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FEDERAL COMMUNICATIONS COMMISSION

Federal Communications Commission  
Office of the Secretary

LOCALISM HEARING

Portland High School

Portland, Maine

June 28, 2007

4:00 p.m. to 7:33 p.m.

Federal Communication Commission Commissioners:

Commissioner Michael J. Copps, Chair

Commissioner Deborah Taylor Tate

Commissioner Robert McDowell

Commissioner Jonathan S. Adelstein

Moderator:

Clyde Ensslin

Panelists:

C. Edwin Baker, University of Pennsylvania Law School

John Christie, President, Central Maine Newspapers

Richard Gleason, President and General Manager, Mountain  
Valley Broadcasting, Inc.

Ben Haskell, Executive Vice President and Academic Dean,  
New England School of Communications, Bangor, Maine.

Katharine Heintz, Ph.D., Consultant, Children Now

Malcolm Leary, Reporter, Maine Capital News

Alex von Lichtenberg, General Manager, Entravision  
Communications, WUNI-TV

Judy Meyer, Managing Editor, Sun Media Group

Chellie Pingree, Former President of Common Cause

Dennis Ross, Owner/Manager, WJZP Community Radio Station

Shelby Scott, Former President, The American Federation  
of Television and Radio Artists, Former Boston TV News  
Anchor

Steve Thaxton, President and General Manager, WCSH-TV,  
Portland, Maine

Reporter: Daphne G. Estes, RPR/CP

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COMMISSIONER COPPS: Good evening.

Welcome, everybody, to the June open meeting of the Federal Communications Commission, and also our Commission's fifth public hearing on Localism.

My name is Commissioner Mike Copps. I don't normally wield this gavel because I'm a member of the minority at the Commission. We don't usually get a gavel to wield, but it feels pretty nice right now.

But seriously, tonight my thoughts are with Chairman Martin, who is not here, and his wife, who have spent every night, for almost a week now, in the intensive care unit of a Washington hospital where their newborn son has been placed following some post delivery complications. The good news, I understand, is that things are looking somewhat better, but he belongs where he is tonight; and I'm sure we all understand that he would be here if he could.

My experience with him, and although we don't always agree on all of the issues, is that he reads the record, he wants to hear the input from people. I'll be meeting with him when we both get back to the FCC, and I know he will be looking thoughtfully at the comments of people here. So we're all wishing he and his wife all good things.

We have a long, but I'm looking forward to an

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informative afternoon and evening with us. We usually start these with some readings from some of the local dignitaries who want to be heard, and then we'll have some brief opening comments from the Commissioners assembled here, and then we'll turn it over to our moderator of the evening to explain how we're going to get through the exercise in such a way as to accord everybody in this audience who wishes to have a say on these important issues an opportunity to comment.

I know we have several representatives of elected leaders here. We would hear first from Governor Baldacci's representative, but I don't know that Mike Mahoney is here yet. Is he here? He is here.

Mike, would you go ahead, please. Thank you for being here.

MR. MAHONEY: Well, thank you, Commissioner Copps, members of the Commission. Again, my name is Mike Mahoney. I am legal counsel to Governor Baldacci, and it's my pleasure to be here on behalf of the Governor.

The Governor apologizes that he can't be here for this important meeting this afternoon, but he certainly recognizes its significance. So if you'll indulge me, I'd like to read a letter that the Governor has prepared for today's proceedings.

COMMISSIONER COPPS: Thank you.

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MR. MAHONEY: Dear Mr. Chairman and members of the Commission. On behalf of the citizens of the State of Maine, I want to welcome the Federal Communications Commission to Maine, and express my gratitude that Portland has been selected as the venue for your panel discussions and public comments on localism in the media.

As I will discuss in more detail below, this is an important issue, not only for Maine, but also for the entire nation. And knowing the citizens of Maine as I do, I am confident that the perspectives you hear at this meeting will be thoughtful, considerate, and well supported.

