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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

VIA HAND DELIVERY

Marlene H. Dortch, Esquire
Secretary
Federal Communications Commission
The Portals
445 12th Street, SW
Washington, DC 20554

Re: Notification of Ex Parte Communication
MB Docket Nos. 02-277, 01-235, 96-197, 01-317, and 00-244

Dear Ms. Dortch:

This is to advise you, in accordance with Section 1.1206 of the FCC's rules, that on May 5, 2003, George Mahoney, General Counsel and Secretary of Media General, Inc., and I met with Johanna Mikes, Media Legal Advisor to Commissioner Jonathan S. Adelstein, to discuss Media General, Inc.'s interest in repeal of the newspaper/broadcast cross-ownership rule in all markets. Our discussions addressed Media General's reasons for repeal of the rule; review of the comments filed in the omnibus media ownership proceeding and in MM Docket Nos. 01-235 and 96-197; the public interest benefits, such as the delivery of more and better local news, that have resulted from Media General's and other companies' convergence of newspaper and broadcast properties; the fact that only through convergence can Media General offer a better, faster, and deeper news product that allows it to compete with the larger media players; the separation of editorial and news management functions at Media General's converge outlets; the fact that the content delivered by Media General's convergence properties is frequently targeted to different geographic audiences within the same DMA; Media General's "market-driven" rather than "top down" approach to news delivery; Media General's belief that market forces will ensure that the public receives the maximum benefits from convergence; and Media General's letter of April 22, 2003, to Commissioner Kathleen Q. Abernathy and the studies included therein. Media General provided Ms. Mikes with a copy of the initial and reply comments it has filed since December 2001 in the above-referenced proceedings and also distributed the attached handouts at the meeting.

MEDIA GENERAL

1. *Tampa News Increases*. Over the last decade, WFLA-TV has been continually expanding its news line-up and has made the following increases in local news and programming:

August 1992:	Debut of "NewsWatch 8 Weekend Morning Edition" (Sat. & Sun., 9 am – 9:30 am)
	Debut of "NewsWatch 8 Weekend Edition @ Noon" (Sat. & Sun., one-half hour)
September 1994:	Debut of "NewsWatch 8 Sunrise" (M-F, 5:30 am – 6 am)
October 1997:	Expansion of Saturday's "NewsWatch 8 Weekend Edition @ Noon" (Sat., noon – 1 pm)
May 1998:	Expansion of Sunday's "NewsWatch 8 Weekend Edition" (at various times on Sundays over the next four months: Sun. 9 am – 10 am, then noon – 1 pm, then 9 am – 10 am)
June 1998:	Debut of "NewsWatch 8 Midday" (M-F, 11 am – 11:30 am)
September 1999:	Debut of "NewsChannel 8 Today" (M-F, 5 am – 5:30 am)
January 2001:	Expansion of "NewsWatch 8 Midday" to two half-hours (M-F, 11 am – noon)
August 2001:	Debut of locally-produced "Daytime" in lieu of "NewsWatch 8 Midday" (M-F, 11 am – noon) ("Daytime" is local variant of "Today" with some paid programming inserts)
June 2002:	Relaunch of "NewsWatch 8 Midday" (M-F, 11 am – noon) and move of "Daytime" to M-F, 10 am – 11 am

2. *Tampa Personnel Additions*. The competitive benefits and successes that flow from convergence have allowed WFLA-TV to expand its news operations and increase the number of full-time professionals, even over the last year despite the very serious advertising recession and general economic downturn.

3. *News and Programming Increases in Other Markets*. Media General's other five convergence markets present similar experiences.

WSLS(TV), Roanoke, VA

- January 1997 -- Weekday early morning newscast expanded by 30 minutes from 6:00 a.m. - 7:00 a.m. to 5:30 a.m. to 7:00 a.m.
- Added local hunting and fishing show.
- Added numerous local specials covering the Virginia and NASCAR races in Martinsville, Virginia; the opening ceremonies of a nearby national D-Day memorial; live Town Hall meetings following the "9/11" disaster; and local and statewide political debates.

WJHL(TV), Tri-Cities, TN/VA

- Station has added a new 30-minute weekday newscast at 5:00 p.m.
- Added locally produced sports specials.
- Added periodic hour-long "Media Watch" and "Education Week" shows.

