

Old Government Rules Suffocate Local News

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Americans crave local news, but the sources for obtaining local news are in peril.

Newspapers' print circulation has been on the decline since the late 1980s, and local broadcast news stations are losing viewers and ad revenue.

If Americans love local news so much, why are newspapers fading and broadcaster viewership numbers dropping?

In 1975 the Federal Communications Commission instituted laws preventing broadcasters from owning newspapers in the same market, when even at the time FCC commissioned studies (under both Democrat and Republican Chairmen) demonstrated that cross ownership likely produced beneficial synergies – Broadcast news for the few broadcast-newspaper partnerships grandfathered in was often more varied and in depth than single ownership.

The news market was different then. In 1975, newspapers were king and there were only 3 broadcast stations – ABC, NBC, CBS. Cable television was around, but it was nowhere near as popular as today. CNN, the first cable news network didn't come on air until 1980, and FOX didn't start broadcasting until 1985.

Now we look at the top television networks of which there are hundreds, and online content and social media are on par with television as to how Americans get their news. The American news market is highly competitive.

FCC rules preventing cross-ownership, the number of stations that can be owned in a market, and preventing joint sales agreements no longer make sense.

A broadcast station can't own a "published" newspaper, if a print edition comes out 4 or more times a week, but cable and online are "publishing" 24 hours a day. And cable and online news sources focus on national news, not local news and information.

With more and more people using websites, social networks, YouTube, podcasts, Amazon Prime and other sources to stay informed and entertained, advertising revenue has dipped for both television and radio stations. No one can dispute that newspapers have taken an especially hard hit. The New York Daily News was sold to Tronc, the LA Times Parent Company for just \$1 dollar earlier in September.

Struggling, smaller news organizations with a common goal of providing local news would benefit from pooling their resources through joint sales agreements and cross-ownership of media organizations, but the old-world FCC rules prevent these from taking place.

Finally, the FCC is reconsidering these rules. In a proceeding on broadcast media ownership, the FCC is proposing to eliminate the cross-ownership rule, re-allow joint sales agreements, and examine ownership of more than one station in a broadcast market on a case-by-case basis rather than the inflexible requirement for eight voices in a market.

Complaints about diversity of news miss the point – these rules are not working. We are losing newspapers at an alarming clip.

To maintain diversity of news sources, we can't keep doing the same thing and expect different results!

The elimination of these rules would help buoy local news outlets at little-to-no competitive cost, maintaining a vital component of the news media mix.

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