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August 25, 1995

To: Commissioner Andrew Barrett
Federal Communications Commission
1919 M St., N.W.
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

From: Anthony G. (Tony) Coloff
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Re: IB Docket No. 95-91
GEN Docket No. 90-357
RM No. 8610
Establishment of Rules and Policies for the Digital Audio Radio Satellite Service.

It is inconceivable to me that the FCC would authorize a satellite radio service and destroy the locally based American system of broadcasting that is the model for the rest of the world, (which many formerly communist countries are now trying to emulate, to provide similar local service in newly found free enterprise economies, for their countries).

And I ask you; how can a one or two channel local terrestrial broadcaster, compete against 10, 20, or up to 100 satellite radio stations, essentially licensed to its local market. The fragmentation of the market's audience due to the sheer numbers of signals would kill the local stations.

The establishment of a Digital Audio Radio Satellite Service will have a devastating effect on my station and all of terrestrial based broadcasting.

The reasons why are:

1. Loss of advertising revenue;

The competition to attract advertising dollars has become extremely intense between radio stations, other new radio stations, several larger coverage FM stations, television stations, daily and weekly newspapers that come into my market, shoppers and penny savers, now cable systems selling advertising, coming computer based services, and several others, that our advertising base has already shrunk and continues to shrink.

This station cannot stand any more competition. Any more erosion of my advertising base and this station will not be able to pay it's bills and will cease to exist. What also will cease to exist, will be the local news, local weather, local audience requested entertainment mix, and local programming responses to local area problems, in this market.

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How much advertising revenue loss do you think it would take to cause this station to go out of business? Not 50 or 75%, but only from 5 to 10%. It only takes taking the profit out of a business to change it from a viable business, to one that can't pay it's bills and is in a negative cash flow.

2. Loss of retail business;

Add to the above, the trend to mega retailers, and the closing of many independently owned businesses. This is another very big cause of shrinking advertising revenues.

This station has implemented increased operating efficiencies so that it can continue to operate, but if we have to cut much deeper, we will be cutting into the bone and then our days will be numbered.

This proposal for a Digital Audio Radio Satellite Service, raises many more questions than it answers. I could write many pages of comments that would probably go unread by the commissioners.

So instead, I am going to list the questions and the answer to the question, as a way of summarizing the many issues raised by this proposal:

1. Who is asking for the satellite radio service?

Answer:

No one. I have not talked to a businessman, citizen, legislator, or local official, who let alone knows about it, much less wants it.

No one, except four companies who could care less about providing a service to a community.

There is no public interest; only corporate interest.

There is no need; only a corporate need to develop a business that has no need.

2. What need is there for a satellite radio service?

Answer:

There is none.

There are so many present, new and still developing radio formats being delivered by present AM and FM terrestrial broadcasters, with many multiple signals, reaching every conceivable corner of the country. There is no need for this service.

Just turn your AM or FM radio on and turn to each frequency. Don't you get a signal at almost every frequency on the dial?

I don't hear anyone, anywhere, anyplace, asking for more diversity.

3. Why does the FCC want to destroy the American system of radio, by even establishing rules and policies for this service?

Answer:

Is it to implement new technologies?

New technologies can be implemented to improve what is already good and productive within the present system of locally controlled, locally programmed terrestrial radio.

I fail to see how implementing new technologies for satellite service, and destroying what is already good, and responsive, can be productive for the American citizen. Eventually, it will destroy the current terrestrial system of radio broadcasting, by taking away the revenue base with which to fund the local station, and the audience which the local station broadcasts to. This therefore, will destroy the community service I provide, with no way to get it back.

4. How can this satellite radio service be responsive to the communities it serves?

Answer:

It can't.

So is the satellite radio service exempt from broadcasting rules, requiring stations like mine, to broadcast responsive programming to problems in communities?

5. What good can come from concentrating so much programming power and influence, into so few corporate hands?

Answer:

None.

The concentration of control in this type of service scares me.

It has the potential to destroy a system that works well, that is good for this country, and replace it with a system that concentrates power and influence into a very few hands, that is not responsive to local and regional needs.

In short, you will be replacing the very responsive, local control of the local service system of broadcasting I provide, with a non-responsive national service broadcast system.

And once destroyed, there will be no way to get localized broadcast services with local control back.

I can see no good and no need in destroying the current American system of broadcasting and replacing it with multiple channels of satellite radio.

Those proponents of satellite radio who say there has been a paradigm shift, do not understand the benefits of the locally controlled American system of broadcasting, and the many benefits to citizens, business, local, state and federal government, and to educational and other institutions of all types.

Other countries, including free and now formerly communist countries, are now trying to emulate America's system of universally free, locally controlled and locally programmed, terrestrial based, radio.

Doesn't that tell the regulators anything?

Sincerely,



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