

COMMENTERS AGREE - THE COMMISSION SHOULD ADOPT
THE DIVERSITY AND COMPETITION SUPPORTERS'
MINORITY OWNERSHIP PROPOSALS

"Today it is almost universally agreed that curing the acute minority under-representation in broadcast ownership would do much to promote competition and diversity of viewpoints. Since the market entry barriers that still inhibit minority broadcast entry and growth are numerous and powerful, the Commission will need to deploy an equally numerous and powerful set of tools with which to correct the problem...."Thus, when it reviews the proposals discussed here, the Commission should examine all of them holistically, and adopt a thorough, comprehensive package of initiatives that collectively would be sufficient, with breathtaking rather than 'deliberate' speed, to fully address each category of market entry barriers that cause minority exclusion: access to spectrum, access to capital, and access to opportunity."

Initial Comments of the Diversity and Competition Supporters (29 national organizations) in Response to the Second Further Notice of Proposed Rulemaking, October 1, 2007, pp. 2-3, presenting 38 proposals.

"Today, ION agrees with the Diversity and Competition Supporters, represented by the Minority Media and Telecommunications Council, that the Commission should lift the 'market entry barriers that prevent one-third of America's citizenry from full enjoyment of the nation's most influential industries.'"

Reply Comments of ION Media Networks, November 1, 2007, pp. 3-4.

"NAB has long been a supporter of incubator programs like those operated by the NABEF. This rule...could provide thousands of disadvantaged businesses and individuals with the seed money and education to excel in the broadcast business....[T]he NAB generally supports proposals that will help overcome the largest roadblock to a more diverse broadcast industry - access to capital. The NAB supports recent proposals by the FCC Diversity Committee to hold a conference that will bring together industry stakeholders, minority interests, and private equity firms."

Comments of the National Association of Broadcasters, October 1, 2007, p. 8, endorsing six proposals.

"The proposals set forth in the *Second FNPRM* underscore the Commission's ability to enhance the ease of entry, creditworthiness, asset values and operational qualifications presented by potential broadcast station operators and buyers, particularly minorities and women. Therefore, we encourage the Commission to review these proposals thoroughly and develop a comprehensive package of minority ownership initiatives that would be effective."

Reply Comments of Financial Services Companies Alta Communications, Inc., Dover Capital Partners, LLC, Media Venture Partners, LLC, Pacesetter Capital Group, Pacific Media Capital, Quetzal/J.P. Morgan Partners, Wells Fargo Foothill, and D.B. Zwirn & Co., November 1, 2007, p. 2, endorsing five proposals.

"MMTC asks the Commission to modify its existing policy regarding radio cluster ownership to allow a grandfathered cluster that otherwise exceeds the applicable ownership cap to be transferred in its entirety to any third party as long as the third party transfers the stations exceeding the cap within 12 months to a small business. We support this important proposal, which would create critical opportunities for minorities and women in broadcast ownership."

Reply Comments of 48 Parties (21 radio broadcast licensees, 16 media brokerages, six public interest organizations and five financial institutions) on RM-11388, October 5, 2007, p. 1, regarding Proposal #35, Relaxation Of The Grandfathered Cluster Transfer Deadline For Cluster Purchasers Who Will Resell Stations To Small Businesses.

"[I]f the Commission delays, it will be impossible to retroactively correct the opportunities to increase participation in the radio industry by small business owners that would be lost if these transactions are completed without the benefit of the relief that MMTC requests."

Comments of Clear Channel Communications on RM-11388, September 5, 2007, p. 3, regarding Proposal #35, Relaxation Of The Grandfathered Cluster Transfer Deadline For Cluster Purchasers Who Will Resell Stations To Small Businesses.

"Improved access to spectrum and capital, added flexibility in the rules applicable to transactional structures, and economic incentives for participation in media transactions/media ownership opportunities for women and minorities are the tools necessary to effectively advance diversity in ownership."

Reply Comments of Joint Television Broadcasters Max Media, LLC, Fox Television Stations, Inc., Lin Television Corp., Granite Broadcasting Corp., Gannett Co., Inc., Belo Corp., Shooting Star Broadcasting, and Banks Broadcasting Inc., November 1, 2007, p. 3, endorsing six proposals for immediate adoption.

"Diversity enables terrestrial radio to remain competitive with other industries because the business plans developed, audiences served, and creative concepts attempted by a diverse group of owners are likely to be responsive to the needs of a diverse and changing audience. The competitive spur provided by diverse ownership is consistent with the Commission's mandate under the Communications Act to "disseminat[e] licenses among a wide variety of applicants, including small businesses,...businesses owned by members of minority groups and women" and other such entrepreneurs."