WBTW(TV), Florence, SC

- Convergence has allowed increased coverage of political campaigns, debates, and elections.
- April 2002, the combined outlets sponsored a debate among gubernatorial candidates in the Republican primary, the first debate of the campaign and the first in which all seven party candidates participated.
- October 2002, the combined outlets sponsored a debate between Republican and Democratic gubernatorial candidates.
- Both interests also recently staged "Our Town Hartsville," a community meeting that was covered in both media.

WRBL(TV), Columbus, GA

- Added new 30-minute weekday newscast at 5:00 p.m.
- Scheduled to add another half-hour newscast at 5:30 p.m. later this fall.
- Developing local public affairs show, scheduled to debut this fall.

WMBB(TV), Panama City, FL

- Added early evening newscast on Sundays from 5:00 p.m. to 5:30 p.m.

4. *Staff Additions in Other Markets.* Convergence has created more opportunities for staff, particularly news personnel.

STUDIES/FACTUAL EVIDENCE IN
OMNIBUS MEDIA OWNERSHIP DOCKET
THAT SUPPORT COMPLETE ELIMINATION OF
THE NEWSPAPER/BROADCAST CROSS-OWNERSHIP RULE

I. "Diversity"/Localism

A. Specifically Directed to Newspaper/Broadcast Cross-Ownership

1. *FCC Staff Study of 1973 Television Station Annual Programming Report, Second Report and Order*, 50 FCC 2d at 1078 n.26 and Appendix C.

2. *Non-Entertainment Programming Study*, Appendix A to Comments of A.H. Belo Corporation in MM Docket No. 98-35, filed Jul. 21, 1998.

3. D. Pritchard, *A Tale of Three Cities: "Diverse and Antagonistic" Information in Situations of Newspaper/Broadcast Cross-Ownership*, 54 FED. COM. L.J. 31 (Dec. 2001).

4. S.R. Lichter, Ph.D., *Review of the Increases in Non-Entertainment Programming Provided in Markets with Newspaper-Owned Non-Entertainment Programming Provided in Markets with Newspaper-Owned Television Stations*, Appendix 5 to Media General Comments in MM Docket Nos. 01-235 and 96-197, filed Dec. 3, 2002.

5. J.K. Gentry, Ph.D., *The Public Benefits Achievable from Eliminating the FCC's Newspaper/Broadcast Cross-Ownership Rule*, Dec. 2001, Appendix 4 to Media General Comments in MM Docket Nos. 01-235 and 96-197, filed Dec. 3, 2001.

6. Media General's review of broadcast, print, cable, wireless cable, DBS, and Internet sites available in each of its convergence markets. Appendices 9-14 to Media General Comments in MM Docket Nos. 01-235 and 96-197, filed Dec. 3, 2002, and Appendices 9-14 to Media General Comments in MB Docket Nos. 2-277, *et al.*, filed Jan. 2, 2003.

7. D. Pritchard, *Viewpoint Diversity in Cross-Owned Newspapers and Television Stations: A Study of News Coverage of the 2000 Presidential Campaign*, FCC Media Ownership Working Group, 2002-2, Sept. 2002.

8. T.C. Spavins, *et al.*, *The Measurement of Local Television News and Public Affairs*, undated (FCC-commissioned study released Oct. 1, 2002).

9. J.K. Gentry, Ph.D., *Statement*, Appendix 3 to Media General Comments in MB Docket Nos. 02-277, *et al.*, filed Jan. 2, 2003.

10. *Selected Press Accounts of Cutbacks in Local Television Newscasts: November 1998 through October 2002*, Attachment B to Appendix 3 to Media General Comments in MB Docket Nos. 02-277, *et al.*, filed Jan. 2, 2003.

11. Statement of Robert W. Decherd, Chairman of the Board, President and Chief Executive Officer, Belo Corporation, attached to Comments of A.H. Belo Corporation in MB Docket Nos. 02-277, *et al.*, filed Jan. 2, 2003.

12. Statement of J. Stewart Bryan, III, Chairman of the Board and Chief Executive Officer, Media General, Inc., Appendix C to Media General Reply Comments in MB Docket Nos. 02-277, *et al.*, filed Feb. 3, 2003.

13. Media General's evidence of increased provision of local news and information at each of its co-owned convergence properties and evidence of increased staffing at all but one of its convergence TV stations. Employment held constant at exception. Section II.A. in Media General Reply Comments in MB Docket Nos. 02-277, *et al.*, filed Jan. 2, 2003.

14. Media General's letters from non-profit community groups, noting convergence has helped them spread their messages more effectively. Appendix A to Media General Comments in MB Docket Nos. 02-277, *et al.*, filed Feb. 3, 2003.

