A Consumer's Comments On Media Ownership

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I. Introduction

I am writing in response to the FCC's request for comment regarding the six media ownership rules currently under review, and the twelve related studies. I am writing as a media consumer, a citizen, and a small business owner. I begin by discussing empirical data related to the ownership issue, which applies to the six rules generally, before discussing the six rules individually. Next, I comment on some of the Media Bureau studies, and finally, comment on my own recent experiences as a media consumer.

II. Empirical Data Related To Competition, Diversity, and Localism

The FCC has indicated its desire to develop a base of empirical data upon which to base its policy decisions. I have read the twelve studies which are intended to provide that data, and would like to offer the following suggestions for expanding on it, and for putting it into a conceptual framework which addresses the FCC's three goals of fostering competition, localism, and diversity in the media.

A. Competition

The FCC is asking whether the current media ownership rules are still necessary, or whether new information distribution technologies, such as direct broadcast satellite (DBS) and the internet, provide consumers with sufficient competition so as to eliminate the need for these regulations. Let us examine the data regarding the availability of each major media type. Table 1 lists the current infrastructure of each major electronic media type, along with actual usage by the public.

Table 1. U.S. Media Infrastructure and Usage

Item	**Number (mil.)**	**Percent of all U.S. Households**[1]
U.S. Households With TV Set	105.5[2]	98.2
U.S. Households Passed By Cable	102.0[2]	94.9
U.S. Households With Radio	106.3[3]	99.0[3]
U.S. Households With A Computer	60.2[4]	56.1
U.S. Households Subscribing To Cable	68.9[5]	64.1
U.S. Households Subscribing To DBS	16.1[5]	14.9
U.S. Households Using The Internet	53.9[4]	50.2

Figures are for the year 2001 unless otherwise noted.

Additionally, daily newspaper circulation is 55.8 million[6]. As can be seen from this information, the existing infrastructure most strongly supports broadcast TV, cable TV, and radio as information distribution methods. DBS reaches a much smaller number of households. Note also that cable and DBS services typically provide only about 80 analog channels each[5], so these do not provide a means for a very large number of additional information providers to reach the public.

What about the internet? As can be seen from Table 1, only about half of households currently use the internet. A study from the U.S. Department of Commerce (*A Nation*

[1] Percentage computed based on total number of U.S. Households = 107.4 million (Source: FCC Media Bureau Study 12)

[2] Source: FCC Media Bureau Study 12

[3] Source for percentage of radio households: U.S. Census Bureau, Statistical Abstract of the United States, 2000 (www.census.gov); percentage is from 1998; number of radio households was computed here, based on number of households in 2001 (assumes the number of households with a radio remained approximately constant).

[4] Source: *A Nation Online, How Americans Are Expanding Their Use Of The Internet*;U.S. Department of Commerce, Economics and Statistics Administration, National Telecommunications and Information Administration; February 2002

[5] Source: Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, FCC 01-389.

[6] Source: U.S. Census Bureau (http://www.census.gov/statab/www/part2.html#commo on 12/20/02); data is for the year 2000.

Online[7]) indicates that over 25% of households that do not have internet access cite cost as the major reason for this (see Table 2, which was extracted from *A Nation Online*).

Table 2: Main Reasons for No Internet Use at Home, by Selected Characteristics of Reference Person
(Numbers in Thousands) **Total USA, 2001**

