Comment to the Federal Communications Commission on the Local Radio Ownership Rule

Roosevelt Institute | April 2019

The Roosevelt Institute believes that the FCC should maintain that the current Local Radio Ownership Rule. Deregulating AM/FM ownership caps would pave the way for powerful broadcasting corporations to significantly reduce competition in geographic markets, shutting out smaller entities and assuming greater editorial control of media. Precedent demonstrates that consolidated media ownership has far-reaching consequences for women and minorities and is frequently misaligned with consumer interests.

Consolidated ownership exacerbates executive control over consumer's options. For example, recent reporting from The Huffington Post revealed that CBS CEO Les Moonves' personally sought to punish Janet Jackson for her performance at the 2004 Super Bowl by blacklisting Jackson' music from Viacom properties, including Vh1, MTV, and all Viacom-affiliated radio stations. Rolling Stone reported that the blacklisting spread to non-Viacom properties as well, with many stations participating in the blacklist of Jackson's record. The station's collusion is both harmful to consumers and indicative of Viacom's distorted market power at the time. The blacklisting had a severe effect on sales of Jackson's 2004 record, "Damita Jo". The record eventually sold a million copies, but its sales fell far below RIAA platinum certified preceding records "All For You" and "The Velvet Rope". Without a Grammy performance or airplay to promote Damita Jo's singles, fans were shut out from exposure to Jackson's work. This effect sets a dangerous cultural precedent: if boycotts can be dictated by single shareholders or executives, then musicians and labels have no choice but to play to their tastes and not the public's. Such examples are clear instances in which economic power is translated directly into political, social, and cultural power.

The increase of corporate editorial control has also threatened the success of newer, groundbreaking artists, like gay pop singer Troye Sivan. Sivan is the latest example of the widening gap between digital streaming and radio exposure between artists, and how consolidated commercial radio's values are not responsive to consumer demand. In a recent piece on Sivan, Pitchfork reports that Sivan's 2015 song "Youth" went platinum with over 100 million views on Youtube. For his follow-up record, 2018's Bloom, Sivan appeared on the cover of Billboard, received coverage in outlets such as The New York Times, and his single "My My My!" received airplay on all 184 Top 40 stations. Regardless, "My My My!" went no higher than No. 80 on the ultimate arbiter of pop success, Billboard's Hot 100." Pitchfork goes on to report that Sivan's single "Bloom", a song about gay sex, was not promoted on radio altogether, despite performances on The Today Show and a feature story in Dazed magazine. In the current market, radio promotion of explicitly gay music fails to match exposure and popularity on Youtube and on streaming services. Increased consolidation in geographic markets would make it even more difficult for diverse artists to receive exposure and rank on Billboard charts. The FCC has an obligation to ensure a plurality of voices, including that those representing marginalized communities can reach both their own audience and a broader one. Artistic expression cannot be subverted under corporate judgment dominated by a single trend, and lifting sub-caps threatens female and minority broadcasting.

Previous examples demonstrate the importance of diverse ownership, but deregulating ownership caps threatens their existence. If the Local Radio Ownership Rule is eliminated, powerful entities will be primed to rapidly expand via merger. Powerful entities can offer preferential ad rates over smaller stations, which could lead to a “tipping point” in which independent stations will no longer be competitive.

Altogether, the loosening of restrictions on concentrated ownership throughout the media landscape, including the regulated industries under the FCC’s purview, has led to a marked diminution of creative opportunities outside the walled gardens erected by powerful telecommunications oligopolists--exactly the outcome those restrictions were put in place to prevent. The FCC should learn from this decades-long policy failure: far from restraining entry and protecting incumbents, regulations like concentrated ownership caps ameliorate the power that incumbents wield over the dissemination of knowledge and cultural production.

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