

Before the  
Federal Communications Commission  
Washington, D.C. 20554

In the Matter of ) GN Docket No. 10-25  
The Future of Media and Information Needs )  
of Communities in a Digital Age )

**COMMENTS OF  
COMMUNICATIONS WORKERS OF AMERICA  
THE NEWSPAPER GUILD/CWA  
NATIONAL ASSOCIATION OF BROADCAST EMPLOYEES &  
TECHNICIANS/CWA**

Bernie Lunzer  
James C. Joyce  
Eric Geist  
501 Third Street N.W.  
Washington, D.C. 20001  
202-434-1193

May 7, 2010

The Communications Workers of America (CWA) submits these comments in response to the Commission's Public Notice seeking public input into its examination of the future of the media and information needs of communities in the digital age.<sup>1</sup> The Commission undertakes this study at a critical time in the transformation of our media landscape. News organizations are slashing staff and reducing news gathering so severely that this threatens the dissemination of news and information from diverse and competing sources that is fundamental to our democracy.

With the advance of new digital platforms by which citizens can get information, the Commission's authority to regulate media ownership to foster viewpoint diversity, local identity, and prevent undue concentration of economic power is now more important than ever. The digital age may change how most Americans get information. But the result has not been more and better information or increased diversity nor has it meant increased opportunities for minority ownership. The Commission should take this opportunity to strengthen its rules that encourage viewpoint diversity, local identity and reverse the increasing concentration of economic power of media companies.

CWA represents more than 45,000 employees who work as journalists, advertising salespeople, broadcast technicians, printers, graphic designers, and at other occupations at newspapers, magazines, online publications, broadcast TV and radio and cable stations, and news and information services throughout our nation.<sup>2</sup> CWA media workers are employed at NBC, ABC, and Fox networks and stations, major dailies and online news publications such as the *New York Times* and the *Washington Post*, smaller dailies and weeklies, Thompson Reuters and other news services, public radio networks such as NPR and local public radio and TV

---

<sup>1</sup> FCC LAUNCHES EXAMINATION OF THE FUTURE OF MEDIA AND INFORMATION NEEDS OF COMMUNITIES IN A DIGITAL AGE, GN Docket No. 10-25 (Jan. 22, 2010)

<sup>2</sup> See Appendix for list of broadcasters and newspapers represented by CWA.

stations, among others. As such, CWA media workers are uniquely qualified to provide the Commission with an inside view of what is happening in today's media environment.

In order to provide the Commission with this information, CWA conducted an extensive survey of CWA local union leaders who work in print, online, and broadcast media. Respondents represent media workers at 58 print and online newspapers and magazines, and more than 60 local TV and radio stations, and five national broadcast networks. A complete list of publications and broadcast outlets represented by our survey is available in the Appendix.

The overwhelming response of media workers to our survey leads to one powerful conclusion: the information provided to communities where our members live and work does not match the needs of their communities.<sup>3</sup> Although the digital age has opened up new publishing and broadcasting opportunities, this has not translated into more in-depth provision of information from a variety of news outlets that is so vital to our democratic discourse. Below we provide more in-depth summary of the information provided to us by CWA-represented media workers.

### **Information Needs of Communities & Citizens**

The media plays a key role in ensuring information is widely accessible. Our survey illustrates that the availability of information for communities where our members live and work is generally not increasing, despite the advent of the Internet.<sup>4</sup>

According to respondents to our survey, newspapers have cut one-half to two-thirds of newsroom personnel. According to the Bureau of Labor Statistics, newspaper jobs declined by more than 40,000 in 2009 and 21,000 in 2008. Since 1999, the number of newspaper jobs has

---

<sup>3</sup> See Appendix Question #1.

been cut in half, from 424,500 in 1999 to 284,220 at the end of 2009.<sup>5</sup> Survey respondents also report that job cuts have reduced employment by minorities in the newsroom. As a result of these staffing cuts, survey respondents report that a full 90 percent of the print outlets where they work have reduced local community and investigative journalism in the last few years.<sup>6</sup> In addition, coverage of minority communities has been cut back substantially as reporters have been re-assigned to cover other general interest beats.

Print journalism plays the central role in the gathering of information which cannot be matched in depth and breadth by other medium locally, nationally and internationally. In particular, newspapers are the major source of local news and information. A Pew study found *The Baltimore Sun* was responsible for the origination of 96 percent of local news content.<sup>7</sup> The staffing reductions at daily newspapers have not been replaced by other forms of journalism.