	Total Households	Don't Want It		Too Expensive		Can Use Elsewhere		Concerned About Children Using It	
		No.	%	No.	%	No.	%	No.	%
All Households	49,197	26,100	53.05	12,443	25.29	2,010	4.09	456	0.93
Family Income									
Under $5,000	2,214	852	38.47	941	42.47	65	2.95	6	0.25
$5,000 - $9,999	4,906	2,409	49.09	1,647	33.58	72	1.47	20	0.42
$10,000 - $14,999	5,537	2,847	51.41	1,809	32.68	77	1.39	15	0.26
$15,000 - $19,999	3,750	1,953	52.08	1,032	27.53	77	2.05	35	0.94
$20,000 - $24,999	4,374	2,264	51.75	1,168	26.69	145	3.30	41	0.93
$25,000 - $34,999	6,300	3,263	51.79	1,569	24.90	281	4.46	71	1.12
$35,000 - $49,999	5,519	2,858	51.79	1,194	21.64	372	6.74	87	1.58
$50,000 - $74,999	3,976	2,056	51.71	707	17.78	314	7.91	59	1.48
$75,000	2,293	1,236	53.88	219	9.55	330	14.41	50	2.17
Not Reported	10,326	6,363	61.62	2,157	20.89	277	2.68	72	0.70
Age									
Under 25 years old	3,212	972	30.26	1,384	43.10	235	7.30	12	0.38
25-34 years old	6,970	2,262	32.46	2,803	40.21	497	7.13	109	1.56
35-44 years old	7,954	2,971	37.35	2,841	35.71	444	5.58	214	2.69
45-54 years old	7,815	3,752	48.00	2,263	28.96	414	5.30	89	1.13
55+ years old	23,246	16,143	69.44	3,152	13.56	421	1.81	33	0.14
Race									
White Not Hispanic	32,586	19,276	59.15	6,105	18.74	1,476	4.53	288	0.88
Black Not Hispanic	8,676	3,563	41.06	3,366	38.80	272	3.14	66	0.76
AIEA Not Hispanic	455	180	39.52	158	34.85	20	4.37	5	1.01
API Not Hispanic	1,023	470	45.90	274	26.78	70	6.88	12	1.18
Hispanic	6,456	2,611	40.45	2,539	39.33	172	2.66	85	1.32
Gender									
Male	23,620	13,022	55.13	5,244	22.20	1,021	4.32	249	1.06
Female	25,577	13,077	51.33	7,200	28.15	990	3.87	206	0.81
Educational Attainment									
Elementary: 0-8 years	5,985	3,468	57.95	1,505	25.15	67	1.11	24	0.40
Some High School: no diploma	7,579	4,052	53.46	2,241	29.58	135	1.78	73	0.97
High School Diploma/GED	18,612	10,164	54.61	4,772	25.64	569	3.06	165	0.88
Some College	10,939	5,315	48.59	2,875	26.28	566	5.18	132	1.21
Bachelors Degree or more	6,082	3,101	50.98	1,050	17.26	673	11.07	62	1.02
Household Type									
Married Couple w/Children <18 Years Old	6,556	2,331	35.56	2,388	36.43	285	4.35	319	4.87
Male Householder w/Children <18 Years Old	1,112	370	33.24	489	44.00	30	2.70	12	1.11
Female Householder w/Children <18 Years Old	5,030	1,176	23.38	2,766	55.00	177	3.53	76	1.51
Family Household without Children <18 Years Old	15,423	9,648	62.56	2,740	17.77	541	3.51	36	0.23

[7] *A Nation Online, How Americans Are Expanding Their Use Of The Internet*;U.S. Department of Commerce, Economics and Statistics Administration, National Telecommunications and Information Administration; February 2002

Non-Family Household	21,076	12,575	59.66	4,059	19.26	977	4.63	13	0.06
Employment									
Employed	25,078	11,040	44.02	7,459	29.74	1,699	6.77	356	1.42
Unemployed	1,406	412	29.28	668	47.47	42	2.99	24	1.73
Not in Labor Force	22,713	14,648	64.49	4,317	19.01	269	1.19	76	0.33
Region									
Northwest	9,088	5,116	56.29	2,094	23.05	321	3.53	72	0.80
Midwest	11,557	6,085	52.65	2,684	23.23	538	4.66	106	0.92
South	19,088	10,357	54.35	5,175	27.11	735	3.85	170	0.89
West	9,463	4,523	47.80	2,490	26.31	416	4.39	107	1.14

