

Comments on:
DA 11-756
THE ECONOMIC IMPACT OF LOW-POWER FM STATIONS ON FULL-SERVICE
COMMERCIAL FM STATIONS
MB Docket No. 11-83

Comments filed by: Jim Trapani., Officer and Chief Engineer, WITG-LP Ocala, Florida

INTRODUCTION:

The Commission created the LPFM service to provide opportunities for new voices to be heard, and to enhance locally focused community-oriented radio broadcasting. Groups such as the National Association of Broadcasters and Publically supported NPR were vehemently opposed to the creation of LPFM. Mock studies were conducted, which included fabricated noise measurements, as well as erroneous technical data. This questionable data was sufficient to convince the non-technical delegates of the U.S. Congress and Senate to pass laws, requiring additional limitations and restrictions to the LPFM licensees; one example requiring certification to LPFM transmitters, while high powered transmitters are not required to undergo the extensive testing that LPFM transmitters would require.

After the MITRE report was released to Congress, The Local Community Radio Act of 2010 (“LCRA”), was enacted. It relaxed certain restrictions on low-power FM (“LPFM”) stations in order to facilitate the growth of LPFM service.

COMMENT AND DISCUSSION:

As an officer to an LPFM station, with several years of experienced operation, revenue generation is dependent upon sponsorship underwriting, as we do not rely on public donations as a source of revenue. The staff consists of non-paid volunteers, and contributes their time and talent to maintain operations of the station.

Over this course of time, the following observations and facts have been realized, and are stated as follows:

- 1) LPFM stations (as are public supported non-commercial stations) are limited to the rules of underwriting sponsorship advertising. Full-powered stations do not suffer this restriction.
- 2) With the current state of the economy, small local community businesses do not have the resources to afford the large advertising fees charged by full-powered radio stations. Therefore, small businesses have to rely on alternate and affordable means to make their business affairs known into the local community. Through underwriting sponsorships, an affordable means is provided for such knowledge, while maintaining local community presence.

- 3) Full-powered stations enjoy the ability to collect advertising revenues from large corporate sponsors, and are able to monopolize on this revenue, and segregate further away from LPFM stations source of revenue of sponsorship underwriting.
- 4) Since LPFM stations are not recognized by public broadcasting organizations such as NPR or NAB, LPFM stations are not eligible to enjoy the services or opportunities offered by these organizations, which may include political lobbying to support their causes.
- 5) Even though local small-business merchants may be unable to possess a budget to advertise on a full-powered station, the mere existence of an alternate means to allow the small business to be made aware to the community through an LPFM station is considered a threat to the full-powered stations.
- 6) LPFM stations are prohibited from airing commercial advertisements, and therefore are unable to directly compete for revenue generation with full-powered stations, which enjoy more relaxed standards. Therefore the statement that “LPFM stations are ‘siphoning’ advertising dollars away from full-service stations” is a misleading and exaggerated statement, and LPFM stations will not impact the advertising revenues of full-service stations in a manner that would ever ‘siphon’ revenue from full-powered stations, even if the LCRA was implemented.
- 7) To include “predictive judgments” about potential impacts that will occur after the statute is fully implemented and additional LPFM stations are licensed pursuant to the LCRA would constitute a restraint of trade against LPFM stations. It would be judgmental to place un-necessary burdens against a service that is only detrimental to the desires, and not the pocketbooks of the full-powered stations.
- 8) Our station suffers significant regular co-channel interference from a full-powered station (at a distance greater than 140km from the LPFM station) on a regular basis. The interference can be so severe, that our LPFM stations’ primary city-grade contour is extensively compromised. This greatly impacts an LPFM stations ability to properly serve the public interest. The LCRA does not address this issue, and is a common problem with existing LPFM stations. Despite the fact that the NAB and other full-power station lobbyist groups continue to claim that LPFM stations interfere with full-power stations, both the MITRE report, and realistic current-day issues show the opposite to be the case.
- 9) Full-powered stations rely on listener market share services to position themselves in competition with each other. Due to the limited signal coverage, interference issues, and limited potential listenership, LPFM stations do not appear in these market share services. This significantly reduces any ‘potential’ competition against a full-powered station, which would impact the full-powered station financially to its’ advantage.
- 10) LPFM stations are required to comply with more restrictive FCC regulations than full powered stations (such as stringent transmitter requirements, rebroadcasts, political rules,

and advertising restrictions), while the full-powered stations can enjoy the financial benefits of less prohibitive regulations.

11) Full-powered stations are represented by large lobbyist-based organizations that protect the interests of full-powered stations, and can influence matters that would benefit the full-powered stations' interests.

CONCLUSION:

Based on the foregoing facts, it is the opinion of this commenter that the competition and impacts on passing the statutes of the LCRA will be insignificant to full-powered stations, and that any attempts to further regulate LPFM with regard to current underwriting rules would only further jeopardize the LPFM service. LPFM stations should be regulated at the same guidelines as current non-commercial broadcast stations. Any additional restrictions against LPFM stations would only restrain LPFM stations even further away from the nature of the LPFM service.

Sincerely,
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