



April 14, 2010

Mr. Julius Genachowski
Chairman
Federal Communications Commission

Re: Puerto Rico-Rules and Policies Concerning Multiple Ownership of Radio Broadcast Stations in Local Markets and Definition of Radio Markets

Honorable Chairman Genachowski:

The F.C.C. has been asked to review its policy regarding the definition of Puerto Rico's Radio Market due to concerns that local broadcasters may be precluded from buying more stations given Arbitron's current market definition.

RAAD Broadcasting Corporation by way of its President Mr. Roberto Dávila, hereby respectfully submits its comments relative to the issue. RAAD is the F.C.C. licensee of FM Broadcast Station WXYX, Bayamón, Puerto Rico, and is the parent corporation for the licenses of FM Stations WXLX, Lajas, Puerto Rico and WELX, Isabela, Puerto Rico.

RAAD's interest is from the perspective of a radio broadcast licensee attempting to compete, as many others here, for audience share and advertising revenues in a market dominated by three large owners of multiple stations with dominant and optimum island coverage, one with the capacity to add additional stations under current rules (Univision). Presently, the top three companies, of which Uno Radio Group is the largest, already control close to 80% of the market.

Uno Radio Group is in fact the lone voice behind a new definition of Puerto Rico's radio market. Uno Radio is already by far the largest radio broadcaster in the island, having control of 14 separate radio stations, six more than what is currently permitted in its market. No other local broadcaster has even come close to the limit of eight (8) attached to the current market definition. Furthermore, Uno Radio Group has presented before the F.C.C. the request for approval of station number 15, WIAC-FM 102.5. This request is being contested by RAAD with a filed Petition to Deny that is a matter of Commission records arguing, among other things, that the station is already under their control.

HC 71 Box 15390 • Carr. #174 Km. 5.0
Bayamón, P.R. 00956-9535
E-mail: info@lax.fm
Tel. (787) 785-9390 • Fax 785-9377

April 14, 2010
Mr. Julius Genachowski
Pag.2

It is a matter of record that Arbitron market definition was not chosen arbitrarily, rather, it was the result of a consensus between broadcasters, including Uno Radio, and the advertising agencies in Puerto Rico. Nevertheless, Uno Radio seeks a market definition that will allow it to acquire more stations in what is already a three deep market. Further relaxation of the ownership rules as a result of a new market definition to solve Uno Radio Group's particular and self serving interest will only worsen the dire economic situation facing the majority of broadcasters in the island.

We would also like to set the record straight regarding Puerto Rico's Radio Broadcaster Association's (PRRBA) position on the subject, since Uno Radio Group has argued in its filings that it has the support of PRRBA. The fact is that Uno Radio Group does not have the support of PRRBA's on the matter. The issue of market re-definition is under review and will be the subject of a future general assembly for all radio broadcasters to voice their concerns and vote on the matter. We are confident that Uno Radio Group's position will not prevail.

As the President of the PRRBA would attest, his recent comments regarding complaints with the Arbitron survey were taken out of context. The fact that almost everyone agrees a larger sample size is needed for Arbitron's Maximizer Software to be of any use when dissecting the market by region or demographics does not translate into the existence of multiple markets within the Arbitron defined market.

The need for a larger sample base to access regional data has been ingeniously construed by Uno Radio Group to mean the need for a new market definition and the existence of multiple markets. Uno Radio is trying to capitalize on the radio broadcasters' general dissatisfaction with Arbitron's sample size data by offering a remedy that, while custom made to Uno Radio's needs, will cripple most broadcasters. In our small, 30 by 100 miles island, with population clusters in such close proximity to each other, nothing is more evidently further from the truth than the existence of multiple markets.

The President of PRRBA has agreed to write to our Resident Commissioner, Hon. Pedro Pierluisi, to ask him to allow PRRBA to review the issue with its membership. We also plan to meet with Resident Commissioner Pierluisi so that he will have the benefit of the above information and to whom we show our concern by sending him a copy of this letter.

In adopting the Arbitron Metro as the geographic market for multiple ownership purposes, the Commission recognized that not every station in the market will fully cover the market geographic area. Furthermore, the Commission recognized that its contour overlap methodology for defining radio markets was flawed as a means to protect competition in local radio markets.

April 14, 2010
Mr. Julius Genachowski
Pag.3

RAAD welcomes your review of our Ex-Parte Comments in regards to the subject at hand MB-Docket No.07-294/06-121/02-277/MM-Docket 01/235/01-317/00-244/04-228.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Roberto Dávila', with a stylized flourish at the end.

Roberto Dávila
President

Cc:

Mr. Michael J. Copps – Commissioner F.C.C.
Mr. Robert McDowell – Commissioner F.C.C.
Mr. Mignon Clyburn – Commissioner F.C.C.
Mr. Meredith Attwell Baker – Commissioner F.C.C.
Hon. Pedro Pierluisi - P.R. Resident Commissioner
Mr. Mánolo Santiago - President PRRBA