	Computer Capability		No Computer in Household		Lack of Knowledge		Other	
	No.	%	No.	%	No.	%	No.	%
All Households	520	1.06	2,917	5.93	1,032	2.1	3,718	7.56
Family Income								
Under $5,000	12	0.53	156	7.03	42	1.89	142	6.42
$5,000 - 9,999	12	0.26	250	5.09	204	4.16	291	5.94
$10,000 - $14,999	51	0.93	346	6.26	127	2.29	265	4.79
$15,000 - $19,999	36	0.96	265	7.07	122	3.26	230	6.12
$20,000 - $24,999	62	1.41	312	7.13	100	2.29	284	6.48
$25,000 - $34,999	67	1.07	474	7.52	124	1.97	451	7.16
$35,000 - $49,999	88	1.59	379	6.88	92	1.67	448	8.12
$50,000 - $74,999	85	2.15	298	7.5	51	1.27	405	10.2
$75,000 & above	45	1.97	104	4.53	27	1.19	282	12.31
No Reported	62	0.6	333	3.23	143	1.38	920	8.9
Age								
Under 25 years old	39	1.23	317	9.85	21	0.67	232	7.21
25-34 years old	99	1.43	588	8.44	80	1.14	532	7.64
35-44 years old	146	1.84	570	7.16	104	1.31	664	8.35
45-54 years old	91	1.16	463	5.93	133	1.71	610	7.8
55+ years old	144	0.62	979	4.21	693	2.98	1,680	7.23
Race							.	
White	360	1.11	1,833	5.62	599	1.84	2,649	8.13
Black	57	0.66	585	6.74	173	2	594	6.84
AIEA Not Hispanic	9	2.08	31	6.82	12	2.55	40	8.81
API Not Hispanic	16	1.59	44	4.3	43	4.18	94	9.19
Hispanic	77	1.2	424	6.57	206	3.19	342	5.29
Gender					.			
Male	268	1.14	1,334	5.65	516	2.18	1,966	8.32
Female	252	0.98	1,583	6.19	516	2.02	1,752	6.85
Education								
Elementary: 0-8 years	32	0.54	234	3.91	284	4.75	370	6.19
Some High School: no diploma	61	0.81	412	5.43	186	2.46	417	5.51
High School Diploma/GED	156	0.84	1,160	6.23	347	1.87	1,280	6.88
Some College	151	1.38	806	7.37	130	1.19	964	8.82
Bachelors Degree or more	120	1.98	306	5.03	84	1.38	686	11.29
Household Type								
Married Couple w/Children <18 Years Old	149	2.28	448	6.83	88	1.35	547	8.34
Male Householder w/Children <18 Years Old	30	2.66	101	9.08	22	2.01	58	5.2
Female Householder w/Children <18 Years Old	72	1.43	458	9.12	30	0.59	274	5.45
Family Household without Children <18 Years Old	127	0.82	734	4.76	355	2.3	1,242	8.05
Non-Family Household	143	0.68	1,176	5.58	537	2.55	1,598	7.58
Employment								
Employed	382	1.52	1,775	7.08	327	1.31	2,039	8.13

Unemployed	5	0.33	137	9.71	34	2.45	85	6.04
Not in Labor Force	133	0.59	1,006	4.43	670	2.95	1,594	7.02
Region								
Northwest	71	0.78	461	5.07	161	1.77	792	8.72
Midwest	133	1.15	768	6.65	259	2.24	983	8.51
South	160	0.84	951	4.98	395	2.07	1,127	5.9
West	156	1.64	738	7.8	218	2.3	816	8.62

Source: Table copied electronically from A Nation Online, How Americans Are Expanding Their Use Of The Internet;U.S. Department of Commerce, Economics and Statistics Administration, National Telecommunications and Information Administration; February 2002; Table 8-3.

The issue of cost was cited even more often by minority and lower income households. The Telecommunications Act of 1996 requires that all segments of the public be considered. If economic factors prevent a segment of the public from receiving information, the FCC is required to consider that in its rule making.

Also, although the internet allows virtually unlimited connections, it does not at present have the infrastructure to provide broadcast quality video, nor to deliver low-quality video to a large number of viewers simultaneously. Thus it is primarily useful for the delivery of information in the form of text and graphics, and is more similar to a newspaper in this regard. Television and radio are still, today, the only forms of media which can deliver video and/or audio to a large number of people in a timely manner.

So the state of the information marketplace today seems to be that we have several different types of media which the public uses for information and entertainment, which each have their own capabilities and limitations. These media types are not equivalent, since video and audio provide information that text and graphics cannot completely convey. It is not enough to say that technology and the installed media infrastructure will eventually provide more outlets for information. We must deal with the marketplace as it stands today. There are a limited number of outlets for video and audio information. There are no competing technologies which can deliver this in a timely manner (i.e. streaming audio and video updated at least daily or weekly) to a vast majority of the public today. The competing technologies that do exist deliver information in a limited form, to a limited segment of the public.

As a consumer, I regard the various media types as distribution mechanisms for a product that I want or need – the exchange of information. There is a single product, but it may come in various forms (audio, video, text) which I may need at various times, and there are a few different distribution methods (television, radio, newspapers, and the internet) through which I may obtain this product. It is important to me that both the producers of the information and the distributors of the information be subject to the rules of competition, so they will be affected by the usual checks and balances produced through accountability to the consumer (for example, the consumer may go elsewhere if not happy with a product, may inform other consumers about how a company has treated them, and is a significant enough market force to influence the business decisions made by the management of that company).