Reply Comments of Radio Broadcasters Emmis Communications, Legend Communications, LLC, Multicultural Radio Broadcasting, Inc, November 1, 2007, pp. 1-2, endorsing four proposals.

"Most Spanish language broadcasters are socially and economically disadvantaged businesses (SDBs) that overcame considerable obstacles in becoming broadcast owners. Thus, Spanish Broadcasters strongly endorse several of the proposals that will likely reduce current hurdles for new entrants."

Reply Comments of Spanish Language Broadcasting Companies Bustos Media Holdings, Norsan Group, Spanish Broadcasting System, Inc., and ZGS Communications, November 1, 2007, pp. 1-2, endorsing nine proposals.

"Minority ownership promotes competition and diversity of viewpoints. The market entry barriers that inhibit increased minority ownership and growth are numerous and powerful. The Commission must take a consistent and coordinated approach to fully appreciate and effectively address the primary barriers that cause minority exclusion: access to spectrum, access to capital and access to opportunity."

Reply Comments of African American Broadcasters Bakewell Media of Louisiana, LLC, Broomfield Broadcasting, Inc., Destiny Communications, LLC, Miles Ahead Broadcasting, Radio One, Inc. and Roberts Broadcasting Co., November 1, 2007, p. 2, endorsing six proposals.

"[T]he Commission should liberalize its treatment of foreign ownership of broadcast licensees where it would foster greater ownership by members of minority groups. Second the Commission should permit DTV or FM licensees to assign the right to operate a DTV subchannel or an HD radio channel to small disadvantaged business ("SDBs") under the Commission's share-time rule."

Reply Comments of the Hispanic Broadcasters of Philadelphia, November 1, 2007, p. 2-3, discussing two of three supported proposals.

"What is missing from past analysis is the impact of the [tax certificate] program on the minority community...[T]he initial purchases of SBS core stations could not have been consummated without tax certificates. The program truly leveled the playing field in the high stakes of broadcast business. A resuscitated program would encourage sellers to transfer or assign stations to minority buyers and to let the marketplace do the rest."

Comments of Spanish Broadcasting System, October 22, 2007, pp. 4-5.

"[T]he Commission can and should institute several changes to its regulations to encourage diversity of ownership and expand the opportunity for women, minorities and other small business owners to own broadcast stations. First and foremost, the Commission should work to make access to capital by women a priority."

Comments of American Women in Radio and Television, Inc., October 23, 2006, p. 9.

"With respect to MMTC's proposals, NABOB and Rainbow/PUSH support the proposals to increase minority ownership. NABOB and Rainbow/PUSH also support MMTC's request that the Commission adopt a definition for a socially disadvantaged business ('SDB') in this proceeding. NABOB and Rainbow/PUSH also support each of the proposals of the Diversity Committee."

Comments of the National Association of Black Owned Broadcasters and The Rainbow/PUSH Coalition, Inc., October 1, 2007, p. 3.

"NCTA supports advocacy of legislation to allow deferral of tax on gains from the sale of telecommunications businesses in specific circumstances and with appropriate safeguards as a means to promote diversity of ownership. We also support the proposals for the Commission to convene an Access to Capital Conference and to create a Diversity Guidebook."

Reply Comments of the National Cable and Telecommunications Association, November 1, 2007, p. 2, supporting three proposals.

"Requiring the seller of a failing station to give public notice and attempt to find a buyer outside of the market provides one avenue for new entry. Public notice is important because research shows that minorities and women often have difficulty finding out about opportunities to purchase stations."

Comments of the Office of Communication of the United Church of Christ, Inc., National Organization for Women, Media Alliance, Common Cause, and the Benton Foundation, October 23, 2006, p. 32, discussing one of the six proposals endorsed.

"The Commission's rulemakings need to take into consideration the impacts of any new ownership limits to ensure that they preserve, protect and promote minority ownership, rather than impede it. The AFL-CIO and DPE also endorse the MMTC proposals presented in its comments to the FCC, that address the barriers that impede minority ownership and promote measures that foster greater minority ownership in the future."

Comments of the American Federation of Labor and Congress of Industrial Organizations and the Department for Professional Employees, AFL-CIO, October 23, 2006, p. 6.

"The FCC must first resolve the crisis in minority ownership before it can move forward with any plans to adopt new ownership rules that could further media consolidation and force minority ownership in decline."

Letter from National Association of Hispanic Journalists, October 10, 2007, p. 2.

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