To be sure, most papers are using citizen journalism online and sometimes in print.<sup>8</sup> Our survey respondents indicated that citizen journalism tends more toward commentary than information. Citizen journalists have not been an adequate replacement for news content and information jobs lost in the industry. According to The Newspaper Guild/CWA president representing media workers in the Washington Baltimore area, “It [Citizen Journalism] can be an effective way of gathering news, but it does not have the resources of newspapers or electronic media.”

The results of our survey indicate that the media workers we represent in the broadcast industry have witnessed a steep decline in provision of public interest obligations by commercial

---

<sup>4</sup> See Appendix Question #2.

<sup>5</sup> Steve Parker “Job losses, furloughs top list of newspaper industry stories in 2009”, *St. Louis Post-Dispatch*, Dec. 17, 2009.

<sup>6</sup> See Appendix Question #1.

<sup>7</sup> A Study of the News Ecosystem of One American City, Pew Research Center’s Project for Excellence in Journalism (Jan. 10, 2011)

broadcasters in recent years. Survey respondents strongly believe that the obligations for TV station licensees to provide news, community information and educational children's programming should be enhanced and enforced for all broadcast streams granted to the licensee. Further, 93 percent of survey respondents believe public interest obligations should be extended to cable and satellite programming providers.<sup>9</sup> They strongly urge the Commission to ensure that more programming promotes localism.

It is imperative that the Commission keep in mind the importance of over-the-air (OTA) broadcast transmission. Television and radio are still the surest ways to reach the widest audience for emergency news and information. According to our survey respondents, this need will continue to exist for a significant segment of our population. While the Internet continues to offer exciting new possibilities for dissemination of news and information, it is no substitute for print and broadcast media. Fully one-third of all Americans still do not subscribe to broadband, with a significant digital divide among low-income, rural, minority, and elderly populations. According to the Commission, 60 percent of those with incomes below \$20,000, half of those living in rural areas, 65 percent of older Americans, and 40 percent of African-Americans and half of all Hispanics do not currently subscribe to broadband.<sup>10</sup>

### **Business Models and Financial Trends**

According to our broadcast media workers, the digital age has brought about significant loss of jobs, due primarily to consolidation. Independently owned stations and small companies have not seen much change in employment. The real change has been in the large companies.

---

<sup>8</sup> See Appendix Question #9.

<sup>9</sup> See Appendix Question #4.

<sup>10</sup> Federal Communications Commission, Connecting America: The National Broadband Plan, March 2010, page 167.

Consolidation in the radio business has led to less local and minority ownership, tremendous corporate debt, bankruptcies and homogenization of choice. Radio consolidation has also resulted in the diminution or elimination of local news and/or local programming.

Unlike newspapers and radio, debt from consolidation is not the overall driving force for change in the television industry. The data shows the industry's quest to maintain 20 to 40 percent profit margins with declining viewership and advertising dollars has spawned a rash of local media consolidation, including consolidation of news and programming production among competitors within the same DMAs, with serious negative consequences for media diversity, localism, and competition.

The results of our survey demonstrate that new internal corporate broadcast business models, such as ownership duopolies and hubbing, especially when combined with new external industry models such as content sharing and local news sharing agreements among competitors, result in a decline of service to communities. Survey respondents report that these two streams of consolidation have resulted in less local content and less diversity of news. This is driving viewers and ad dollars away from traditional broadcast news to alternative sources of information and content.

According to a Pew study of news reporting for the Baltimore area<sup>11</sup> and The Norman Lear Center/USC Annenberg School for Communication & Journalism study of Los Angeles area, there is much less competition in local news reporting. This results from such practices as content sharing, local news sharing, and the growth of duopolies and even triopolies, there is much less competition in the local news market.<sup>12</sup> This experience is now widespread as

---

<sup>11</sup> A Study of the News Ecosystem of One American City, Pew Research Center's Project for Excellence in Journalism (Jan. 10, 2011)

<sup>12</sup> The Norman Lear Center USC Annenberg School for Communication & Journalism LOCAL TV NEWS IN THE LOS ANGELES MEDIA MARKET: Are Stations Serving the Public Interest? (March 11, 2010)

reported by survey respondents in such diverse locations as Watertown, NY, San Diego, CA and other locations where CWA members work.

