

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

In the Matter of)	
)	
)	
2010 Quadrennial Regulatory Review - Review of)	MB Docket No. 09-182
the Commission's Broadcast Ownership Rules and)	
Other Rules Adopted Pursuant to Section 202 of)	
the Telecommunications Act of 1996)	
)	
Promoting Diversification of Ownership)	MB Docket No. 07-294
In the Broadcasting Services)	

**SUPPLEMENTAL REPLY COMMENTS OF THE
NEWSPAPER ASSOCIATION OF AMERICA**

In the face of overwhelming evidence that the newspaper-broadcast cross-ownership ban discourages investments in local journalism, some commenters have launched a last-ditch campaign to dissuade the Commission from adopting its modest proposed changes to this antiquated rule. These groups, led by Free Press, claim that the Commission's proposal would significantly reduce minority ownership of television stations. But Free Press provides absolutely no support for this serious allegation. Instead, Free Press manipulates and mischaracterizes the Commission's latest Form 323 data. As the Newspaper Association of America ("NAA") demonstrated in its initial supplemental comments, few, if any, minority-owned television stations would even be candidates for cross-ownership under the Commission's proposal. The NAA urges the Commission to look beyond Free Press's flawed analysis and proceed with its plan, which will enable media companies to invest in local newsrooms and expand coverage of communities nationwide.

I. THE COMMISSION’S PROPOSAL WOULD NOT REDUCE MINORITY OWNERSHIP

Free Press contends that “the Commission’s proposed relaxation of the newspaper-television cross-ownership rule will be particularly harmful to ownership diversity.”¹ Based on the Commission’s recent ownership report, Free Press concludes that 46 percent of the nation’s minority-owned television stations would be “prime acquisition targets” under the Commission’s proposal. This analysis contains several significant errors:

First, Free Press conducts absolutely no inquiry into whether any of these stations even have newsrooms. It ignores the fact that the vast majority of minority-owned television stations in the Top 20 markets do not offer *any* local news programming. As the NAA demonstrated in its initial supplemental comments, a television station that lacks a newsroom is not an attractive acquisition for a newspaper.²

Second, Free Press ignores the fact that the vast majority of minority-owned stations in the Top 20 markets do not offer any English-language programming. Daily newspapers have little incentive to merge with non-English stations because they cannot easily share newsgathering resources. Indeed, of the 69 minority-owned stations in the FCC’s report, only *two* offer any English-language news and are located in the Top 20 markets. In other words, less than *3 percent* of minority-owned stations would even be potential candidates for newspaper cross-ownership under the Commission’s plan.

Third, Free Press inexplicably excluded 21 stations from the total number of minority-owned television stations because they are located in Puerto Rico.³ Free Press provided

¹ Free Press Comments (Dec. 21, 2012) at 4.

² NAA Supplemental Comments (Dec. 26, 2012) at 3-4.

³ Free Press Comments at 13.

absolutely no explanation why they should not count toward the total number of stations. By artificially reducing the total number of minority-owned stations, Free Press exaggerates the impact of the Commission's proposal.

Fourth, Free Press's analysis entirely overlooks the uncontroverted evidence that the Commission's proposal would lead to increased investments in local journalism nationwide, including in minority communities. As the NAA demonstrated in its initial supplemental comments, newspaper-broadcast cross ownership leads to improved print and broadcast journalism.⁴ At a time when newspapers and television stations face unprecedented economic struggles, we cannot afford to continue to operate under an antiquated regulatory regime that discourages investment in local journalism.

Finally, Free Press focuses only on the cross-ownership rule and ignores the dozens of pending proposals before the Commission that actually would increase broadcast ownership diversity. As a longtime supporter of diverse media, the NAA has endorsed several of these proposals.⁵ We encourage Free Press to advocate for these proposals rather than focusing on the Commission's modest cross-ownership proposal.

In short, Free Press's analysis does not accurately characterize the impact of the Commission's proposal. Relaxing the cross-ownership rule would have little or no impact on minority ownership, and it would lead to more robust local journalism.

⁴ NAA Supplemental Comments at 7.

⁵ NAA Supplemental Comments at 10-11.

II. THE COMMISSION SHOULD ACT PROMPTLY, AND MORE STUDIES ARE UNNECESSARY

Free Press and other groups urge the Commission to conduct further studies before making any changes to its cross-ownership rules.⁶ Such a delay is unnecessary. The Commission has been considering this modest change for years, and in that time it has commissioned thousands of pages of studies, all of which lead to the singular conclusion that relaxing the cross-ownership rule will improve local journalism. These studies have uncovered absolutely no evidence that relaxing the cross-ownership rule will lead to a reduction in minority ownership. As discussed above, few minority-owned stations would even be potential targets for cross-ownership under the Commission's proposal. Accordingly, additional studies are entirely unnecessary.

Newspapers and television stations cannot wait any longer for this much-needed regulatory relief. As the NAA has documented in previous comments, local journalism faces unprecedented economic challenges. As advertising revenue shrunk, more than 200 newspapers shut down or reduced their print publication schedules between 2007 and 2010.⁷ Because newspapers and television stations continue to face dramatic economic challenges, it would be counterproductive and damaging to wait years longer for more studies.



The NAA is a longtime champion of diversity in the media, and it agrees with the consensus that we must do more to promote minority ownership of broadcast stations. But

⁶ See, e.g., Comments of the Institute for Public Representation (Dec. 26, 2012) at 27 (“Thus, we urge the FCC to use its newly released data to conduct the studies necessary to adopt policies that will increase station ownership by women and people of color if necessary to meet the demands of strict scrutiny.”).

⁷ Steven Waldman *et al.*, *The Information Needs of Communities* (July 2011) at pp. 40-41.

attacking the entirely unrelated issue of newspaper-broadcast cross-ownership is not the solution. The Commission's proposed changes to the newspaper-broadcast cross-ownership rule would have no significant impact on minority ownership. The NAA urges the Commission to proceed with its well-researched and modest plan to bring this regulation into the Twenty-First Century.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kurt Wimmer". The signature is fluid and cursive, with a long horizontal stroke at the end.

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