15. Columbia University School of Journalism, Project for Excellence in Journalism, *Does Ownership Matter in Local Television News: A Five-Year Study of Ownership and Quality*, Feb. 17, 2003, *ex parte* submission in MB Docket Nos. 02-277, *et al.*, filed Feb 26, 2003.

16. J. Hausman, *Statement of Jerry A. Hausman*, undated, Exhibit 2 to Media General Letter to Commissioner Kathleen Q. Abernathy, Apr. 22, 2003.

17. J. Rosse, *Critique of "Consumer Substitution Among the Media,"* Apr. 16, 2003, Exhibit 1 to Media General Letter to Commissioner Kathleen Q. Abernathy, Apr. 22, 2003.

18. Discussion of Nielsen Consumer Survey in Media General Letter to Commissioner Kathleen Q. Abernathy, April 22, 2003.

B. Related and Supportive

1. S.T. Berry and J. Waldfogel, *Do Mergers Increase Product Variety? Evidence from Radio Broadcasting*, 66 THE QUARTERLY J. OF ECONOMICS 1009 (Aug. 2001).

2. *Selected Media "Voices" by Designated Market Area*, Exhibit 1 to Comments of Hearst-Argyle Television, Inc. in MM Docket Nos. 01-235 and 96-196, filed Dec. 3, 2001.

3. Media General's evidence of locally originated cable programming available in its convergence markets. Section II.B. and Appendix B in Media General Reply Comments in MB Docket Nos. 02-277, *et al.*, filed Jan. 2, 2003.

4. D. Pritchard, *The Expansion of Diversity: A Longitudinal Study of Local Media Outlets in Five American Communities*, Appendix 5 to Media General Comments in MB Docket Nos. 02-277, *et al.*, filed Jan. 2, 2003.

II. Competition

A. Economists Incorporated, *Structural and Behavioral Analysis of the Newspaper-Broadcast Cross-Ownership Rule, July 1998*, Appendix B to Comments of Newspaper Ass'n of America in MM Docket No. 98-35, filed Jul. 21, 1998.

B. S.M. Besen and D.P. O'Brien, *An Economic Analysis of the Efficiency Benefits from Newspaper-Broadcast Station Cross-Ownership*, July 21, 1998, Exhibit B to Comments of The Chronicle Publishing Co., Inc. in MM Docket No. 98-35, filed Jul. 21, 1998. Also submitted as Exhibit B to Comments of Gannett Co., Inc. in MM Docket No. 98-35, filed Jul. 21, 1998.

C. R.D. Blair, *An Economic Analysis of the Cross-Ownership of WBZL and the Sun Sentinel, July 1, 1998*, attachment to Comments of Tribune Company in MM Docket No. 98-35, filed Jul. 21, 1998.

D. Economists Incorporated, *Horizontal and Vertical Structural Issues and the Newspaper-Broadcast Cross-Ownership Ban*, Appendix IV to Comments of Newspaper Ass'n of America in MM Docket Nos. 01-235 and 96-197, filed Dec. 3, 2001.

E. Economists Incorporated, *Behavioral Analysis of Newspaper-Broadcast Cross-Ownership Rules in Medium and Small Markets*, Appendix A to Media General Reply Comments in MM Docket Nos. 01-235 and 96-197, filed Feb. 15, 2002.

F. C.A. Bush, *On the Substitutability of Local Newspaper, Radio and Television Advertising in Local Business Sales*, Sept. 2002, FCC Media Bureau Staff Research Paper, 2002-10.

III. Internet-Related

A. U.S. Department of Commerce, Economics and Statistics Administration, National Telecommunications and Information Administration, *A Nation Online: How Americans Are Expanding Their Use of the Internet*, Feb. 2002, available at http://www.ntia.doc.gov/ntiahome/dn/html/anationonline2.htm (last visited May 1, 2003).

B. J.B. Harrigan, *Getting Serious Online,* Pew Internet & American Life Project, at 3, 15 (March 3, 2002), available at http://www.pewinternet.org/reports/toc.asp?Report=55 (last visited Apr. 30, 2003).

C. Pew Research Center for the People and the Press, *Internet Sapping Broadcast News Audience*, available at http://people-press.org/reports/display.php3?ReportID=36 (last visited Apr. 30, 2003).

D. *Surveying the Digital Future -- Year Three*, UCLA Center for Communications Policy, Feb. 2003, available at http://www.ccp.ucla.edu/pages/internet-report.asp (last visited May 1, 2003).

