

ORIGINAL

February 23, 2011

EX PARTE OR LATE FILED

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th St. S.W.
Washington, DC 20554

FILED/ACCEPTED

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Federal Communications Commission
Office of the Secretary

Re: Notice of Ex Parte Meeting
*Policies to Promote Rural Radio Service and
to Streamline Allotment and Assignment Procedures*
MB Docket 09-52

Dear Ms. Dortch:

This letter reports on a meeting held on February 22, 2011 with David F. Grimaldi, Legal Advisor to Commissioner Mignon L. Clyburn, Rosemary C. Harold, Legal Advisor to Commissioner Robert M. McDowell, David Honig representing MMTC and Mark Lipp, Wiley Rein LLP, representing a number of broadcasters concerning the above referenced proceeding. The presentation focused only on the proposal to limit the move of stations into urban areas. The key points of the presentation were as follows:

- The proposal should not be adopted because it is anti-competitive and will not advance the Commission goals of fostering local service or promoting diversity.
- The Commission's proposal will help only the stations already in the urban markets by insulating them from new competition and diversity.
- Of the 561 city of license change applications filed under the new rules between January 2007 and the comment date, only 7.5 % proposed to move into urbanized areas. Only 11 such applications were filed in 2010.
- The evidence provided in comments shows that the large majority (81%) of the city of license changes into urban areas were filed by new entrants creating diversity.
- The evidence shows that with every move, spectrum is opened for new stations. In one case, 4 new stations were created in place of one station which moved.
- The greatest adverse impact of the proposed limit on station moves will be on minorities in urban areas where 78% of African Americans and 83% of Hispanics reside. Minorities are not able to reach their target audiences due to inferior signals. The policies should not change to limit the ability of these stations to move to urban areas where they can reach their listeners if the spectrum opens up to allow the move.

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- MMTC pointed out that, disproportionately, the stations with inferior facilities needing to move into urban areas are minority owned. Thus, move-ins are a way for weak minority stations to overcome historical inequities by becoming able to compete more effectively with entrenched incumbents as well as serve their (often) central city audiences. The FCC has 72 proposals pending before it to advance minority ownership (two of which propose greater move-in flexibility), yet unfortunately the Commission has chosen this item, which will harm minority broadcasters, as the first item directly impacting minority broadcasting upon which to vote in the past two years. And it has done this one week after proposing a budget whose only two cuts to substantive offices were to the two offices dealing with minority concerns – OCBO (12% cut) and the Office of Workplace Diversity (8% cut). Therefore MMTC urges deferral of this item until the Commission refocuses on, and votes on items advancing minority ownership.
- At a time when station owners are facing their worst economic crises and the economics of small town radio are dying – those markets cannot support as many stations as before – so that if some leave and survive it means the remaining ones have a better chance at surviving and providing service to their communities.
- The comments were almost unanimously opposed to the rural radio proposal except one individual, William B. Clay, whose comments are more appropriate for consideration in the localism proceeding and the LPFM proponents who want more spectrum opportunities in urban areas.
- Mr. Clay contends that city of license change applications have increased substantially since January 2007. However that increase is the result of a freeze on such filings for nearly a two year period. In addition the Commission made the process much simpler by making these filings a minor change application instead of rule making and eliminated conflicting applications and counterproposals.
- Mr. Clay contends that loss of service to a community is not replaced especially in urban areas. But the evidence submitted by commenters prove otherwise.
- Mr. Clay believes that without incentives, the station will not provide local programming to the new city of license. However, the Commission has always believed that it is improper to assume in advance how much local programming the station owner intends to provide. There is no basis in the record or in the Commission's NPRM to make that assumption.
- Broadcasters already know that local programming is the lifeblood of their existence and their success depends on connecting with their communities of license. This concept has never been more true in view of the panoply of new competing services which may attract the listener but do not provide local service.

Respectfully submitted,



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cc: David F. Grimaldi, Chief of Staff and Media Legal Advisor, Office of
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Rosemary C. Harold, Media Legal Advisor, Office of Commissioner McDowell
William B. Clay