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FEDERAL COMMUNICATIONS COMMISSION
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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of	)	
	)	
Review of the Commission's Regulations Governing Television Broadcasting	)	MM Docket No. 91-221
	)	
Television Satellite Stations Review of Policy and Rules	)	MM Docket No. 87-8

To: The Commission

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REPLY COMMENTS OF MEYER BROADCASTING COMPANY

Meyer Broadcasting Company ("Meyer"), by its attorneys, submits these Reply Comments in response to the Commission's Further Notice of Proposed Rule Making, FCC 94-322 (rel. Jan. 17, 1995) ("Further Notice"), in the above-captioned proceeding. Meyer is the licensee of the following television stations: KVLY (TV), Fargo, North Dakota; KFYR-TV, Bismarck, North Dakota; KQCD-TV, Dickinson, North Dakota; KMOT(TV), Minot, North Dakota; and KUMV-TV, Williston, North Dakota.

Meyer offers its views at this time to provide the additional perspective of broadcasters operating in small markets with respect to suggested changes in the Commission's local television ownership policies. Specifically, Meyer urges the Commission to allow common ownership of UHF and VHF stations in small, as well as large, markets.

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The Commission has long recognized that UHF stations, because of their relatively poor signal coverage, face a distinct competitive disadvantage with respect to VHF stations. Further Notice at ¶ 119; see also Comments of Association of Independent Television Stations, Inc. ("INTV") at 28-30. Although the retransmission of UHF signals by cable operators and others has helped alleviate signal coverage problems in some instances, the viability of some UHF stations has declined since the advent of cable. See Comments of INTV at 24-29. Despite this historic disadvantage for UHF, however, it has been suggested that only UHF stations in the largest TV markets should be allowed to combine with another station in the same market. See Further Comments of Westinghouse Broadcasting Company (Group W) at 28-30. The rationale for this argument is that only the largest markets can withstand such combinations without sacrificing diversity or robust competition. The largest markets, so the argument goes, have so many other broadcast stations and other media that a TV station pairing designed to shore up a weak UHF station can do no harm and may (but may not) contribute to local and public affairs programming diversity. Id.

Common ownership would not be detrimental but may not have noticeable public interest benefits in the larger markets. In the smaller markets, however, significant public interest benefits are likely to result from such ownership. UHF/VHF combinations should be allowed in such markets precisely because they are small. In small markets, advertising revenues are scarce, thereby making it even more difficult for weaker UHF stations to generate enough revenue to remain competitively viable. This predicament is especially serious in smaller, rural markets, such as those in North Dakota, where stations serve vast, sparsely-populated areas. The extraordinary capital investments in physical facilities required merely to operate in such markets often limit funds available for the purchase of quality programming and the production of local news and public affairs programs. Thus, these stations frequently fill their schedules with reruns and inexpensive movies.

By allowing operators to own both a UHF station and a VHF station in small markets, the Commission would create opportunities for significant cost-sharing. By allowing two stations to achieve more efficient operation through the use of combined staff and facilities, more locally-originated programming and higher quality fare can and will be generated. Consequently, permitting ownership of a UHF and a VHF station in the same market should mean more, not less, of the diversity of programming that the Commission's local ownership policies were designed to promote.

All too often, federal regulatory agencies seek to regulate markets as if they were all like Washington, D.C. While the television industry is generally healthy at this time, there are many stations in smaller and rural markets that are struggling to survive. Rather than being forced out of business or into running a marginal operation with very little non-entertainment programming, these stations should be permitted to upgrade operations through common ownership with another station in the market.

Accordingly, Meyer strongly urges the Commission to permit common ownership of UHF and VHF stations in the same market, regardless of the size of the market. Such an action would do much to strengthen the voices and competitiveness of UHF stations and increase the diversity of programming in small TV markets, as well as large TV markets.

Respectfully submitted,

MEYER BROADCASTING COMPANY

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