

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

In the Matter of )  
 )  
Standardized and Enhanced Disclosure )  
Requirements for Television Broadcast ) MM Docket No. 00-168  
Licensee Public Interest Obligations )

To: The Commission

**Reply Comments of Schurz Communications, Inc.**

Schurz Communications, Inc. (“Schurz”), by counsel, submits these brief reply comments on the issues raised in the Media Bureau’s *Public Notice* in this proceeding.<sup>1</sup> Schurz will discuss the potential impact of the scheduled expansion of the political file upload requirement to stations outside of the top-50 television markets, the Comments filed by the Public Interest Public Airwaves Coalition, *et al.* proposing a mandatory electronic filing system,<sup>2</sup> and an alternative proposed by television broadcasters.<sup>3</sup>

Schurz is a private diversified media company. In 2012, Schurz celebrated its 140<sup>th</sup> year operating newspapers, 90<sup>th</sup> year operating radio stations, and 60<sup>th</sup> year operating television stations. In addition, Schurz owns cable television systems in three states. Significantly for purposes of this proceeding, none of Schurz’ television stations is in the 50 largest television

---

<sup>1</sup> *Media Bureau Seeks Comment on Online Political File and Petition for Reconsideration filed by the Television Station Group*, DA 13-1440 (rel. June 25, 2013).

<sup>2</sup> Comments of Public Interest Public Airwaves Coalition, Sunlight Foundation, Center for Effective Government, MM Docket 00-168 (filed Aug. 26, 2013)(“*PIPAC Comments*”).

<sup>3</sup> By filing comments on the ways in which the online public file requirement may be implemented, Schurz does not intend to indicate any disagreement with the arguments the National Association of Broadcasters may raise in its pending petition for review concerning the Commission’s authority to require online political files. *See National Association of Broadcasters v. FCC*, No. 12-1225 (D.C. Cir.).

markets; therefore, none of the Schurz stations were required to upload political file information to the FCC's online public file system during the 2012 election cycle.

The Schurz stations were required to upload other public file information. That process went well and did not prove to be unreasonably burdensome on Schurz stations. In large part, that was due to the long lead-time the Commission provided for compliance,<sup>4</sup> and the fact that the parts of the public file that small and medium market stations were required to upload are relatively stable and new materials are added relatively infrequently.

The political file, which all stations will have to upload and maintain online in 2014, is quite different. The volume of material in most stations' political files is as large as or larger than all of the rest of the information required to be kept in stations' public files.<sup>5</sup> During an election campaign, political file material may change every day. In Schurz' experience, it may also take several requests to campaigns and their media buyers to obtain all of the information required by the Commission's political broadcasting rules. Thus, it is common that the documents first received by a station must be supplemented or replaced after communications with the campaign.<sup>6</sup>

---

<sup>4</sup> The public file upload system went online in August 2012, but stations were not required to complete uploading file material until early February 2013.

<sup>5</sup> For stations whose previous renewal applications have been deferred due to longstanding indecency complaints, the total volume of non-political file material may be greater due to the fact that it may include 16 years of material. That old material, however, does not change and, indeed, is not required to be uploaded to the online file system. *Standardized and Enhanced Disclosure Requirements for Television Broadcast Licensee Public Interest Obligations*, 28 FCC Rcd 446 (2013).

<sup>6</sup> See *Standardized and Enhanced Disclosure Requirements for Television Broadcast Licensee Public Interest Obligations*, 27 FCC Rcd 4535, 4556 n.131 (2012) ("If the final order is later amended after being included in the on-line political file, a station can replace the previously final order with the amended final order, or may simply upload the amended final order.").

