

FCC Should Not Defend Discredited Media Ownership Rule

In a blow to local journalism and quality reporting, the Federal Communications Commission is supporting an old media cross-ownership rule that allows companies to own more media outlets in communities across the country.

In July 2010, the FCC **filed a brief** with a U.S. appeals court defending the agency's 2007 decision under former Chairman Kevin Martin to weaken the Newspaper-Broadcast Cross-Ownership (NBCO) Rule.

The Martin NBCO Rule, which was adopted as part of the FCC's 2006 media ownership review, is marred by procedural irregularities, ambiguous provisions and loopholes — all of which run counter to the rule's purpose: to protect local communities from media monopolies and to increase diversity in the marketplace of ideas. The watered-down rule allows media outlets to merge based on promises that the FCC cannot monitor or enforce.

In 2008, Congress passed a **resolution of disapproval** of the adoption of the Martin NBCO Rule. Earlier this week a bipartisan groups of senators reiterated their support for a diverse media system and strong ownership protections. In a **letter** sent to current FCC Chairman Julius Genachowski, Sens. Olympia Snowe [R-ME], Byron Dorgan [D-ND], and Maria Cantwell [D-WA] questioned the wisdom of FCC rule changes in 2003 and 2007 that removed many of the ownership laws that promoted diversity, localism and competition.

Yet, despite congressional disapproval and the FCC's new leadership, Chairman Genachowski has supported the FCC's defense of Martin NBCO rules, saying, "While the rules being

challenged were adopted before I became Chairman, I support our General Counsel in arguing that the order was within the discretion of the Commission.”

However, FCC Commissioner Michael Copps criticized the FCC’s decision to defend the flawed rule. Copps, a commissioner since 2001, voted against loosening media ownership rules in both 2003 and 2007. He said in a statement:

It is difficult for me to believe that our new FCC, with its new majority, is in court today basically accepting the validity of the pro-consolidation decision of a previous Commission. Three decades of hyper-speculation have diminished media diversity, put investigative journalism on the endangered species list and significantly dumbed-down our fact-based civic dialogue.

The FCC has a long history of attempting to erode media ownership rules that protect journalism and the public’s interest. In a 2003 vote along party lines, the FCC attempted to allow the cross-ownership of both a newspaper and a television or radio station.

In 2007, the FCC attempted to deregulate the media industry by again removing rules against cross ownership of a broadcast outlet and a newspaper, a rule change the appeals court had ruled against in the 2003 proceedings. At the time, the *New York Times* said the rule change “would be a big victory for some executives of media conglomerates.” The appeals court is currently reviewing the changes. Earlier this year, however, the court **lifted a stay** on the rule change, allowing consolidation to move forward while they continue

their review. That was a mistake I believe on the part of the appeals court.

In the last fifteen years of media ownership deregulation, the number of television owners has dropped by one third from 450 owners to just over 300. Before the relaxation of ownership rules, there were over 5,000 radio owners, while today there are 3,143 owners – a decline by almost 40%. Currently, there are 175 broadcast **duopolies** where the same owner operates two stations in markets across the country.

While FCC deregulation in the past has reduced competition, diversity and localism in the market, Sens. Snowe, Dorgan and Cantwell **reminded Genachowski** that the FCC is “under no obligation to follow the footsteps of its predecessors.” All three senators had also joined the bipartisan resolutions of disapproval of the FCC’s previous attempts at relaxing ownership rules.

Media advocacy groups like Free Press are **applauding** the senators’ letter to Genachowski and are **disappointed** by the FCC’s move to support failed media policy that developed under the previous FCC leadership.

“All communities, large and small, deserve diverse, competing and independent local media,” Corie Wright, Free Press’ policy counsel said. “As such, we are disappointed that Chairman Genachowski directed the agency to defend a defective [policy] that has been widely criticized both for its substance and for the manner in which it was adopted.”