



June 27, 1995

Honorable Susan Ness
Commissioner
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

RE: Satellite Digital Audio Radio
Gen. Docket 90-357, Rm. No. 8610

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Dear Commissioner Ness:

In response to the Federal Communications Commission's Notice of Proposed Rulemaking No. 8610, Infinity Broadcasting of Michigan, licensee of WOMC, Detroit, Michigan submits the following comments on the proposed licensing and service rules for Satellite Digital Audio Radio ("DARS"). WOMC parent corporation, Infinity Broadcasting Corporation, may submit its own comments in this docket prior to the comment deadline, but this letter is submitted to reflect the local perspective of WOMC on the issue of Satellite DARS.

As General Manager of Radio Station WOMC, I am writing to express my concern about the significant impact that Satellite Digital Audio Radio ("DARS") and the licensing and service rules for DARS to be drafted by the FCC will have on WOMC and its listeners in the Detroit Metropolitan area. WOMC, along with others in the broadcast industry, supports the Commission's attempts to make technological advances like digital radio available to listeners nationwide. It is important for the Commission to understand, however, that the decisions it makes in bringing about technological changes will dramatically alter the local marketplace for radio stations nationwide and are almost certain to have a negative effect on the ability of local broadcasters such as WOMC to serve their communities of license.

As you know, a radio station's basic FCC obligation is to provide the station's community of license with programs to meet its needs and interests. Currently WOMC provides listeners with local news and weather reports, disaster warnings, numerous public service announcements, traffic reports and weekly programs such as Metro Magazine which address issues of concern to listeners in the Detroit Metropolitan area. WOMC is also involved in many on-air fund raising activities including the station's annual "Christmas Is For Kids" benefitting Childrens Hospital of Michigan. In the future, however, if WOMC is forced to compete for advertising revenue with 60 new state-of-the-art Satellite DARS "super stations" in our market, WOMC may also be forced to dramatically reduce or eliminate many of these local public affairs programs and community outreach efforts. Given the fixed costs of operating a radio station in a highly competitive market such as Detroit, any loss in national advertising revenues to satellite super stations, however small, will have a significant impact on WOMC's overall profits and our ability to serve local needs.

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Although proponents of Satellite DARS will argue that WOMC's listeners in the Detroit area will continue to tune into the station for local information, the Commission needs to understand that local radio stations like WOMC survive on ratings alone. Our station needs listeners to tune in for a set amount of time each day in order to keep our ratings at a level sufficient to attract local and national advertisers. If 60 new satellite super stations are introduced in the Detroit area, listeners are likely to tune into existing broadcast stations like WOMC only for local information, as needed, thus causing our ratings to drop dramatically along with our revenue and our ultimate ability to remain financially viable. Due to the fact that the Commission's existing ownership rules limit single entities to the ownership of, at most, only four stations in a market, existing operators like WOMC have their "hands tied" by regulations even if they want to compete with satellite operators who will have 60 stations in every market.

As the Commission considers service and licensing rules for Satellite DARS, it should keep in mind that there are a number of ways to minimize the impact of satellite radio on existing community-based broadcasters such as WOMC.

First, the Commission should remove existing national and local ownership limits on terrestrial broadcasters to allow a station like ours to compete fairly with satellite operators. Second, the Commission should avoid creating a competitive quality gap between existing radio broadcasters and satellite radio by allowing in-band on-channel terrestrial digital radio to be licensed first to determine if Satellite DARS is even needed. Third, satellite radio ventures should be prohibited from using ground-based equipment such as terrestrial repeaters to reinforce their signals in urban areas where satellite signals are often blocked. Fourth, Satellite DARS licensees should be required to carry the niche programming (such as service to rural listeners, minority and ethnic groups) they have promised the FCC they would offer. Fifth, Satellite DARS services should be subscription-supported so that operators have an economic framework to permit delivery of niche programming to specialized or geographically dispersed markets. Sixth, because they are functionally equivalent to broadcasting, DARS operators should be subject to the same public interest obligations as broadcasters, including but not limited to reasonable access and equal opportunity provisions. Finally, in order to ensure that Satellite DARS is implemented in a manner that preserves and augments existing local radio, the Commission should allocate 50% of available frequencies to existing radio broadcasters or should open the DARS proceeding to allow new applicants.

WOMC looks forward to working with the Commission as the broadcast industry moves into the digital age. At the same time, WOMC urges the Commission to take into consideration the realities of the existing broadcast marketplace as it moves towards bringing technologies advances to listeners of our station and other stations nationwide.

Sincerely,

Elaine R. Baker

Vice President and General Manager