The fact that Schurz stations were not unduly burdened by the initial requirement to upload public file information, and the apparent lack of complaint about the burden of uploading political file material from top-50 market stations, do not establish a basis for any conclusion that requiring uploads of thousands of pages of constantly changing political file information by much smaller stations would also not present a substantial burden on station operations.<sup>7</sup> And that burden will not be the same for all stations; some Schurz stations in 2012 ran negligible amounts of political advertising; others in “battleground” states were overwhelmed with demand by candidates and issue advertisers. Adding the responsibility of scanning and uploading a periodic political ad form for the former stations is not likely to be a problem; adding even more responsibilities to the already overburdened staff of the latter stations is another question entirely.<sup>8</sup>

It is with this concern in mind about the burden of expanding the online political file obligation that the Commission should evaluate the PIPAC proposal to mandate a common, electronically-filed political file report. *PIPAC Comments* at 15-21. It should reject the PIPAC approach. PIPAC proposes that the Commission require a Commission-mandated electronic form to be filed about each and every political ad buy. Since candidates and other time buyers would not have the ability to modify or upload materials to stations’ online public files, this online form would have to be filled out by station personnel, presumably after they obtain the

---

<sup>7</sup> See Comments of the National Association of Broadcasters, MM Docket 00-168 (filed Aug. 26, 2013) at 6.

<sup>8</sup> To be sure, the stations inundated with political advertising benefitted from increased revenues. No doubt PIPAC and other advocates would answer that those stations should add personnel to handle the additional filing demands. But it is not necessarily easy to find personnel for short-term jobs who are capable of understanding the particular requirements of the political broadcasting rules and the structure of the Commission’s online public file system. Schurz in fact has provided extensive training on political broadcasting rules for its station and sales managers before every election cycle since 1992.

required information from candidates and time buyers on other forms such as the existing NAB Political Broadcast Agreement.<sup>9</sup>

Thus, the PIPAC proposal would substantially add to the burdens of the online public file rule. Stations would still have to engage in the back-and-forth with campaigns and ad buyers to agree on schedules and pricing and to obtain the information required to be placed into the political file. Then, the information PIPAC desires would have to be extracted by station personnel and entered into an online form. This seems to involve far more effort than the scanning and uploading that the rule already contemplates.

Further, the Commission already considered and rejected requests to adopt a “uniform political file format.”<sup>10</sup> It declined to reconsider that decision, commenting: “[b]ecause advertising may be purchased or ordered in a variety of ways, we do not believe we can mandate a definitive list of material that must be maintained in the political file.”<sup>11</sup> The Commission was correct that not all political ad buys require the same information – information about rates for issue advertisements that do not involve a political matter of national importance, for example, are not required to be disclosed in the political file. The *PIPAC Comments* do not even

---

<sup>9</sup> Although PIPAC (Comments at 17) alludes to the possibility that software could be developed to prepare the online filings using information in station databases, PIPAC nonetheless acknowledges that even the FEC system it seeks to follow requires data entry for each form by campaign staffers, and the same would no doubt be true for station personnel for the reports required for each ad buy.

<sup>10</sup> *Codification of the Commission’s Political Programming Policies*, 7 FCC Rcd 678, 698 (1991).

<sup>11</sup> *Codification of the Commission’s Political Programming Policies*, Order on Reconsideration, 7 FCC Rcd 4611, 4621 (1992). The Commission reaffirmed this conclusion in 2012. *Standardized and Enhanced Disclosure Requirements for Television Broadcast Licensee Public Interest Obligations*, 27 FCC Rcd 4535, 4556 (2012)(“We reiterate that we are merely changing the form of disclosure to the public of information already required to be in the public file. *We are making no change in the political advertising sales process.*”(emphasis added). PIPAC’s request, therefore, is in effect an improper late-filed request for reconsideration.

acknowledge the Commission's rejection of a mandatory political file format or explain why that conclusion should be altered now.