To me, the definition of a "competitor", or a "voice", must be the parent company/companies of each TV network or radio station. The parent company is where the ultimate decisions are made about what segments of the business to invest in, and what to cut back on. Who gets hired and fired and what kinds of businesses exist depend, in the end, on the parent company, no matter how much leeway that parent company may grant the companies it owns in the day-to-day operations of their businesses.

In this light, let's examine the current media marketplace, in terms of parent companies. The owners (parent companies) of the four major broadcast TV networks, ABC, CBS, NBC, and Fox are[8]:

[8] Source: Columbia Journalism Review web site (www.cjr.org/owners, Who Owns What?, as it existed on Dec. 14, 2002).

ABC	Disney
CBS	Viacom
NBC	G.E.
Fox	News Corporation

There is also some partnering between the parent companies of the broadcast networks and the cable networks, and for that reason, I have included a list of cable network owners, in Table 3, although the rules in question relate to broadcast, not cable TV. I have attempted to be as accurate as possible, but it has been difficult to track down exactly who all the parent and partnering companies are, so it is possible that there are errors in the table. Also, not all programming services are listed here.

Table 3: Partial List Of Media Owners[9]

Programming Service	Owner(s)
A & E	Disney, G.E. (25%), Hearst
ABC Family Channel	Disney
American Movie Classics	G.E.
Animal Planet	Cox, Liberty Media
BET	Viacom
Bravo	Liberty Media (25%)
Cartoon Network	AOL Time-Warner
Cinemax	AOL Time-Warner
CNBC	Dow Jones, joint venture with G.E.
CNN	AOL Time-Warner
CNN Headline News	AOL Time-Warner
Comedy Central	Viacom (?Comedy Central?)
Court TV	AOL Time-Warner, Liberty Media
Discovery Channel	Advance, Cox(24.6%), NewsChannels Corp., Liberty Media
Disney Channel	Disney
E! TV	Comcast, Disney, Liberty Media
ESPN	Disney (80%), Hearst (20%)
ESPN 2	Disney, Hearst
The Food Network	E.W. Scripps, Tribune (31%)
Fox News Channel	News Corporation

[9] Sources: Columbia Journalism Review web site (www.cjr.org/owners, Who Owns What?, as it existed on Dec. 14, 2002), and also Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, FCC 01-389.

Fox Sports Net	News Corp.
Fox Sports Net 2	News Corp.
Fox Sports World Espanol	News Corp. (? Rainbow Media?)
FX	News Corporation
Golf Channel	Comcast (90%)
Hallmark Channel	Liberty Media (32.5%)
HBO	AOL Time-Warner
The History Channel	Disney, Hearst, G.E.
Home & Garden Television	E.W. Scripps
Home Shopping Network	USA
MSNBC	G.E., joint venture with Microsoft
MTV	Viacom
Nickelodeon	News Corp(?intl?), Viacom
Outdoor Life	Comcast
QVC	Comcast (57%), Liberty Media (43%)
Sci-Fi	Liberty Media (19.7%)
Showtime	Viacom
TCM (Turner Classic Movies)	AOL Time-Warner
TLC (The Learning Channel)	Cox, Liberty Media
TNT	AOL Time Warner (100%)
Travel Channel	Landmark Communications, Liberty Media
USA	USA
VH-1	Viacom
WB	Tribune
The Weather Channel	Landmark Communications

Figure 1 depicts the partnerships between the various media corporations. Many of these same corporations own several radio stations as well (and may own some print media and multimedia companies as well – see the Columbia Journalism Review web site regarding media ownership, at www.cjr.org/owners). I would like to see the FCC create a similar diagram to that in Figure 1, for the parent companies of radio stations, which would aid in assessing the state of competition in the radio industry today.

