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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

EX PARTE OR LATE FILED

May 28, 2003

The Honorable Michael J. Copps
Commissioner
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: EX PARTE PRESENTATION
TELEVISION OWNERSHIP RULES
(MB DOCKET NO. 02-277; MM DOCKET NOS. 00-244, 01-235, 01-317)

Dear Commissioner Copps:

This letter is written on behalf of Sarkes Tarzian, Inc. ("STI"), which is the licensee of two radio stations in each of Bloomington and Ft. Wayne, Indiana, and of television Stations WRCB-TV, Chattanooga, Tennessee (Market 85) and KTVN(TV), Reno, Nevada (Market 114).

STI believes strongly that the Commission should adopt the apparent proposal of the Media Bureau staff to limit TV duopoly so as to preclude common-ownership in local markets among network affiliates of ABC, NBC, CBS and Fox. Despite the dire rhetoric that has received recent publicity, STI believes that there are adequate resources available to these network-affiliated stations in these markets and that the public interest would be disserved by allowing mergers among these affiliates, particularly in the small-to-midsized markets with which STI is familiar. Combinations among affiliates of the top four networks would only create local revenue dominance for consolidators without ensuring countervailing benefits to the public. If the Commission is concerned about helping the relatively small number of ABC, NBC, CBS and Fox affiliates that might be having serious financial difficulties in small-to-midsized markets, STI believes that refinement of the "failing station" exception in the rules to provide a sufficient safety net is far superior to excessive liberalization of the rules themselves.

STI commends the Commission for acknowledging that the biennial review of these rules will best succeed if the media ownership rules are harmonized comprehensively, especially in view of the wide-range of competitive outlets available in each market. As an important element of this undertaking, STI urges that the Commission conclude that shared services agreements, JSAs and other similar arrangements between ostensibly independent local television licensees should be treated as owned interests for both parties, similar to LMAs. The proliferation of these agreements in smaller local markets tends to undermine the rationale behind the rules and leads to de facto combinations that would not be licensed directly. Similarly, to preserve the integrity of the ownership rules, the Commission should limit only to the most compelling circumstances

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and for only the briefest of durations any waivers of the ownership rules; as has been observed in the past, waivers that extend indefinitely or are granted too readily will eviscerate the underlying ownership rules to the detriment of the local market and the public.

Thank you for your consideration of the foregoing. A copy of this letter is being served on the Secretary's office and the parties listed below.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert Davis".

Robert Davis
Senior Vice President, Accounting and Finance
Sarkes Tarzian, Inc.

cc: Kenneth Ferree
Paul Gallant