As Governor, I firmly believe that the Commission should do everything within its power to ensure that the broadcasters under its jurisdiction adequately serve the public interest as required by law. The soaring popularity of the Internet notwithstanding, television and radio broadcast continue to be vital sources of information for the public.

Perhaps the greatest value of these broadcasters to their audience is their ability to deliver local news and information. Keeping the public informed about local news can, among other things, be critical to ensuring their health and safety.

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Earlier this spring, for instance, portions of the State suffered widespread damage and electricity outages at the hand of a powerful storm. At least one resident with whom I spoke afterwards told me that during the storm she turned to her battery-powered radio to get information, only to find that nothing was being broadcast locally.

Had more local news been available, this woman, and thousands of other Maine residents, may have had more timely information about where to turn for help in this situation.

At a broader level, a well-informed citizen is also one who is more likely to get involved in his or her community and be better equipped to participate in the decisions affecting the community. Absent a steady flow of local news and information, citizens are in danger of losing touch with their communities and are denied a tool they need to actively participate.

Again, I applaud the Commission for its attention to this vital issue, and I thank you for the opportunity to provide these comments.

Sincerely, John E. Baldacci, Governor.

Thank you very much.

COMMISSIONER COPPS: Thank you, Mike, for that statement; and thank you, Governor, for sharing it with

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us and for his continuing interest in these issues.

The senior senator from the great State of Maine, U.S. Senator Olympia Snowe, also has a message for the group. And I understand, Matthew Hussey of the office is here?

MR. HUSSEY: Yes, sir.

Thank you very much. The Senator sends her apologies for not being able to attend here today given the busy schedule in the Senate, but in her absence she wanted me to read her statement to you today personally, so I'll commence with her statement.

Good afternoon. I want to welcome the Commissioners of the Federal Communications Commission, as well as all the attendees today, to Portland, Maine. Thanks to all of you for attending this critical hearing on localism in broadcasting.

Regrettably, I am not able to attend -- join you today as my voting schedule in the U.S. Senate precludes me from attending personally. Please be assured, however, that as a member of the Senate Commerce Committee, with oversight of bypassing matters, I will be closely examining the testimony and discussion presented here today to determine the policies we must pursue in Washington to foster and strengthen localism in broadcasting.

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I have also requested that my policy expert on communications issues, Matthew Hussey, attend this hearing to hear all comments firsthand and share with me every concern that is raised here today.

Today's public forum is one of six in a series that the FCC is conducting throughout the country on the issue of localism in broadcasting: Part of a broader review by the Commission of its rules on this crucial topic.

The fact is, a free exchange of a wide range of viewpoints is the lifeblood of our democracy, and the print and broadcast media serve an indispensable function by exposing our society to the diverse thoughts and viewpoints.

In initiating this inquiry on localism three years ago, the FCC itself noted its overarching goal of establishing and maintaining a system of local broadcasting that is responsive to the unique interests and needs of individual communities.

In achieving this goal, listening to the voices of the public on this issue is vital, and I urge the Commission that traveled here to solicit public input. Therefore, I applaud the FCC for convening today in Maine because the views of local communities are essential in determining how to move forward to secure

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localism at this critical juncture.

Today's discussion must be viewed in light of our recent history on local broadcasting, particularly since the passage of the Telecommunications Act of 1996. In the succeeding eleven years, the broadcast industry has experienced a significant transformation in the ownership of local media outlets. Control of local stations has been increasingly consolidated into the hands of a few large national corporations, a development that rightly raises the concern that diverse voices of our local airwaves may be curtailed. The market in Maine is reflective of this trend, as only a single commercial television station remains owned by a Maine-based company.

Against this backdrop, the Commission in 2003 attempted to lift its long-standing ban on cross ownership of print and broadcast media within the same market, and further sought to raise the limit on national ownership of local television stations to 45 percent.