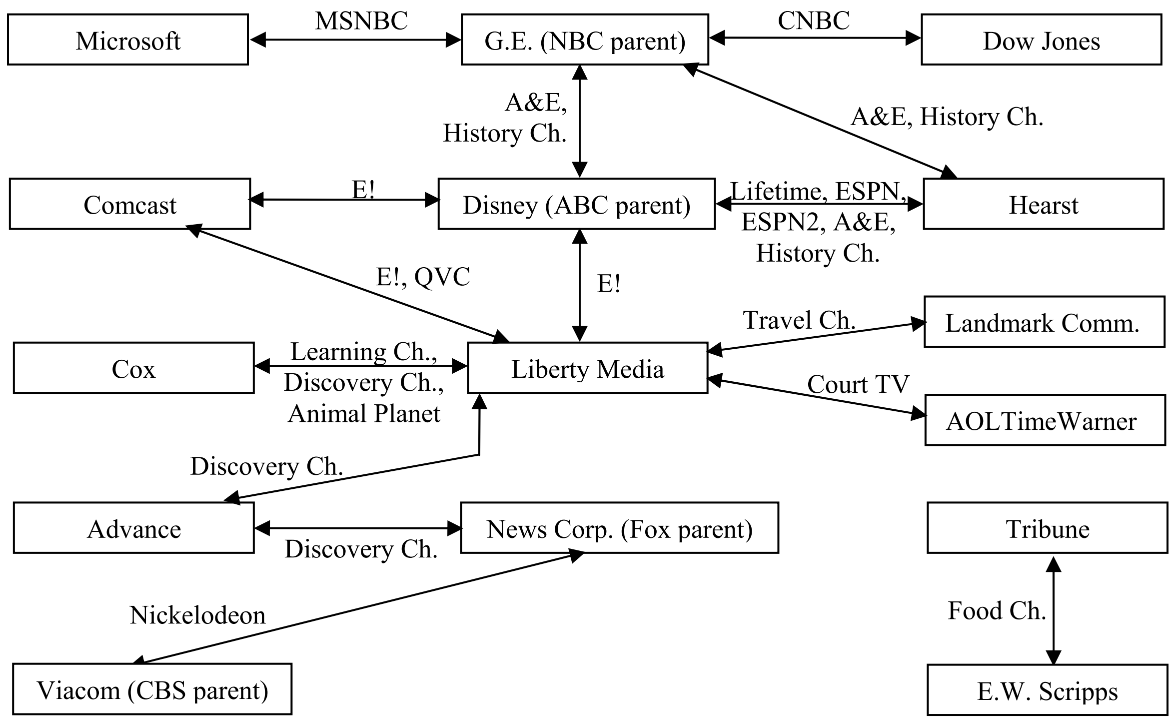

Figure 1: Media Company Partnering (Partial)
This figure is based on the ownership data in Table 3. Again, as in the table, an error in the data is possible. The double arrows indicate a partnership or ownership relationship between the companies, as indicated by the arrow labels.

Thus, the state of the television marketplace today is that the major owners are frequently linked through partnerships with each other. Companies that do business with each other through partnerships cannot afford to be antagonistic toward each other. Yet the Telecommunications Act *requires* that the FCC devise rules and regulations that create antagonistic competition. The requirements of the Telecommunications Act are not being fulfilled. The major media companies are not completely independent of each other today, and this must have an impact on competition. The Telecomm Act does not give the FCC the authority to question whether competition is necessary. The FCC has only been given the authority to devise rules and regulations to ensure that antagonistic competition takes place. Thus, the FCC must make its ownership rules *more strict* in order to comply with the Telecomm Act. It cannot loosen them any further or remove them completely.

Please note that as a private citizen I spent a few dozen hours of my own time trying to figure out who owns what in the business of television. I did eventually find the FCC's industry report on competition in the video industry (which covered only the cable networks, and not the broadcast networks). Although it is helpful that this is available on the FCC web site, it is not immediately obvious to the average consumer where they can go to find out who owns what. Such information is also quite often not available on web sites corresponding to TV networks (I checked a few of these). Thus there is an undue burden on the public to find out what the state of competition in the media market actually is. I address this issue again in section II.B., Diversity.

B. Diversity

The use of the word "diversity" in some of the ownership studies does not reflect the use of the term as the public generally understands it. To me, as a consumer and as a citizen, the definition of diversity means a diversity of voices, by which I mean a diversity of parent companies. I do not, as a member of the public, desire to receive my information from several networks all owned by the same corporations or from corporations in partnerships with each other. I desire to receive my information from several networks owned by *different* corporations, which each have different ideas about what constitutes news, what values the American people have, what is acceptable to air in front of children, whether people will watch anything which stimulates their minds, etc., so that I and other consumers have a *choice* as to whose product is best. Right now the public is often simply told "If you don't like it, turn it off.". True competition can only occur when companies can be held accountable to their customers. There is already very little responsiveness to the public on the part of many media companies. To loosen or remove the current ownership rules would only erode accountability further.