ATTACHMENT 1

SELECTED PRESS ACCOUNTS OF CURTAILMENTS IN LOCAL TELEVISION NEWSCASTS

NOVEMBER 1998 THROUGH JANUARY 2003

Market	Station	Decision	Source
Anchorage, AK	KTVA (CBS)	Announced in April 2000 that it would eliminate noon newscasts.	11
Binghamton, NY	WIVT (ABC)	Cancelled locally produced morning news show in June 2002, and replaced it with regionally produced morning news show.	34
Boston, MA	WSBK (UPN)	Cancelled early evening newscasts in 1998, leaving only a 10 p.m. newscast, which is rebroadcast from WBZ-TV (CBS).	2
Boston, MA	WMUR-TV (ABC)	Cancelled 9 a.m. and 4 p.m. newscasts in May 2001.	19
Charlotte, NC	WBTV (CBS)	Cancelled 6:30 p.m. newscast in September 2001.	22
Chattanooga, TN	WDSI (Fox)	Cancelled morning and noon newscasts and added 4 p.m. newscast in January 2001.	15
Chattanooga, TN	WTVC-TV (ABC)	Cancelled weekend morning newscasts in February 2001.	16
Chicago, IL	WBBM-TV (CBS)	Cancelled one hour 6 p.m. newscast in early 1999. Replaced it with a half hour 4:30 p.m. newscast, which thereafter was cancelled in July 2000. Cancelled Saturday morning newscasts in December 1998.	3, 8
Cleveland, OH	WUAB (IND)	Cancelled 11:30 a.m. newscast in January 1999.	4
Cleveland, OH	WEWS (ABC)	Cancelled 5 a.m. newscast in June 1999.	6
Detroit, MI	WKBD (UPN)	Cancelled local 10 p.m. newscast in November 2002 and replaced with one produced by other station in market.	35
Detroit, MI	WWJ-TV (CBS)	Cancelled 11 p.m. half hour local newscast in November 2002.	35
Duluth, MN	KDLH (CBS)	Cancelled noon newscast in November 1998.	1
Evansville, IN	WEVV (CBS)	Cancelled local newscasts in late 2001	29
Green Bay, WI	WLUK-TV (Fox)	Cancelled 10 p.m. newscast in March 2001.	17
Greensboro, NC	WXLV-TV	Cancelled morning and weekend newscasts in late 2000.	13

Market	Station	Decision	Source
Greensboro/ Winston/Salem, NC	WXLV-TV (ABC)	Cancelled local newscasts in January 2002	27
Hattiesburg, MS	WHLT-TV (CBS)	Cancelled all newscasts and eliminated news department in May 2001.	18
Jacksonville, FL	WJXX (ABC)	Cancelled all locally produced newscasts in January 2000; now re-broadcasts newscasts from WTLV-TV (NBC).	10
Kingsport, TN	WKPT (ABC)	Announced in February 2002 that it would cancel locally produced weekday newscasts and brief updates and replace them with re-broadcast newscasts from WJHL-TV (CBS), Johnson City, TN.	28
Los Angeles, CA	KCBS (CBS)	Cancelled 4 p.m. newscast in 2001.	21
Los Angeles, CA	KCOP (UPN)	Announced in July 1999 that it would cancel 7:30 p.m. newscast.	7
Marquette, MI	WBUP WBKP (ABC)	Cancelled local newscast in March 2002	31
Miami, FL	WAMI-TV (IND)	Cancelled only newscast and eliminated news department in December 2000.	14
Miami, FL	WTVJ (NBC)	In February 2002, cancelled midmorning newscast and added 4:00 p.m. newscast, which was subsequently cancelled.	26
Minneapolis. MN	KSTC-TV (IND)	Cancelled both weekday morning and 6:30 p.m. newscasts in October 2001.	23
Minneapolis, MN	KSTP (ABC)	Cancelled morning weekend newscasts in October 2001.	23
New York, NY	WCBS-TV	Cancelled 4:00 p.m. newscast in January 2002	25
Odessa/ Midland, TX	KOSA-TV (CBS)	Cancelled morning newscasts in November 1998.	1
Orlando, FL	WESH (NBC)	Eliminated 4:30 p.m. newscast in April 2000.	9
Raleigh/ Durham, NC	WKFT (IND)	Cancelled hourly local news briefs in December 2002.	32
Sacramento, CA	KMAX-TV (UPN)	Cancelled evening newscast in 1998.	2
San Antonio, TX	KVDA-TV (Telemundo)	Cancelled morning and 5 p.m. newscasts in July 2001.	20
Seattle, WA	KSTW(TV) (UPN)	Cancelled all newscasts and eliminated news department in December 1998.	2
St. Louis, MO	KDNL-TV (ABC)	Cancelled all newscasts and eliminated news department in September 2001.	24
Tallahassee, FL	WTWC (NBC)	Cancelled all newscasts and eliminated news department in November 2000.	24