Alternative sources of information and content — the Internet, multicast channels and mobile — have had an adverse impact upon broadcast TV audience levels and consequently upon advertising dollars for broadcasters. Yet, even though the Internet purports to offer more choices for citizens, it has not provided new local content in any substantial way. The need for strong Commission rules that preserve diversity of ownership continues to be paramount to ensure localism, diversity, competition, and the job retention and growth that is so essential to quality news and information.

The digital age has jeopardized the newspaper business by offering other ways to get the information found in newspapers without having to pay. At the same time, media consolidation has resulted in large debts for many media companies. Newspapers are competing with their own free versions; other web sites that run their stories, in part or in full; and new and expanding forms of entertainment on many different platforms. In addition, ad dollars are being spread among more platform choices and, in most cases, for much less cost.

Some newspapers have been shuttered. Major magazines have been closed, sold or downsized. Companies that piled on the debt over the years have been through bankruptcy, emerging with less debt, but not zero debt. Others are still in the bankruptcy process and still others have put off large payouts for a few years hoping a business model will emerge to pay back existing debt when the bill comes due.

Privately held companies which own newspapers and do not report their financial information have seen mixed results. Smaller companies that were not part of consolidation are still making cuts because of fewer readers and ad dollars but have fared better, at least for now.

More consolidation in the media which involves more debt might be a way for short-term survival, but it's not an answer for the long term. Consolidation is not a business model that has worked. There is no reason to believe that cross-ownership will fix the problems for broadcast or newspapers. We need a way to protect the scope of coverage, perhaps in exchange for cross-ownership. When the Newspaper Preservation Act was put in place it specifically recognized the need for diverse voices and competing newsrooms. There must be a way to fight for those principles in this current transformation.

One area where newspapers have cut costs is in advertising production. CWA-represented advertising employees report that this work – previously provided by the newspaper employees -- has been outsourced or is now done by the advertiser. The result is that advertisers do not receive the support they once did. This decline in customer service provided to advertisers contributes to lost revenue. Smaller advertisers, which could be an important source of new revenue, need complete support to see the value of print advertising in combination with digital advertising.

Survey respondents note that newspaper management responds with cost-cutting, outsourcing, content sharing and/or collaboration with other media in search of new revenue sources. More than 80 percent of survey respondents report that there are content sharing arrangements with other properties.<sup>13</sup> It is impossible to tell if this prevents the downside from being worse or if it contributes to the decline of the newspaper business through loss of readers.

Two-thirds of survey respondents representing the print media reported that allowing their newspaper to convert to a non-profit, not-for-profit or get a government subsidy would be

---

<sup>13</sup> See Appendix Question #5.

beneficial to the employees, the paper and the community.<sup>14</sup> Under current sale arrangements this is not promoted. The recent sale of the *Hawaii Advertiser* did not even allow enough time for local buyers who were interested in a portion of the company to pursue that interest.

### **Commercial Broadcast TV and Radio, Cable and Satellite**

Commercial broadcast television and radio ownership rules and other regulations, which were designed to foster diversity of voice, competition, and local content, should be strengthened and rigorously enforced. Cable and satellite television providers should do more to create or promote local content. Local radio news content is practically non-existent. Satellite radio can support communities by carrying local radio stations which have substantial local news and programming or create its own. Radio should be required to provide substantial local news and content.

Ownership of media should reflect the makeup of the communities they serve; therefore, the Commission should support efforts to increase minority ownership of the media. Requiring local content and limiting large media companies that do not create substantial local content and children's programming would open opportunities for ownership of media by under-represented minorities.

### **Noncommercial and Public Media**

The recession has caused funding problems for public broadcasters on the national and local level. First, donations to local and national public broadcasting entities from individual supporters have declined due to the downturn in the economy. Additionally, donations and sponsorship from corporations and foundations have also declined. State and federal funding to local and national public broadcasting entities has also been reduced as government fiscal crises

---

<sup>14</sup> See Appendix Question #6.

emerge. Actual funding reductions, and in some cases the total elimination of state funding, have resulted in substantial impact upon public broadcasting. For example, Idaho Public Television already has seen its state funding cut by 61 percent since July 2008, necessitating layoffs, furloughs and the frequent airing of reruns. Similarly, New Jersey News, a group of New Jersey public television and radio stations that provides the only New Jersey-dedicated broadcast news, could lose all state funding if the current budget proposal goes through. The challenges for Idaho and New Jersey Public Broadcasting are emblematic of the decisions that public television agencies and stations around the country will have to make if individual states further decide that public television is no longer a business they can afford to support. According to the Corporation for Public Broadcasting (CPB), state and local funding for public television stations nationwide declined by \$36 million between 2008 and 2009. CPB forecasts an additional \$45 to \$49 million in state and local cuts for the upcoming fiscal year.