Of course, the direct customers of the media companies are advertisers. Supposedly, the media companies can only please their advertisers if they gather enough viewers/listeners/readers to expose to advertisements, and the media companies are expected to be responsive to the public for this reason; this is how they are held accountable. However, there are so few corporations in control of the media now that advertisers don't have enough choices about where to take their business. There is insufficient market power to sway the large media companies in their programming decisions. I would like to see the FCC do an economic analysis to determine how much influence an individual advertiser's purchasing power has over companies as large as the media companies.

I would also like to add that the average citizen is aware of neither the current concentration among media owners, nor of the FCC's current review of its ownership rules. I have seen occasional mention of it in the media – usually in a national newspaper – but coverage of this issue is rare. Also, the large number of different cable TV networks creates the illusion that there is more competition than there is. The dual network rule would exacerbate this problem still further.

I would like to suggest that the FCC consider requiring media owners to identify themselves in a more noticeable manner. The name(s) of the parent company/companies should be available on any website associated with a TV network or a radio station. I would also like to see parent companies identified as part of the station identification which occurs on the air on television and radio stations, with a definite time interval during which the identification would be required to occur. If the public's interest is really served best by the current concentration of networks and outlets in the hands of a few parent corporations, wouldn't those corporations like to tell us about it?

C. Localism

Again, when accountability is removed from the marketplace there is no true competition, and without true competition, individual – that is, local -- advertisers and consumers will simply become too insignificant to concern a large corporation. "Efficiency" has been cited as a reason to allow media companies to consolidate. However, efficiency promotes the practice of seeking the greatest return on the smallest investment. The FCC has produced no data which indicates that investment in local programming promotes efficiency within large corporations. Indeed, the opposite is generally considered to be the case.

True localism can only occur when local advertising dollars are a significant enough portion of a media outlet's revenues to affect that outlet's business practices. Thus, the FCC should not further relax or eliminate ownership rules. Doing so would allow companies to consolidate to the extent that individual local advertisers could be deemed insignificant to the company's revenue stream. This would eliminate accountability at the local level.

III. The Six Ownership Rules

Now let us apply the above data and arguments regarding competition, diversity, and localism, to the six media ownership rules currently under consideration.

A. Newspaper/Broadcast Cross-Ownership Prohibition

In cross-ownership considerations, we must consider the unusual nature of the structure of the media marketplace. That is, media outlets have control both of the information going out to the consumer (in the form of news stories or programs and advertisements), and of the information coming in from the consumer (by deciding whether or not to print letters to the editor, etc.). To allow one company to own both a newspaper and a television station in the same geographic area would be to allow them to control a large amount of the information flow regarding local news and events. Thus, the only way to invigorate the flow of local information is to ensure that there is a multitude of independent local media owners, each of whom is accountable to the public as noted above in the discussions on competition, diversity, and localism.

As noted previously, there is also the issue of control of advertising. To allow one entity to own both the newspaper and a television station in the same market area would be to grant them control of the majority of the daily media advertising in that area. Again, this would reduce the market power of individual advertisers and increase the market power of the media owner in such a way that accountability to the public would be greatly reduced. And again, this is not in the public interest.

In considering newspaper/broadcast cross-ownership, it is also important to consider the possibility of failure of the parent company, and the impact this would have on the community. Often, a city can sustain only one daily local newspaper. If a city loses both its newspaper and a local television station due to bad management on the part of the parent company (remember the bad management practices of Enron and WorldCom), it will suffer the loss of a large percentage of its information distribution outlets. Having the government step in to help such companies, in order to sustain the information outlets, would not be in the public interest, however. Although this would sustain the companies themselves, it would virtually eliminate accountability to the public on the part of these companies. As noted above, lack of accountability stifles competition, and, by definition, lack of accountability to the public is not in the public interest.

Even if the situation is not as extreme as actual failure of the media outlets, poor business practices or biased news practices could seriously degrade the area's access to information. It is in the public's interest to spread ownership over a larger number of companies, thus minimizing the impact of poor or even criminal business practices on the part of one company. (Note also that this provides an additional rationale for defining a "voice" as the parent company of an outlet; that is, defining a "voice" in such a way helps to promote the public interest in terms of the number of outlets that remain viable over time.)