Given PIPAC's desire for data that would be easier to aggregate, however, Schurz is puzzled by the *PIPAC Comments'* intransigent rejection of the alternative political filing system proposed by the Television Stations Group,<sup>12</sup> since that proposal would seem to achieve precisely PIPAC's goals. Under the TSG proposal, which follows closely on similar proposals previously advanced by broadcasters in this proceeding, stations would upload a standardized form summarizing all political ad purchases on the station. As proposed, the form would be uploaded every week during non-political periods, every other day during political windows, and daily during the week before elections. It would list every political advertiser on the station, the issues or candidate they discussed, information about the sponsoring entity, and the total amount that advertiser spent on political advertising during the reporting period.

This form could be prepared as a report using existing or slightly modified traffic and billing software used by almost all television stations.<sup>13</sup> It could be machine-readable and the information in the form could easily be aggregated by television market or advertiser. Thus, it would seem to provide exactly the data that PIPAC wants.<sup>14</sup>

---

<sup>12</sup> *Petition for Reconsideration of the Television Station Group*, MM Docket No. 00-168 (filed June 11, 2012)(“*TSG Petition*”). Schurz was a member of the Television Station Group.

<sup>13</sup> Thus, while this is a form that stations need not create today, so long as it includes only information maintained or easily added to standard traffic and billing systems, it would not create a substantial new time burden for station personnel. And the fact that only these forms would have to be uploaded, rather than having to organize and scan potentially hundreds of pages of other political file material, might ultimately reduce the net burden of compliance.

<sup>14</sup> The *TSG Petition* also makes clear that all existing data about individual advertisements would continue to be maintained at television stations available for public inspection should there be an issue concerning a particular ad.

PIPAC nonetheless gives this proposal the back of its hand. *PIPAC Comments* at 24. It claims that the aggregated data would not meet its needs or the needs it claims for the public. PIPAC's particular objection to the TSG proposal is that it would not include disclosure of the rate paid by a candidate or issue advertiser for a particular spot. But in PIPAC's long list of examples of reports based on station political files, there were no examples of reports that concerned the rate paid for a particular spot. Instead, each of PIPAC's touted examples used data that would be uploaded under the TSG proposal and uploaded in a format that would be easier and simpler to use.<sup>15</sup>

Schurz cannot say whether PIPAC rejects the TSG proposal because it fails to understand that it would in fact meet PIPAC's desires, or because it refuses to consider any proposal that could reduce the burden on stations. Whatever PIPAC's reasons, they are not sufficient for the Commission to reject the TSG proposal. Schurz urges the Commission to adopt it.

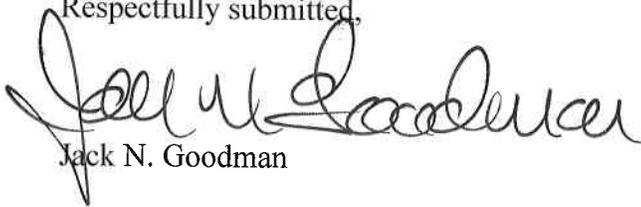
If the Commission has any doubts about whether the TSG proposal would achieve its goals, however, Schurz proposes that, like its decision to require uploading political files in 2012 for only some stations, the Commission experiment with the TSG approach. The Commission could require stations to use the TSG proposal during the 2014 election cycle and commit to reexamining its rules beginning in early 2015. That way, the Commission, stations and the public will have had experience with one system in 2012 and another in 2014, and the

---

<sup>15</sup> *PIPAC Comments* at 7-11. If there were a question about a particular ad purchase, Schurz would not object to a requirement that stations provide documents relating to a specific, individual purchase on request by e-mail, so long as those requests were specific and occasional.

Commission will then have a full record on which to decide which system works best in the future for the public and television stations.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jack N. Goodman". The signature is fluid and cursive, with a large initial "J" and "G".

Jack N. Goodman

Law Offices of Jack N. Goodman  
1200 New Hampshire Ave., N.W.  
Suite 800  
Washington, D.C. 20036  
202-776-2045

*Counsel for Schurz Communications, Inc.*

September 23, 2013