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September 23, 1992

SEP 23 1992

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Ms. Donna R. Searcy  
Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Stop Code 1170  
Washington, D.C. 20554

Re: MM Docket No. 91-221

Dear Ms. Searcy:

Transmitted herewith, on behalf of Associated Broadcasters, Inc., and Galloway Media, Inc., are an original and four (4) copies of their "Reply Comments" in the above-referenced proceeding.

Should any questions arise concerning this matter, please communicate with this office.

Very truly yours,

Vincent J. Curtis, Jr.  
Counsel for  
Associated Broadcasters, Inc. and  
Galloway Media, Inc.

VJC/mac  
Enclosures

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BEFORE THE

Federal Communications Commission

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Federal Communications Commission  
Office of the Secretary

In the Matter of )  
 )  
Review of the Commission's Regulations )  
Governing Television Broadcasting )

MM DOCKET NO. 91-221

Directed to: The Commission

REPLY COMMENTS

Associated Broadcasters, Inc., and Galloway Media, Inc. (hereinafter referred to collectively as "ABI and GMI"), by their attorneys, hereby respectfully submit their Reply Comments in response to the Commission's Notice of Proposed Rulemaking, FCC 92-209, 7 FCC Rcd 4111 (1992) (NPRM), in the above-referenced proceeding.

Associated Broadcasters, Inc., is the licensee of Stations KWKT(TV), Channel 44, Waco, Texas (ADI Market # 94); KPEJ(TV), Channel 24, Odessa, Texas, (ADI Market # 151); and KVEO(TV), Channel 23, Brownsville, Texas (ADI Market #114).<sup>1</sup>

Galloway Media, Inc. is the licensee of Station WGMB-TV, channel

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<sup>1</sup>The President, Treasurer, Director, and 100% stockholder of Galloway Media, Inc., and Associated Broadcasters, Inc., Thomas R. Galloway, Sr., is also the President, Treasurer, Director and sole stockholder of Communications Corporation, licensee of AM Station KPEL, Lafayette, Louisiana, and KEZA(FM), Fayetteville, Arkansas. The Executive Vice President and Secretary of Associated Broadcasters, Inc. is Executive Vice President of Communications Corporation.

44, Baton Rouge, Louisiana (ADI Market # 95).

### **I. Introduction**

ABI and GMI commend the Commission for its proposal to consider its ownership rules and policies as they pertain to television broadcasting. ABI and GMI wish to reply specifically to the National Association of Broadcasters' (hereinafter referred to as "NAB") Comments concerning radio and television cross-ownership rules. In its Comments, the NAB urges the Commission to take a restrictive approach towards TV-radio combinations. The NAB's approach is unrealistic. In order to survive in today's competitive environment, broadcasters must be afforded the same level playing field enjoyed by other providers of video services.

### **II. The Commission Should Repeal the Cross-Ownership Rules**

**The Commission should allow broadcasters to compete on an equal footing with other service providers with multiple voices.**

ABI and GMI agree with Commissioner Marshall's assertion that the key to the long-term survival of the broadcasting industry lies in the ability of broadcasters to become multichannel providers. In a recent statement, Commissioner Marshall declared that "in [her] view, broadcasters must become multichannel providers to continue to flourish in the long run." News Release of September 17, 1992 Re: Certain ATV issues resolved; MM Docket 87-268 at Statement of Commissioner Sherrie P. Marshall. ABI and GMI therefore urge the Commission to lift

all numerical restrictions on the ownership of television stations and radio-TV combinations.

Broadcasters find themselves in the uncomfortable position of having to compete with multi-channel providers while being artificially limited to only one channel themselves. As the Commission is well aware, providers of other video services such as cable, Direct Broadcast Satellite (DBS), Multiple Multipoint Distribution Service (MMDS), and Instructional Fixed Television Service (ITFS) all operate or have the potential to operate multichannel services. These systems carry not only multichannel video programming, but also other audio services such as FM cable radio.

It is virtually impossible for broadcasters to compete alone by using exclusively their one and only channel. In order to be effective competitors of other video service providers, broadcasters must be treated the same way as the providers of multichannel services and be allowed to own and/or operate more than one station in every service per market. There clearly remains no reason today to prevent common ownership of radio and television stations in the same market.

At the very least, television broadcasters should be able to enter freely into Local Marketing Agreements (LMAs) with other broadcasters regardless of service so they, too, can realize the economies of scale and scope enjoyed by multichannel services by virtue of their combined operations.

**There is no evidence that the repeal of the one-to-a-market rule would result in reduced viewpoint diversity and economic competition.**

The Commission adopted the one-to-a-market rule at a time when it believed that the sources of programming in a market were limited by the finite number of frequencies available. This assumption is no longer true. As the Commission discovered during its revision of the radio rules, the advances in technology of the past twenty years have made the radio programming market more diverse so that rigorous limits on the number of stations owned by a single entity are no longer necessary. The public has benefitted from the diversity of voices introduced by inter and intra-industry competition as radio outlets were forced to compete not only with each other, but with cable TV and pay radio networks as well. Similarly, the past twenty years have brought crucial changes to the TV market and have introduced a number of serious competitors for broadcasters. The proliferation of services such as cable, MMDS, ITFS and DBS ensures that no one licensee or group of licensees can exercise effective control over news and public affairs programming and thus pose a threat to voice diversity.

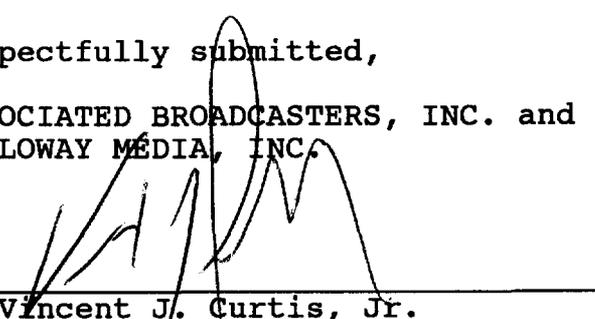
### **III. Conclusion**

The Commission should repeal the TV-radio cross-ownership rules. The NAB's view that the rules are needed to preserve voice diversity flies in the face of current conditions in the broadcasting marketplace. Giving broadcasters the opportunity to

compete on an equal footing with multiple channel service providers is crucial to their long-term survival and ultimately to the preservation of voice diversity as well.

Respectfully submitted,

ASSOCIATED BROADCASTERS, INC. and  
GALLOWAY MEDIA, INC.

By: 

Vincent J. Curtis, Jr.

Their Attorney

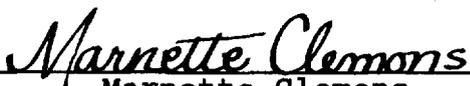
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September 23, 1992

**CERTIFICATE OF SERVICE**

I, Marnette Clemons, a secretary in the law firm of Fletcher, Heald & Hildreth, do hereby certify that true copies of the foregoing "Reply Comments" were sent this 23rd day of September, 1992, by first-class United States mail, postage prepaid, to:

Henry L. Baumann, Esquire  
National Association of  
Broadcasters  
1771 N Street, N.W.  
Washington, D.C. 20036

  
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Marnette Clemons