

ORIGINAL
ORIGINAL



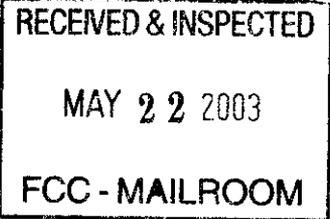
EX PARTE OR LATE FILED

Jerianne Timmerman

Associate General Counsel • Legal & Regulatory Affairs
1771 N Street, NW • Washington, DC 20036-2891
(202) 775-2994 • Fax: (202) 775-3526
jtimmerman@nab.org

EX PARTE OR LATE FILED

May 16, 2003



Notice of Ex Parte Communication

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

Re: MM Docket No. 00-244

Dear Ms. Dortch:

Yesterday, David Benjamin of Triad Broadcasting; Steve Newberry of Commonwealth Broadcasting Corp.; Frank Osborne of Qantum Communications; Mary Quass of New Radio Corp.; and Henry Baumann, Jack Goodman, Karen Kirsch, John David and the undersigned of NAB met with Commissioner Martin, Catherine Bohigian, Commissioner Abernathy, Stacy Robinson, Commissioner Copps, Jordan Goldstein, Susan Eid and Johanna Mikes to discuss the definition of radio markets. We made the following points:

- No perfect method of defining radio markets can be devised. Any revised market definition methodology will create a different and unpredictable set of anomalies, and very probably more anomalies than the current contour overlap method.
- The adoption of any market definition system utilizing Arbitron metro markets raises very serious questions as to the treatment of the large number of radio stations in "unrated" markets. Concern was expressed that the real-world impact of imposing a geographic-based market definition on unrated markets remained almost wholly unknown.
- If a market definition methodology utilizing Arbitron metro markets were to be adopted, then the Commission must address the anomalies created by "embedded" markets in areas such as New England. Arbitron data and markets also generally lack the neutrality and consistency needed for regulatory tools.

No. of Copies rec'd 10
LHA/ADDE

Ms. Marlene Dortch
Page 2
May 16, 2003

- If radio market definitions are changed so as to effectively reduce the degree of consolidation allowed in local markets in the future, then permanent competitive imbalances favoring the “early consolidators” would be created, hindering the ability of small and emerging radio groups to compete. To equalize competition in local markets where a grandfathered early consolidator exists, competitors in those markets should be permitted to acquire stations up to the level of the existing consolidator.
- Existing group owners acquired their stations in reliance on the Commission’s well-established market definition rules, and consolidated the operation of their stations in the reasonable expectation that the stations would be transferable as a group. To avoid disruption and adverse financial impacts in the radio marketplace (especially in the ability of radio station owners to obtain financing), these existing groups should remain freely transferable.

At this meeting, the attached handout was also distributed. Please direct any questions concerning this matter to the undersigned.

Respectfully submitted,



Attachment

cc:
(w/o attachment)

Commissioner Kathleen Abernathy
Commissioner Michael Copps
Commissioner Kevin Martin
Susan Eid
Jordan Goldstein
Catherine Bohigian
Johanna Mikes
Stacy Robinson