Alarm bells rightly went off on Capital Hill, and my Senate colleagues and I responded by placing a hard statutory cap of 39 percent on national TV ownership. Since that time, the courts have instructed the FCC to revisit its rule making on this topic of media

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ownership.

Because the preservation of localism is a vital underpinning of these media ownership limits, our conversations on local broadcasting must be eliminated by these events, yet it should be noted that the concepts of national corporate ownership and local broadcast content need not be mutually exclusive. This is evident, not only in the least by the exemplary local news coverage that Mainers have grown accustomed to and continue to enjoy today. The long-standing goals of the U.S. Broadcast Policy are to promote competition, diversity of voices, and localism, as well as assure that licensees of airwaves serve the public interest.

This is an obligation of broadcasters regardless of where a station owner is headquartered, and it is best achieved when government, the industry, and the public work together.

Additional avenues for serving local interest present themselves with each new technological development, and the impending digital TV transition, in particular, comes to mind. The capability of local stations to multicast a second and third channel within their signal allotments to transmit additional local oriented content to their viewers is an opportunity not to be missed. The public interest would be well served

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if these additional channels are used to give viewers round-the-clock news and coverage of topics and events of interest to local residents.

As I mentioned, government does play an essential role, and as a senator I have worked to assist broadcasters in transitioning to the digital age by authoring legislation to assist low-powered television stations in their transition from analog to digital signals; and also to preserve local radio broadcasts, emergency, and other services.

A final topic of recent discussion has focused on broadcaster license renewal process. The Commission -- the Communications Act itself states that in reviewing a license application, the Commission shall evaluate whether the public interest, convenience, and necessity will be served by granting of such license -- application.

In practice, this encompasses questions such as whether sufficient air time is being devoted to children's educational programming, and I would encourage the Commission to take a second look, as it did in the 1990's, at additional factors like coverage of local policy debates and access for community groups.

Given the significant issues the Commission faces

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in reassessing its rules on localism, and, by extension, media ownership, it is imperative that it listen to the comments voiced here today and in forums throughout the country and give the public's view the strongest possible consideration in the rule making process. Only in that way can we maintain and enhance invaluable broadcasting of the electoral process, educational programming, local governments, political discourse, and local community affairs: Programming that, again, is essential to the basic tenants of our democracy.

Again, I want to thank the entire Commission for selecting Portland as one of the six cities in which to explore the detail, the public views of the future of localism in broadcasting. I look forward to learning what you discuss here today so I can continue to work to ensure that the public interests will be served.

Thank you very much.

COMMISSIONER COPPS: Thank you, Matthew; and thank Senator Snowe for sharing that with us. She has long been an advocate, along with the entire delegation, the Governor's office, too, for the FCC to come here and hold this hearing tonight; and I think it's an important reason why we are here.

Next Senator Collins is here, I understand with us virtually via video, that Jennifer Dudier from her

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office has brought to us tonight. So if we're ready to roll that video, now is the time to do it.

SENATOR COLLINS: Good afternoon, I appreciate the opportunity to offer a few words as you gather for this important discussion today.

Let me begin by thanking the Federal Communications Commission for convening here in Portland. Along with Senator Snowe, I requested that the FCC conduct one of its remaining public hearings on localism here. I did so because I believe it's particularly important that the unique issues facing rural states like ours be taken into account by the Commission, and I commend everyone here for your participation.

Public input is critical to the process of determining the proper implementation of our nation's media ownership rules. The rules adopted by the Commission have a significant impact on the programming available to communities throughout America. Because of our sheer size and our great diversity, we are not a one-size-fits-all country.

In the past I've expressed my concerns to the Commission about the trend toward media consolidation. I want to reiterate that concern today. Local media play a vital role in maintaining the sense of community that is so important to the people of Maine. It is

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necessary, then, that the Commission weigh carefully the impact of consolidation on how our communities are served by their local media.

