



**Minority Media &  
Telecom Council**

3636 16<sup>th</sup> Street N.W. Suite B-366  
Washington, D.C. 20010  
Phone: 202-332-0500 Fax: 202-332-7511  
<http://www.mmtconline.org>

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February 9, 2013

Marlene Dortch, Esq., Secretary  
Federal Communications Commission  
445 12th Street S.W.  
Washington, D.C. 20554

RE: Notice of *Ex Parte* Communication, GN Docket No. 12-268 (Incentive Auction); WT Docket No. 13-135 (Wireless Competition); GN Docket No. 09-191 (Preserving the Open Internet); WC Docket No. 07-52 (Broadband Industry Practices); GN Docket No. 09-51 (National Broadband Plan); MB Docket No. 09- 182 (2010 Quadrennial Regulatory Review); MB Docket No. 07-294 (Broadcast Diversity Proceeding)

Dear Ms. Dortch:

This reports on a series of six meetings held on February 6, 2014. Julia Johnson, Chair, David Honig, President, and Maurita Coley, Vice President and COO represented MMTC. The first meeting was with Commissioner Michael O’Rielly, Erin McGrath, Legal Advisor, and Courtney Reinhard, Senior Legal Advisor and Chief of Staff. The second meet was with P. Michele Ellison, Chief of the Enforcement Bureau, Edward Smith, Special Counsel, and Karen Onyeije, Chief of Staff and Associate Bureau Chief for the Enforcement Bureau. The third meeting was with Maria Kirby, Legal Advisor to the Chairman. The fourth meeting was with Matthew Berry, Chief of Staff for Commissioner Pai. The fifth meeting was with Chairman Tom Wheeler and Maria Kirby, Legal Advisor. The sixth meeting was with Commissioner Jessica Rosenworcel and Clint Odom, Policy Director.

The key focus in each of these meetings was to encourage the Commission to fulfill its diversity mandate by consistently including opportunities for minority ownership in the media, telecommunications, and broadband industries. Specifically, I urged the Commission to consider the following:

- **Broadband Adoption.** First class digital citizenship gained through broadband access, adoption, and informed use continues to be the primary civil rights issue of our time.
- **Designated Entity Rules and Secondary Market Transactions.** The Commission should refocus its data collection efforts and its designated entity, spectrum, and secondary

market policies to foster minority-owned business entity (MBE) participation as major players in this space.<sup>1</sup> **DE Rules:** The DE rules should be revised to take into consideration the scale that is needed to participate as a competitor in the spectrum auctions, and to enable large minority participants to participate in the DE auction process. This will not only create meaningful opportunities for qualified minority businesses to compete, but it will also increase competition in the bidding process, and result in an increase in auction proceeds. Later this month, MMTC will be filing a report in the Incentive Auction Docket that outlines the positive impact that these changes in the DE policies will have on competition, on increasing auction proceeds, and on MBE ownership. **Secondary Markets:** Minority business participation in secondary market transactions is crucial not only to fulfilling the Commission's statutory mandate under Section 309(j)<sup>2</sup> but also increasing competition, narrowing the wealth gap, and ensuring U.S. national economic growth and global competitiveness.<sup>3</sup> The Commission should applaud the diversity efforts of major telecom carriers and encourage these companies to conduct secondary market transactions with MBEs.

- **Media Ownership.** MMTC supports heightened restrictions on LMA, JSA and shared services agreements, which are often sham arrangements. However, given the changes in print journalism and the challenges facing the struggling newspaper industry, MMTC supports the relaxation of the newspaper/broadcast cross-ownership rule, so long as such relaxation does not harm minority ownership, and except in smaller and some medium markets where relaxation might result in excessive concentration of the media and, therefore, harm minority ownership.<sup>4</sup> The significant barriers to minority ownership in broadcasting are well known, and there are several steps the Commission could take to facilitate increased diversity in ownership.<sup>5</sup>

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<sup>1</sup> See e.g., Reply Comments of the Minority Media and Telecommunications Council, WT Docket No. 13-135 (July 25, 2013), available at <http://mmtconline.org/wp-content/uploads/2013/07/MMTC-Reply-Comments-on-Role-MWBEs-in-Wireless-Competition-072513.pdf> (last visited Feb. 7, 2014) (“MMTC Wireless Competition Comments”).

<sup>2</sup> See 47 U.S.C. §309(j).

<sup>3</sup> See MMTC Wireless Competition Comments.

<sup>4</sup> See *id.* at 40. See also Reply Comments of the Minority Media and Telecommunications Council, MB Docket No. 09-182 et al. (Aug. 6, 2013) (citing Mark Fratrick, Ph.D., The Impact of Cross Media Ownership On Minority/Women Owned Broadcast Stations, BIA-Kelsey (May 30, 2013), available at <http://apps.fcc.gov/ecfs/document/view?id=7022419396> (last visited Feb. 7, 2014)).

<sup>5</sup> See generally, Initial Comments of the Diversity and Competition Supporters in Response to the NPRM, MB Docket No. 09-182 et al. (Mar. 5, 2012), available at <http://mmtconline.org/wp-content/uploads/2012/04/DCS-QuadRev-Comments-030512.pdf> (last visited Feb. 7, 2014).

- Open Internet. MMTC supports the open Internet as an essential policy goal and continues to advocate for light touch regulation premised on transparency and vigilant oversight and monitoring to discourage abusive practices.<sup>6</sup>
- FCC Diversity Advisory Committee. The Commission's Advisory Committee for Diversity in the Digital Age was instituted to help the Commission fulfill its diversity mandate. The Commission should give credence to the recommendations of this federal advisory committee, which is composed of dozens of senior experts in the field.

Respectfully submitted,

*David Honig*

David Honig  
President

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<sup>6</sup> See MMTC White Paper on Refocusing Broadband Policy: The New Opportunity Agenda for People of Color (Nov. 21, 2013), available at <http://mmtconline.org/wp-content/uploads/2013/11/Refocusing-Broadband-Policy-112113.pdf> (last visited Feb. 7, 2014).