENTERCOM's experience, the opposite is far more often the case, particularly in today's highly complex, diverse and competitive communications marketplace. The Commission should no longer perpetuate the legal presumption that inefficient owner-operated stations will provide better service than group-owned, professionally managed broadcast outlets.

ENTERCOM also strongly supports the NAB's suggestion that the "diversification" criterion, too, should be abolished. Even more than "integration," the "diversification" criterion serves to unfairly and irrationally disadvantage successful broadcast group owners. Group owners typically become group owners, after all,

because they are highly successful broadcasters -- they are, in short, very good at what they do. To penalize them for their record of success, and to prefer instead someone with no proven ability or track record as a broadcaster is more than simply arbitrary: it borders on the absurd. The Commission's basic, justifiable concern with preserving a diversity of voices is best addressed solely through the multiple ownership rules and policies. When choosing between competing applicants in the initial licensing or comparative renewal context, however, those with a proven record should be preferred over those with none. They certainly should not be disfavored when faced with an untested and untried challenger.

Finally, ENTERCOM also supports the NAB's request that the Commission focus in this proceeding on the standards which will govern comparative renewal hearings. ENTERCOM has previously filed a petition in the Commission's radio multiple ownership proceeding[2/] requesting that the Commission indicate that the larger radio ownership combinations authorized by the newly promulgated multiple ownership rules will not be used at renewal time -- under the "diversification" rubric -- to unfairly disadvantage a group owner. The NAB's proposal in this proceeding that the diversification criterion be abolished fully answers ENTERCOM's concerns in this regard. Should that proposal not be adopted, however, the

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2/ See ENTERCOM's May 29, 1992 "Petition for Clarification and/or Reconsideration" in MM Docket No. 91-140.

Commission should at minimum indicate that multi-station licensees will not be disadvantaged in a comparative renewal hearings under the diversification criterion, as a result of the larger station combinations authorized by the new rules. The greatest permissible ownership combinations allowed under the new rules should result in no greater diversification "demerit" in a comparative renewal hearing than did the maximum ownership combinations allowed under the prior multiple ownership rules.

For the foregoing reasons, ENTERCOM urges the Commission to abolish both the "integration" and the "diversification" criteria.

Respectfully submitted

ENTERTAINMENT COMMUNICATIONS, INC.

By: Brian M. Madden

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June 22, 1992