The free and open exchange of news, information, and viewpoints is essential to our democracy. It was foremost in the minds of our nation's founders when they crafted the Bill of Rights, and maintaining a diversity of voices is even more essential today. Radio and television are critical in this exchange, yet the broadcast airwaves are a limited resource. They are a public resource that must be used for public benefit.

Local media are informed by community concerns, and are the eyes and ears of our citizens. From the city council and the school board, to local businesses, to sports and the arts, it is local media that keep people informed and help them become better aware and more involved citizens. Through the increased opportunities local media provides citizens to express themselves, they are the voices of our communities as well.

As the leader of the Senate Homeland Security Committee, I'm also keenly aware of the vital contributions that local media coverage makes in terms of a crisis. The recent Patriot's Day storm caused great damage throughout our state, but our Maine media performed wonderfully by keeping people well informed of

washed out roads, flood threats, and the availability of emergency shelter and supplies. The performance of local media during even the more prolonged hardship of the 1998 ice storm was outstanding, and at times even heroic.

After Hurricane Katrina devastated our Gulf coast, our committee launched what turned out to be the most extensive investigation in our committee's history. The rebuilt National Emergency Management System that resulted from our investigation, calls for an improved communication between emergency management agencies and the public.

It is our local media that will be central to that undertaking. Local media helps sustain our sense of community and our valuable resources for public safety.

Your involvement in this hearing, and the presence of the FCC today, will help ensure that this vital role is preserved and enhanced.

Again, thank you all for your participation today, and thank you, FCC Commissioners, for coming to Maine and holding this hearing.

Thank you.

COMMISSIONER COPPS: Thank you, Senator Collins. And thank you, Jennifer Dudier, for bringing that video to us.

Also using the wonders of modern video technology, I understand that Congressman Tom Allen is virtually with us tonight. Dan Coyne, I think, has brought a video from him, and I hope we're ready to roll that.

Do we want to come back to that?

CONGRESSMAN ALLEN: Chairman Martin, Commissioners Adelstein, Copps, McDowell and Tate, welcome to Maine, and thank you for giving our community the opportunity to express our views on localism and media ownership rules. I regret that with Congress in session, I cannot participate in person today.

Preserving a sense of place is an important value to Maine people. Ours is a small, largely rural, and sparsely populated state, rich in the town meeting tradition of democratic discourse in its purest form.

Our largest cities -- Portland, Lewiston, and Bangor -- have a combined population of 131,000; about the size of Alexandria, Virginia. With these demographics, the independence of the voices in our communities is fundamentally important.

The debate we are having today, on the rules that the Federal Communications Commission sets, can have a meaningful impact on our lives. Will they ensure sufficient diversity in programming and a fair range of viewpoints? Will they result in enough locally oriented

and locally produced content? Will programming and editorial decisions be made here in Maine, or by some corporate office in a distant state? Will our media outlets continue to provide Mainers the opportunity to voice their opinions? These are all questions I hope today's hearing will address.

I have real concerns about trends in our media. Let me give you an example: When I first ran for Congress in 1996, no huge national conglomerate owned any of the three network affiliated TV stations in southern Maine. All three hosted prime time debates between my opponents and me in both the primary and the general election. Today, all three stations are owned by large media companies from away.

In my reelection race last fall, only two of these stations televised debates. One was on a half hour news magazine show, the other was only a 10 minute segment on the 5:30 p.m. local news. I like the people who work at our local network affiliates. I rely on them for local news and weather, the latest high school sports scores, and for the slices of Maine life they have traditionally broadcast. But like many of my constituents, I worry that public affairs programming increasingly falls victim to corporate decisions made elsewhere.

I am grateful that all five FCC Commissioners are

here to listen to Maine people voice their concerns on localism. I look forward to a productive hearing.

Thank you very much.

COMMISSIONER COPPS: Thank you. These are really interesting perspectives from your Congressional leadership.

We have one more member of Congress. Imagine if we were in California with 52, but what you get here is the interest of every one of them participating, which is unusual. I don't know if we've had that in another state where every member and the governor wants to be part of this hearing.