As far as defining when a newspaper and TV market overlap, I believe retaining geographic area as the determining factor is appropriate. This is because geographic area is often the most important factor to a local advertiser when determining which media outlet to advertise in. The advertiser wishes to reach consumers who are likely to patronize the advertiser's business; for example, a store owner wishes to reach consumers who live near that store, since convenience is often a factor in where people choose to shop.

As far as waivers, I believe the only determining factor should be whether cross ownership will produce a benefit to the public interest that outweighs any harm to competition, diversity, and localism. For example, in a small town there may not be more than one business that is interested in owning a media outlet, or it may not be profitable to run only a single outlet, and without the one owner, the town would not have a newspaper or would not have a television station.

B. Local Radio Ownership

For the reasons stated above under competition, diversity, and localism, as well as under the newspaper/TV cross-ownership rule, this rule should be retained.

C. National TV Ownership

To allow one entity to own television stations that reach more than 35% of the country would decrease accountability to the public as discussed in the sections on competition, diversity, and localism, above. Indeed, 35% may already be too high. Again, I would like to see the FCC do an economic analysis as to the influence of individual advertisers at individual stations, when the media owner gets this large.

D. Local TV Multiple Ownership

When considering the ownership of multiple local TV stations, the FCC has a question as to how to define “voices”. Again, as I have discussed above, defining a “voice” as being the parent company of the owners of media outlets is necessary in the public interest. For the reasons stated above under competition and diversity, and under the newspaper/broadcast cross-ownership rule, defining a “voice” in this way promotes accountability to the public, which is in itself necessary to the public interest. Additionally, accountability is a requirement for competition. What I am interested in, as a consumer and as a citizen, is making sure that no one “voice” controls too large a percentage of the information outlets in a given region of the country. Thus, for this rule, I believe that defining a “voice” as a single media outlet is not sufficient to promote the public interest. Control over information flow, in whatever form that information is delivered, must be disseminated among multiple entities to ensure accountability. Thus, the local TV Multiple Ownership rule should be retained, but with the term "voice" being defined to mean the parent company of any media outlet(s).

E. Radio/TV Cross-Ownership Restriction

My arguments for retaining this rule are the same as for retaining the local TV multiple ownership rule, and again, I believe I have already laid forth the arguments for why a "voice" should be defined as the parent company of any media outlet(s).

F. Dual Television Network Rule

This rule is the one which most concerns me as a consumer and as a citizen. As I have laid out in Table 3 and Figure 1, there is already an extremely high degree of concentration and partnering among owners of television networks. Here I am considering this rule in light of the total television market, including cable networks, even though the rule under question has to do with the broadcast networks. This is because we must consider the total impact on the consumer. I have already laid out the arguments, above, for why we need multiple, independent parent companies. This rule should, at the least, be retained. It would also be in the public interest to reduce concentration in the ownership of cable networks as well.

IV. Comments On The Individual Studies

As a private citizen, it is impossible for me to keep up with attorneys and others who are paid to deal with media regulations, as they review the documents related to this issue. Although I have read all 12 studies by the Media Bureau regarding this issue, I have not had sufficient time, before the deadline for submitting remarks, to do a thorough review of each. However, I do have comments on some of them.

A. Study #1: Comparison of Media Outlets and Owners for Ten Selected Markets

There is still insufficient raw data supplied to readers of this study. Specifically, the identities of the media outlets included in the study, and the names of the companies which own them, are not listed. Additionally, the study does not define what it means by "unique owners". Could a "unique owner" be an individual owner within a larger entity, or does it indicate a completely independent company with no other parent company or partnering company? Without more information, it is impossible to comment on this study.

B. Study # 2: Viewpoint Diversity in Cross-Owned Newspapers and Television Stations: A Study of News Coverage of the 2000 Presidential Campaign

This study does not provide objective data. First, the subjective judgments of two people (with occasional tie-breaking prompting from a third) is not a sufficient sampling to determine what the reaction of people in general would be with regard to particular news stories. Second, as far as I am aware, the raw data (i.e. videotapes of newscasts and clippings of articles) are not available. Thus, we have no means by which to obtain a larger sampling or to judge the soundness of the original numerical assignments. I would also like to add that I do not think it is appropriate to attempt to generalize an examination of one event (coverage of the 2000 election) to conclude that, since a unified voice wasn't apparent in these few outlets at this one point in time, cross-ownership will never produce a unified voice. It would be impossible to second-guess such a thing. I hope that the FCC will look to other means by which to build an empirical base of data regarding media ownership.