Market	Station	Decision	Source
Tampa, FL	WTOG (UPN)	Cancelled 10 p.m. newscast and eliminated news department in 1998.	5
Topeka, KS	KTKA-TV (ABC)	Cancelled all four local newscasts in April 2002.	33
Twin Falls, ID	KMVT (CBS)	Announced in February 2002 that it would cancel 5:00 p.m. newscast	30
Utica, NY	WUTR(TV) (ABC)	Cancelled locally produced morning news show in June 2002, and replaced it with regionally produced morning news show.	34
Washington, DC	WUSA (CBS)	Cancelled 90 minutes of evening newscasts, added 9 a.m. newscast, in September 2000.	12
Watertown, NY	WWTI(TV) (IND)	Cancelled locally produced morning news show in June 2002, and replaced it with regionally produced morning news show.	34

KEY TO SOURCES

Source	News Article
1	"*Benedek Slashes Costs, Staffs,*" *Electronic Media, Nov. 16, 1998 at 1;* interview with station news staff, February 13, 2003.
2	Monica Collins, "Clickers of Sweeps and Cable Rates," *The Boston Herald,* Nov. 15, 1998 at 5.
3	Dan Trigoboff, "A Day of Rest. WGN Cancels Saturday Morning Newscast," *Broadcasting & Cable*, Dec. 21, 1998 at 28.
4	Roger Brown, "Poor Ratings Sink Channel 43 Midday Newscast," *The Plain Dealer*, Dec. 22, 1998 at 4E.
5	Eric Deggans, "WTTA Might Add Late-Night News," *St. Petersburg Times*, Mar. 18, 1999 at 2B.
6	Tom Feran, "Wenz Hires Sommers To Do Midday Show," *The Plain Dealer*, June 9, 1999 at 2E.
7	Cynthia Littleton, "KCOP Dropping Newscast," *Daily Variety*, July 12, 1999 at 5.
8	Phil Rosenthal, "More Bad News for Ch. 2," *Chicago Sun-Times*, Aug. 16, 2000, at 57.
9	"Chatter," *The Stuart News/Port St. Lucie News*, Apr. 16, 2000 at P6.
10	Eileen Davis Hudson, "Market Profile, " *Mediaweek*, May 15, 2000; interview with station news staff, February 13, 2003.
11	"Inside Alaska Business," *Anchorage Daily News*, Apr. 20, 2000 at 1E.
12	"Local Media," *Mediaweek*, Oct. 2, 2000.
13	Jeremy Murphy, "Local Media—Los Angeles Radio Stations: ESPN Radio Picks Up Biggest Affiliate," *Mediaweek*, Nov. 27, 2000.
14	Dan Trigoboff, "Station Break," *Broadcasting & Cable*, Dec. 11, 2000 at 33.
15	Barry Courter, "Fox 61 Moves To Be First With News," *Chattanooga Times/Chattanooga Free Press*, Jan. 21, 2001 at B1.
16	Barry Courter, "Public Gives Locher A Boost," *Chattanooga Times/Chattanooga Free Press*, Feb. 9, 2001 at H5.
17	Tim Cuprisin, "Green Bay Fox Station Cancels 10 p.m. News," *Milwaukee Journal Sentinel*, Mar. 8, 2001 at 8B.
18	Kathryn S. Wenner, "News Blackout," *American Journalism Review*, May 2001, at 12.
19	Denis Paiste, "'Chronicle' Coming to WMUR," *The Union Leader (Manchester NH)*, May 30, 2001 at A2.
20	"News roundup," *San Antonio Express-News*, July 4, 2001 at 2B.
21	Dan Trigoboff, "Station Break," *Broadcasting & Cable*, Aug. 6, 2001 at 26.
22	Mark Washburn, "WBTV Replaces News Director to Boost Ratings," *The Charlotte Observer*, Aug. 14, 2001 at 1D.
23	Jeremy Murphy, "Local Media TV Stations," *Mediaweek*, Nov. 5, 2001; interview with station news staff, February 13, 2003.
24	Dan Trigoboff, "KDNL's St. Louis Blues; KDNL Television in St. Louis, Missouri, Axes News Department," *Broadcasting & Cable*, Oct. 8, 2001 at 22.
25	Chris Pursell, "Stations Scrambling to Slot New Strips," *Electronic Media*, Dec. 31, 2001 at 3.