But in any event, Congressman Mike Michaud is represented by Andrea Quaid. If Andrea is here, we'd love to hear from her.

MS. QUAID: Thank you very much.

My name is Andrea Quaid, and I'm honored to represent Congressman Michaud here today for the Commission, before the panel, and before all of you. And the Congressman has asked me to convey the following:

Commissioners of the Federal Communications Commission, welcome to Maine. As you hear from individuals from across my state, I trust that you will find today's hearing informative and compelling. And to

those giving testimony today, thank you for your efforts and your commitment to continuing a healthy dialogue on the important issues of broadcast localism and media ownership in Maine and throughout the nation.

Mainers believe in community. One need only look at the many community institutions throughout the state, from volunteer fire departments and emergency squads, to the involvement of parents and community members in our local school -- schools to see this commitment to community.

As a result, Mainers have a special interest in making sure that their local media truly serves their communities, providing means, information, and entertainment that is relevant. Being licensed to local communities, broadcast radio and television stations, like any other responsible neighbor, are obligated to serve these communities.

Maine broadcasters serve their communities because they are part of these communities themselves, interacting with local business and individuals on a daily basis. It is up to us, as policy makers and regulators, to make sure these interests continue to be served, preserving flexibility, so local media may adjust to local conditions while maintaining the local nature of broadcasting, to ensure that the service we've

enjoyed for so many decades continues in the future.

I look forward to reviewing the testimony which will be offered today, and I thank all who will be taking time to testify here today, as well as the Commissioners for traveling to Maine to hold this hearing.

Michael H. Michaud, member of Congress.

COMMISSIONER COPPS: Thank you very much. I appreciate all of those statements.

Now it is customary at this point in the deliberations of the Commission to recognize each of the Commissioners for a brief opening statement. So we will proceed to that now, and I'd like to begin with Congressman Jonathan Adelstein to my right.

COMMISSIONER ADELSTEIN: Thanks. I might stand up over here. I'll be sitting there for a long time.

I'm thrilled that we're finally here at this long-awaited hearing. We've been planning to come to Portland for a long time, and we finally made it.

Of course, the hearing is all about localism, and that means what's local about Portland. There's so many things that are special and unique about Portland, but I got here just a couple hours ago. I got off the plane. It was hot and steamy, drove down the road and there's a bunch of traffic and went down a street called Congress

Street and I thought, gee, this is just like Washington.

But we really do want to hear what's unique about Portland and about how radio and television broadcasters are serving you; how they're living up to their obligations to the community and providing you with local news and information.

I'd like to thank Governor Baldacci and Maine's entire Congressional delegation. It really is impressive that they all took time to make such eloquent statements here today; and they, of course, were the ones who led the effort to bring us to Portland in the first place.

I'd like to thank organizations like Common Cause and Free Press who helped get the word out for this. And leaders are here, like the Blethen family, who we have worked with for so long who really care about quality journalism.

I'm grateful to all the panelist members. We have an amazing array of panelists who have agreed to share their insight with us here today. And most of all, of course, I want to thank all of you for coming out and taking time out of your busy day to participate. Really, it's all about you.

Thomas Jefferson taught us that the price of

freedom is eternal vigilance, and I think today exactly that price is what needs to be paid in order to have meaningful reform in order to be a more democratic media.

Coming from Washington, D.C. we hear a lot of talk about promoting freedom and democracy around the world. I think we ought to think about how we can improve it right here, improving freedom and democracy right here in Portland, right here in Maine.

We need you to tell us about what the local media in Portland and the greater New England area is doing right, and what areas need improvement, and specifically what can we as a Commission do to help. Our foremost obligation is to promote the public interest. That's what the law tells us to do, and you're the ones that are directly affected by the decisions that we make about what specific obligations that broadcasters should have in the communities that we license and to serve. Your opinion really does matter to us because that's what the law says. It's about what's best for you, not what's best for the media giants that we oversee.