Non-commercial stations have reacted by spending more time and effort now on donor drives and are expending fewer resources on producing content. However, this operation model is far from a panacea. Total non-federal sources of revenue, including member donations and corporate underwriting, declined by \$200 million from 2008 to 2009. CPB is concerned that member donations may begin to decline more sharply, as they tend to be the last source of public broadcasting revenue to drop during economic downturns.

According to the Association of Public Television Stations (APTS), public TV stations in Florida, Louisiana, New York, Pennsylvania, South Carolina and Utah were among the hardest hit by cuts to state funding this year. Next year, APTS expects stations in a number of states to lose at least a quarter of their remaining state funding, including those in Idaho, Illinois, Minnesota, Ohio, Nevada, Oklahoma, South Carolina and Pennsylvania.

Sadly, in recent years, public broadcasting has been run more like a business than as not-for-profit organizations providing a public good. Bloated PBS station executive salaries are symptomatic of this trend and result in resources for quality programming needs being squandered.

Consequently, CWA urges the Commission to encourage more federal support for public broadcasting at the local level to buttress the information programming by public stations and to replace programming that has been lost from commercial broadcasters and which, to date, has not been picked up by other platforms in the private sector.

### **Internet and Mobile**

According to survey respondents who work in the broadcast sector, broadcasters are experimenting with various ways to use all media platforms. However, they also report that most stations simply make available the exact same material from their newscasts on their web sites. This does nothing to expand the diversity of information. Since most citizens seeking information from the Internet go to easy-to-find and familiar names for information, broadcasters' current ventures on the Internet and on mobile platforms do not represent new and independent sources of locally produced content.

The popularity of newspaper content provided on the Internet demonstrates that there is a market for local news and information.<sup>15</sup> But the free online availability of the newspaper content, combined with the much reduced revenue generating capacity of online news outlets, reduces the revenue available for newspapers and broadcaster.<sup>16</sup>

### **Conclusion**

---

<sup>15</sup> <http://tinyurl.com/2dykmmw>, Editor & Publisher (April 22, 2010)

While new models may emerge that give communities the diversity of viewpoint and local identity that the Commission is called upon to ensure, there is little evidence that sufficient solutions are imminent. The experience of the first decade of the twenty first century is that consumers are getting less exposure to news even with growth of the Internet and mobile platforms. The expansion of broadcast TV ownership duopolies in local markets, centralized TV transmission hubbing, local news gathering shared services agreements, outsourcing and acquired news content sharing have meant less diversity of opinion, less enterprise reporting and even less news, locally or nationally. Most significantly, the draconian personnel cuts throughout the media industry have created a vicious circle of declining quality leading to reduced audience which in turn reduces revenue. It is imperative that the Commission explore and promote new business models for commercial and public media that promote quality news and information provided by career media workers.

Respectfully submitted,

Bernie Lunzer  
President, The Newspaper Guild/CWA

James C. Joyce  
President, National Association of Broadcast Employees & Technicians/CWA

Eric Geist  
CWA Research Economist

May 7, 2010

---

<sup>16</sup> See Appendix Question #7.

## Appendix

The Newspaper Guild (TNG-CWA) publications represented in the survey:

Agence France-Presse  
Akron Beacon Journal  
Amsterdam, NY, News  
Bakersfield Californian  
Bay Area, CA, News Group - East Bay  
Bay City, CA, News Service  
Canton, OH, Repository  
Catholic Bulletin, OH  
Catholic, MN, Spirit  
Channel 4, PR  
Cleveland Plain Dealer  
Consumers Union  
Dayton Daily News  
Denver Post  
Detroit Free Press  
Detroit News  
Detroit, MI, Observer & Eccentric  
El Diario-La Prensa, NY  
El Vocero, PR  
Eugee, OR, Register-Guard  
Fresno, CA, Bee  
Hilo Tribune Herald  
Honolulu Advertiser  
Jewish, NY, Forward  
Kenosha, WI, News  
Long Beach, CA, Press Telegram  
Los Angeles Daily News  
Lynn, MA, Item  
Macomb, MI, Independent  
Massillon, OH, Independent  
Maui Bulletin  
Maui News  
Mercury, CA, News  
Michigan Catholic  
Minneapolis Star Tribune  
Modesto, CA, Bee  
Monterey, CA, Herald  
National Catholic News Service, Wash., DC  
New York Times  
Newsweek  
Norwalk, CT, Hour