C. Study # 3: Consumer Substitution Among Media

I believe that what the FCC wishes to determine through this study is whether sufficient competition has arisen from new media types, such as the internet or DBS, to justify relaxation or elimination of the rules of television and radio ownership. In that case, one has only to examine Table 1 above, to see that broadcast television and radio are still the dominant conduits for the flow of information in this country, and thus provide a competitive advantage over other media types.

If our concern is with the public interest, the most relevant question to ask is not: if a new media type comes along, will usage of another media type decrease? The most relevant question to ask is: if a person or company wishes to communicate information to the public, would communication via *any* medium be just as competitive as communication via any other medium? That is, would that information have the potential to reach just as large an audience, no matter which media type was chosen? Plainly, it would not. With cable TV, the communicator would be able to reach only about two thirds as many viewers as with broadcast TV. With DBS, only about 14 percent as many viewers. With the internet, only about half as many people would be reached. Thus, a communicator using the internet would not be competing on an equal footing with a communicator using broadcast television. In addition, internet sites associated with TV and radio outlets are often advertised on TV and radio programs, thus providing an additional advantage to TV and radio owners. The different media types are not equal in this regard, at least at this point in time.

D. Study # 5: Program Diversity and the Program Selection Process On Broadcast Network Television

As I have already discussed above, the definition of diversity which is relevant to the public interest has to do with diversity of viewpoint, not diversity of program genres. It is of some small value to see whether a large network produces a variety of different programming, but that is not of very great significance here. What is significant, as I have discussed above, is whether or not a network is responsive to viewers and advertisers. Such responsiveness occurs when a company has to compete with other companies, not when a monopoly or near-monopoly is held.

E. Study # 7: The Measurement of Local Television News and Public Affars Programs

It is not clear in Appendix B why some of the listings are identical. For example, KHOU-TV in Houston won two awards for the program called Treading On Danger, in the year 2001, for Investigative Reporting. Were awards that seem identical in the list actually for two different programs in a series? Other listings describe multiple awards for the same program. If more than one award was received for the same program, then the number of awards received is different than the number of quality programs produced. Please clarify how the study addressed this issue.

F. Study # 9: Radio Market Structure and Music Diversity

As noted several times above, diversity should be defined as diversity of viewpoint, not diversity of categories of entertainment. And diversity of viewpoint, by definition, means a diversity of media owners.

V. Closing Remarks

Although I have made most of my comments in terms of being a *consumer*, in recognition that media companies are running businesses and need to "earn a living", I was motivated to write this paper because of my concerns as a *citizen*. As I have tried to demonstrate, the media infrastructure in this country has not yet advanced to the point where information can be delivered in an equally competitive manner regardless of media type. Artificial constraints, imposed by limitations on the number of TV and radio stations allowed by the use of the electromagnetic spectrum, still create a bottleneck in the flow of information to and among members of the public. This may cease to be the case in the future, but we must consider the infrastructure as it exists at the moment. Today's media landscape is still dominated by the traditional technologies of television and radio. Indeed, many members of the public cannot afford a computer or internet service, and this creates an economic barrier to the growth of the internet as a competing technology.

Like many others, I am dismayed with the programming that dominates the media today. Entertainment too often features mindless crudeness and violence. Some news programs continue to retain their quality, but many have significantly deteriorated over the last several years, becoming somewhat like the tabloids in their choice of what to cover and how to cover it. I also object to the increasing indecency in programs on basic service channels. The FCC must acknowledge that large numbers of people in the U.S. are unhappy with what the media has been offering over the last few years. Many also feel, as I do, that these companies are being unacceptably irresponsible when it comes to what they expose children to, without warning to parents. They continue to place commercials that are inappropriate for children in the middle of daytime and primetime programming, sometimes even in the middle of programming targeted to children.

The current media ownership rules already do not produce enough accountability on the part of media owners. There can be no true competition, diversity, or localism, without accountability to advertisers and consumers. The FCC must distribute the limited number of electronic media outlets in a manner which promotes antagonistic competition, as required by the Telecomm Act. The FCC should retain the current ownership limits. I also hope that the FCC will consider imposing stricter regulations on media ownership than it currently has in place, in order to increase the number of parent companies, and/or reduce the number of partnerships among parent companies, of media producers and distributors. At the very least, media owners should be required to inform the public as to who owns what.

Thank you for considering my remarks.