Now, from its inception, American media was always a local media, going back to the revolutionary war; not like in Europe where they came up with national broadcast licenses. Here in America, we licensed the

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valuable public airwaves for free to broadcasters, to local communities in exchange for serving those local communities. So localism has always been, from the inception of the FCC, the very cornerstone and the central obligation that every broadcast licensee has to their programming, and it's relevant and responsive. It serves the communities' interests and tastes and needs.

So I'm here to ask you a basic question. I wouldn't mind hearing your response right now. How well are the broadcasters serving you in this community?

AUDIENCE MEMBER: Poorly. Poorly.

AUDIENCE MEMBER: Well.

COMMISSIONER ADELSTEIN: Well, we're going to have a good discussion about that tonight. We're going to hear from all of you about it in much more detail. We're going to sit here and listen to all of you who have something to tell us: Positive, not so positive, what can we improve. We want to hear from you. I want to know whether your broadcasters are providing coverage that's serving your local community needs, and how they might be able to better serve you.

Now, this is much more than Toys for Tots or the annual blood drive. As important as these initiatives are, these are an important service to the public. But if you were asked by broadcasters to be here tonight

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because your local broadcasters help you raise money for the charity that you might work for, the excellent service that you provide to the community, I think that's wonderful, and we want to hear about that. That's a great part of what broadcasters do to help their communities.

But if you were asked by them or if you work for a broadcaster, I'd like to hear something more than just that. And you're welcome to share with us how well they're doing in terms of coverage of issues, not just in terms of helping charity with its particular goal.

For example, if it's the Boys Club or the, you know, blood drive for the American Red Cross -- if it's the Boys Club, how well are the education issues being handled by the local media. Are they really covering what's happening in local education. If it's the Red Cross, that's an important charity, they're helping that specifically; but tell us what kind of healthcare coverage are you getting? Are you getting stories about the healthcare needs of the community, about how well the uninsured are being taken care of. That's what we want to hear. That's what localism is all about.

And the other question I'd love it if you could answer, and I know you only have two minutes, I'd love to know if you're here on behalf of a charity like that,

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would media consolidation make your job easier. Would it make it better.

Now, if you're one of the lucky few that's been chosen to be helped by your local broadcaster, and I think it's a wonderful service that they do for the local community, would it be better if just one owner controlled it and was able to pick out which special benefits would go to some of the fine charities in the community, or do you like to have the opportunity to have more outlets that could possibly help you. So that's what localism is all about.

The problem is that in recent years, breaking news has been replaced with breaking gossip. Quality children's programming has been short changed. Serious coverage of local and state governments are diminishing. While news operations say they have to slash resources, some are offering up to a million dollars to get Paris Hilton on the air. Equally alarming, real investigative journalism, thoughtful reporting has given way to if it bleeds, it leads mentality.

A big city executive sitting hundreds of miles away can scarcely make decisions about local news and information and your communities' needs better than local broadcasters and reporters. I don't think foreign

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owners can grasp the full essence of your community. They don't live here. They don't understand our integral part of Portland. That requires personal commitment and financial investment.

What we're seeing today is that quality journalism is too often sacrificed to meet Wall Street's quarterly projections. Owners of multimedia outlets lose the incentive to invest in independent, competitive news operations in the same market.

The Commission's own study, which was originally buried until Senator Boxer demanded that it be made public, found that locally owned TV stations provide more local news. What's happening here in Portland as stations have been bought up by national conglomerates? I'd like to hear about that.

While we haven't completed the study on the Commission about how these changes affect radio, we hear across the country that centralized playlists and payola are shutting out local musicians, and unmanned radio stations are replacing local DJ's.

Historically the Commission looks for ways to promote localism in broadcasting, to make sure that broadcasters are accountable in serving the public interest. But since the 1980's the Commissions have gutted those protections and embarked on a path that