Quincy, MA, Patriot Ledger  
Sacramento Bee  
San Francisco Chronicle  
Santa Rosa, CA Press Democrat  
Scholastic  
Scientific American  
Seattle Times  
Skagit Valley, WA, Herald  
St. Paul Pioneer Press  
Telemundo, PR  
The Baltimore Sun  
The Nation  
Thompson Reuters  
Time Inc.  
Toledo, OH, Blade  
Washington Post  
Yakima, WA, Herald

National Association of Broadcast Employees & Technicians (NABET-CWA)  
represented in the survey:

ABC  
BCAT (Brooklyn Community Access TV)  
BRONX Community Cable Programming Corp (BRONX NET)  
Citadel Radio, NY  
Citadel Radio, San Francisco  
Citadel Radio, Wash., DC  
Fox  
KCNC, Denver  
KDTV, San Francisco  
KETV, Omaha  
KGO, San Francisco  
KGTV, San Diego  
KMEX, Burbank  
KNBC, Burbank  
KOIN, Portland  
KQED -FM, San Francisco  
KQED-TV, San Francisco  
KSBY, San Luis Obispo  
KTTV, Hollywood  
KVEA, Burbank  
MCT, Rockville, MD  
NBC  
NPR  
PBS  
Time Warner Cable of NYC

WABC-AM, NY  
WABC-tv, NY  
WCIZ-FM, Watertown, NY  
WCPO, Cincinnati  
WDIV, Detroit  
WFLD, Chicago  
WFLD, Chicago  
WFSB, Hartford  
WGBH, Boston  
WGBO, Chicago  
WHEC, Rochester  
WHUT, Wash., DC  
WICU, Erie  
WICZ, Binghamton  
WIVB, Buffalo  
WJBK, Southfield, MI  
WJET, Erie  
WJLA, Arlington, VA  
WJW, Cleveland  
WKBW, Buffalo  
WKYC, Cleveland  
WLS, Chicago  
WMAQ, Chicago  
WMSA-AM, Messena, NY  
WOIO, Cleveland  
WOR-AM, NY  
WOWK, Huntington  
WPLJ-FM, NY  
WRC, Wash., DC  
WROC, Rochester  
WSEE, Erie  
WSKG-FM, Binghamton  
WSKG-TV, Binghamton  
WSNS, Chicago  
WSVN, Wash., DC  
WTNH, New Haven  
WTNY-AM, Watertown, NY  
WUAB, Cleveland  
WWNY, Watertown, NY  
WYIN, Chicago

## Survey Responses:

1.

Has your newspaper reduced investigative journalism or news analysis?

Item	Count	Percent %
Yes	21	88%
No	3	13%

2.

Has coverage of your local community been reduced?

Item	Count	Percent %
Yes	23	96%
No	1	4%

3.

Is the paper available for delivery to your entire community?

Item	Count	Percent %
Yes	19	79%
No	5	21%

4.

Should there be rules about public interest obligations for cable and satellite operators?

Item	Count	Percent %
Yes	26	93%
No	2	7%

5.

Does your employer have any content sharing arrangements with other properties?

Item	Count	Percent %
Yes	20	83%
No	4	17%

6.

Would any of the following be beneficial where you work?

Item	Count	Percent %
Converting your newspaper to non-profit status for educational purposes	11	65%
Allowing your newspaper to become a not-for-profit company	13	76%
Government subsidy of your newspaper	11	65%
Micro payments	8	47%
Voluntary contributions (Donations)	6	35%

### Survey Responses (Cont'd):

7.

Has the internet had a negative impact on competition in local news gathering?

Item	Count	Percent %
Yes	11	48%
No	12	52%

8.

Does your coverage reflect the diversity of your community?

Item	Count	Percent %
Yes	5	21%
No	19	79%

9.

Is citizen journalism an effective way of gathering news?

Item	Count	Percent %
Yes	6	26%
No	17	74%