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26	Tom Jicha, "WTVJ Shifts Newscasts to Late Afternoon," *Sun-Sentinel (Fort Lauderdale, FL)*, Feb. 6, 2002 at 3E; interview with station news staff, Feb. 11, 2003.
27	Dan Trigoboff, "Station Break," *Broadcasting & Cable*, Jan 7, 2002 at 40.
28	Dan Trigoboff, "Station Break," *Broadcasting & Cable*, Jan. 21, 2002 at 36; interview with station news staff, February 13, 2003.
29	Michael Schneider, "Local Newscasts Fall Victim to Cost Cuts," *Variety*, Jan. 28-Feb. 8, 202 at 21.
30	Lorraine Cavener, "Twin Falls, Idaho, TV Station Drops Early-Evening Newscast," *Times-News*, Feb. 2, 2002.
31	Associated Press, "Upper Peninsula Television Station Cancels Local News," *Associated Press*, March 29, 2002.
32	Business North Carolina, "WKFT, Eastern, Eliminates Local News Segment," *Business North Carolina*, March 1, 2002.
33	Kansas City Star, "Station Drops Local News," *Kansas City Star*, April 24, 2002; Dan Trigoboff, "The News Not Out of Topeka," *Broadcasting & Cable*, April 22, 2002.
34	William LaRue, "Clear Channel Consolidating Some Staff," *The Post-Standard*, July 6, 2002.
35	John Smyntek, "Channel 50's Exodus Aids Channel 7's News," *Detroit Free Press*, December 4, 2002; Dan Trigoboff, "CBS Drops News in Detroit," *Broadcasting & Cable*, November 25, 2002.

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

In the Matter of	)	
	)	
2002 Biennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996	)	MB Docket No. 02-277
	)	
Cross-Ownership of Broadcast Stations and Newspapers	)	MM Docket No. 01-235
	)	
Rules and Policies Concerning Multiple Ownership of Radio Broadcast Stations in Local Markets	)	MM Docket No. 01-317
	)	
Definition of Radio Markets	)	MM Docket No. 00-244

COMMENTS OF MEDIA GENERAL, INC.

(Volume 1: Comments and Appendices 1-8)

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January 2, 2003

Commission cannot defend it, and a reviewing court could not sustain it under established principles of First Amendment jurisprudence.

IV. The FCC's Own Recently Released Media Ownership Studies Also Compel Repeal of the Rule.

On October 1, 2002, the FCC released twelve studies examining various aspects of the current media marketplace.[101] Of these twelve empirical studies, six include information tangentially of relevance to the FCC's review of the newspaper/broadcast cross-ownership rule. While the studies may provide useful information to the FCC and the public, not one of them specifically provides a basis to evaluate whether the newspaper/broadcast cross-ownership rule is necessary in the public interest as a result of competition. Overall, these six studies demonstrate that the FCC lacks any empirical basis on which it can rely to continue implementation of the newspaper/broadcast cross-ownership rule as being necessary in the public interest as a result of competition. Individually, as shown below, the six studies show that the media marketplace has changed radically since 1975 when the rule was adopted and that repeal of the rule will not have a damaging effect on the public interest. In the end, these studies support repeal of the rule.

1. *Nielsen Consumer Survey.*

Study No. 8 released by the FCC reports the results of telephone interviews with 3,136 respondents whom Nielsen Media Research queried by telephone in late August and early September 2002 regarding their use of media.[102] The pool of consumers from which the respondents were drawn had recently completed television diaries in the February and May 2002

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[100] *League of Women Voters*, 468 U.S. at 380.

[101] FCC News, "FCC Releases Twelve Studies on Current Media Marketplace: Research Represents Critical First Steps in FCC's Fact Finding Mission," *supra* note 8.

[102] Nielsen Media Research, "Consumer Survey on Media Usage," FCC Media Ownership Working Group, 2002-8, September 2002 ("Study No. 8").

"sweeps" measurement periods.[103] As a result, the group's composition may have been slightly biased in favor of video watchers versus print readers. In addition, the average and median ages of the respondents were in their mid-forties,[104] so the pool of respondents likely was skewed against Internet usage.[105] Nonetheless, the results of the Nielsen consumer survey are telling in three principal ways: they demonstrate significant and growing reliance on the Internet for news and public affairs information; they show that cable and satellite subscription services have made measurable inroads in the use of over-the-air broadcast television; and they document substantial use of weekly newspapers, showing growing erosion of the market occupied by daily newspapers.

Internet Growth. Although the Nielsen study shows Americans still utilize a variety of more traditional media outlets to obtain local and national news, it also demonstrates that consumers are making substantial use of the Internet in seeking information about current events and public affairs. When asked to name the list of sources they had used for *local* news and current affairs within the preceding seven days, 18.8 percent, or almost one-fifth, of the group responded that they had used the Internet without hearing any list of suggested sources.[106] When those who did not volunteer use of the Internet were presented with a follow-up question asking specifically if they had used it as a source of *local* news and public affairs in the preceding week,

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[103] Study No. 8, "Description of Methodology," at 8.

[104] *Id.* at Table 095.

[105] U.S. Department of Commerce, Economics and Statistics Administration, National Telecommunications and Information Administration, *A Nation Online: How Americans Are Expanding Their Use of the Internet* at 14 (February 2002), *available at* http://www.esa.doc.gov/508/esa/USEconomy.htm. While this study shows that since December 1997, the age range of individuals more likely to be computer users has been rising, children and teenagers are still the most likely to be computer users.

[106] Study No. 8, Table 001.

another 18.5 percent, or again almost one-fifth of those questioned, answered affirmatively.[107] When the same questions were asked about *national* news, 21.3 percent, or even more respondents, volunteered that they had used the Internet.[108] Of those that had not volunteered their usage of the Internet to obtain *national* news, some 12.7 percent admitted such use when specifically queried.[109]

When a slightly smaller group of respondents, those who admitted to obtaining any *local* news and current affairs in the last week, were then asked if they had used the Internet to gain access to local news and current affairs, 34.2 percent responded affirmatively.[110] When a similar group was asked the same question but about *national* news and public affairs, a consistent 32.2 percent responded affirmatively.[111]

In the overall pool of respondents, a large number admitted access to the Internet. Some 79.2 percent, or almost four-fifths, responded that they have access at home, work or both.[112] The study's results also presaged the likely emergence of the Internet as an even more dominant source of news. When respondents were asked to list which media they might utilize more or less in the future, the Internet, among all listed media, was the source that gained the highest percentage of "more often" responses -- 24.7 percent.[113]

Cable Television/Satellite-Delivered Video. The Nielsen study results also showed significant growth in the role of subscription video services, like cable and satellite, in the daily

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[107] *Id.* at Table 002.

[108] *Id.* at Table 009.

[109] *Id.* at Table 010.

[110] *Id.* at Table 097.

[111] *Id.* at Table 098.

[112] *Id.* at Table 077.

[113] *Id.* at Tables 070 through 076.

lives of Americans. Of respondents who answered that television is one of their sources of *local* news and public affairs, 67 percent said that they watch such news on broadcast television channels, and 58 percent, or almost as many, said that they watch cable or satellite news channels.[114] When the same question was asked about sources of *national* news and current affairs, an even larger number, or 65.5 percent, listed cable or satellite news channels compared to 62.8 percent for broadcast news channels.[115]

A slightly smaller group of respondents, those who had said they get local or national news from various sources, were asked to name the source that they used most often. While almost one-third, or 33.1 percent, cited broadcast television channels, a surprisingly large number, or 23.3 percent, listed cable or satellite news channels, a figure that exactly matched the percentage of respondents who cited daily newspapers as the single source they use more often.[116]

Respondents who named a particular medium as the one that they used most often as their source for local or national news were also asked how likely, on a scale of one to five, they would be to use another suggested source if their preferred source were no longer available. A rating of "5" represented "much more likely" and "1" meant "no more likely." When the numbers for those who rated a specified substitute as either a "5" or a "4" were tallied, cable or satellite news channels beat out daily newspapers among all respondents except those who had

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[114] *Id.* at Table 008. As the notations in many of the tables state, percentages of responses may sum to more than 100 percent due to multiple responses.

[115] *Id.* at Table 016. Again, multiple responses are responsible for causing the percentages to total more than 100 percent.

[116] *Id.* at Table 020.

listed either weekly newspapers or magazines as their first preferred source.[117] When all respondents were queried about what source they would be more likely to use for national or local news and current affairs in the future, cable and satellite channels came in second behind the Internet.[118]

Finally, among the respondents, many more households paid to receive subscription video services than subscription print services. Specifically, when all respondents were asked to list the subscription services, if any, that they received, 62 percent said cable, 20.5 percent said satellite, 49.8 percent said daily newspaper, and 24.0 percent said weekly newspaper.[119] When the cable and satellite percentages are summed, they show that 83.4 percent of the respondents subscribed to a paid video source.[120]

Weekly Newspapers. The results for the survey also show that weekly newspapers have a strong response rate vis-à-vis dailies in terms of readership. When the respondents who had not mentioned reading a weekly newspaper in the last seven days were specifically asked if they had done so, almost one-third, or 27.5 percent, responded affirmatively.[121] When those respondents who had said they obtained their news from a newspaper were asked to specify whether it was a daily, weekly, or both, 10.2 percent said weekly only and 27.3 percent, or again almost one-third, said they subscribe to both.[122]

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[117] For those who listed broadcast as their number one source, *compare* Study No. 8, Table 021 *with* Table 024; for those preferring the Internet, *compare* Table 034 *with* Table 036; for those preferring radio, *compare* Table 058 *with* Table 061.

[118] *Id.* at Table 070 through Table 076.

[119] *Id.* at Table 079.

[120] *Id.*

[121] *Id.* at Table 081.

[122] *Id.* at Table 007.

2. *Outlet/Owner Survey.*

Another study that the FCC staff prepared compares the availability and ownership of media in ten different markets at three different points in time -- 1960, 1980, and 2000.[123] Included among the media that were counted were television and radio broadcast stations, cable systems, direct broadcast satellite systems, and daily newspapers.[124]

Echoing the factual evidence already presented in the *2001 Proceeding*, this study showed a dramatic increase in the availability of media outlets and the number of owners during the period from 1960 to 2000. The first table in the study, intended as an aggregate count of all media and owners in the ten markets, showed "percent[age] increases in [the number of] outlets ranged from 79% in Lancaster PA [sic] to a whopping 533% in Myrtle Beach SC [sic] with an average increase of almost 200% across all ten markets."[125] With respect to counts of actual owners, the percentage increases were slightly less dramatic because of consolidation following passage of the Telecommunications Act of 1996 but still "ranged from 67% in Altoona PA to a huge 283% in Myrtle Beach SC resulting in a 140% average increase in the number of owners for all ten markets from 1960 to 2000."[126] Even with consolidation, however, all but two markets experienced consistent growth in the number of owners. The New York market, with consolidation, did experience a net loss of two owners between 1980 and 2000, but the statistics

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[123] Scott Roberts, *et al.*, "A Comparison of Media Outlets and Owners for Ten Selected Markets (1960, 1980, 2000)," September 2002, FCC Media Bureau Staff Research Paper, 2002-1 ("Study No. 1"). The study states that the views it expresses do not necessarily reflect those of the agency.

[124] *Id.* at "II. Methodology." The study is not paginated, so citations are to various sections and tables.

[125] *Id.* at "III. Results – Table 1."

[126] *Id.*

for 2000 still showed that the market had over 100 owners, 114 to be exact.[127] (Over the same period, the number of media outlets in New York grew from 154 to 184.) Similarly, while the number of outlets in Kansas City grew from 44 to 53 between 1980 and 2000, the number of outlets remained constant at 33. The eight other smaller markets in the study experienced increases in the number of their owners, which from 1980 to 2000 grew an average of about twenty-five percent.[128]

In Table 2 of the study, the FCC staff provided more detail, showing the growth in outlets and owners by media type for each market in each of the three benchmark years. Such detail makes clear that the growth in broadcast, rather than the other outlets and owners accounted for virtually all of the dramatic increase in the overall aggregate media counts that had been presented in the first table.[129] What is most telling is that except for two markets, New York and Birmingham, the number of newspapers and their owners remained steady or declined.[130]

Next, Table 3 breaks out totals for radio and television stations according to whether they are commercial or non-commercial facilities. With the exception of a decline by one in the number of television owners in Lancaster, Pennsylvania, the only numbers in the charts that decreased are those for the number of commercial radio station owners in 2000 compared to 1980, and even with the decreases, between 10 and 41 owners remained in all but one market.[131]

Finally, Table 4 of the study tracks the growth in cable system availability in the ten markets. As the FCC staff writes, "[t]his table exhibits the tremendous growth of cable in each

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[127] *Id.* at Table 1.

[128] *Id.* at "III. Results – Table 1."

[129] *Id.* at "III. Results – Table 2" and Table 2.

[130] *Id.*

[131] *Id.* at Table 3.