

**STATEMENT OF  
COMMISSIONER MICHAEL J. COPPS  
APPROVING IN PART, DISSENTING IN PART**

*Re: 2010 Quadrennial Regulatory Review – Review of the Commission’s Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996, MB Docket No. 09-182, Promoting Diversification of Ownership In the Broadcasting Services, MB Docket No. 07-294, Notice of Proposed Rulemaking*

As I cast perhaps my last major vote as a Member of the Federal Communications Commission, it will come as a surprise to very few that I cannot approve of the Quadrennial Review in all of its aspects. While I find a better level of analysis here than in previous Quadrennial Reviews, the item nevertheless provokes my dissent because it heads down a similar road that the two previous Commissions travelled regarding newspaper-broadcast cross-ownership. In the vast majority of cases, I do not believe that newspaper-broadcast cross-ownership advances the public interest. It means fewer voices in the community, less localism in the industry, and steep transactional costs that all too often lead to down-sized or shuttered newsrooms and fired journalists. Our media, and our public policy, need to head in a different direction. A media that more effectively nourishes genuine civic dialogue is necessary to successful self-government.

I only wish we were in a different position than the one we find ourselves in at this moment. In the ten-plus years that I have been at the Commission, we have witnessed dramatic media industry consolidation, to say nothing of the extensive concentration that occurred during the preceding twenty years. It is time to put an end to the years of public policy shortfall that have encouraged this trend. My ideal NPRM would flash an orange caution light that change was in the works, setting the stage for a Report and Order that would turn on a red light to many consolidation transactions, while still allowing for exceptions in the few cases that would warrant them.

The media landscape is, as we all know, changing. In the last few years we have seen incredible growth in the broadband realm, ripe with exciting options and opportunities. What we have not witnessed is the breadth and depth online to replace what has been lost in “traditional” media. This becomes critically important when you look at the hundreds of millions of dollars that no longer flow into news operations, only a fraction of which has been replaced by Web newsgathering. Simply put, what we currently have is an illusion of plenty. The barriers to self-publish have never been lower, but the majority of eyeballs and clicks are still focused on too few small players. It is irresponsible to remove all protections, both in terms of ownership and public interest obligations, in traditional media on the shaky expectation that the new media of broadband will somehow make everything right and furnish our citizens with the news and information they need to make informed decisions for the future of our country. If the past is prologue here, there is no guarantee we will achieve parity in the new media platform. Indeed, we must be extremely careful to not repeat the same mistakes in new media that we permitted in traditional media by permitting so few to control so much. Developing a truly democratized media online is vital to realizing the transformative power of the Internet.

The world of media has fundamentally changed, but America's ongoing historical challenge to provide its citizens with information infrastructure has not changed, nor has the responsibility of the FCC to create rules to enhance the statutory mandates of localism, competition, and diversity.

This is not just my philosophy. It reflects the beliefs of millions of Americans who have contacted us over the past ten years about the shortfalls of media policy. It also reflects the views of tens of thousands of citizens I have personally met with around the nation. One of my principal activities as a Commissioner has been to encourage a national dialogue on media policy. With a number of my colleagues over the past decade, I have gone on the road to foster such discussions from Florida to Vermont, from Portland, Oregon to Portland, Maine—and dozens of points between. What I hear everywhere I go is great frustration with the current media environment—frustration as too much glitzy infotainment replaces real local news and community information; frustration with all the canned, homogenized music that has pushed aside local and regional artists and genres; frustration with too much shouted opinion and too little factual, investigative journalism. Just a few weeks ago, Commissioner Clyburn and I were in Atlanta talking about these issues. I sensed an almost palpable feeling of anguish as we listened to plea after urgent plea for more community media, more voices, and more diversity on our airwaves.

***These rules matter.*** People know that something is not right and they are looking to the FCC to make a difference. Many in Congress have let us know their concerns about an overly consolidated media. Not to mention the fact that the Court has continued to frown upon our inaction on a host of initiatives we should have taken by now, especially when it comes to fulfilling our obligation to provide a more diverse media.

I am of the strong opinion that we should be farther along in correcting the inequities of minority and women ownership of broadcast outlets. While I am pleased to see the proposal for an incubator program teed up for comment in the NPRM before us, I would have preferred us to have already taken action on such proposals as “Overcoming Disadvantages” and any number of other proposals submitted over the past several years to the Commission by our Diversity Advisory Committee. These are the kinds of actions that I believe the Third Circuit has been expecting of us for years and it is why the Court keeps sending back FCC rules that fail to deliver. In a country now nearly one-third minority, it is shocking, and I think embarrassing, that people of color own barely more than 3% of full-power commercial television stations. We must make a prompt and major commitment to ownership diversity. This certainly includes a Commission commitment to fund the necessary studies to build a record essential to satisfying judicial scrutiny so that we can go from the kind of interim steps I have just discussed to the even more aggressive policies that will be needed to bring diversity and justice to our media.

With the perils of consolidation on clear display in market after market, it would seem to me that we should be closing loopholes instead of providing openings for them. I was deeply distressed to discover, in the item's discussion of newspaper-broadcast cross-ownership, that Chairman Martin's proposed rule is being considered once again, even after Congress and the Court have on numerous occasions expressed their displeasure. Worse, the conditions that the then-majority attached to the 2008 newspaper-broadcast rule were so riddled with loopholes that

an 18-wheeler could be driven through them—yet here they are, teed up for our consideration yet again! I was strongly opposed to the four factors that Chairman Martin proposed in the 2007-2008 proceeding, and I am opposed to considering them again in this proceeding.

It is a very positive development that we are taking a closer look at ownership attribution, especially the Shared Services Agreements and whether or not such agreements constitute an end-run around our rules. We have seen a proliferation of these types of agreements in recent years, in many cases to the detriment of independent content. Too often we see exactly the same programming being shown on two or more channels, including the simulcast of identical newscasts. There should be exceptions for expenses such as sharing a helicopter, but all too often the deals are, in reality, a transfer of power without having to come before the Commission. Commenters have also flagged the issue of how these types of agreements encroach on competition in terms of retransmission consent agreements. It is critical that the FCC look at these arrangements from all sides and make critical decisions on how our rules should be modified to incorporate these Shared Services Agreements. I am pleased we are heading in that direction.

As my time winds down at the Commission, I am more convinced than ever that strong action is needed on these fronts. The record will now be open as the Quadrennial Review proceeding moves in the months ahead to Report and Order. I hope that all stakeholders will take part in responding to this Notice of Proposed Rulemaking. We should all remember the admonition of my mentor, Senator Fritz Hollings, that “Decisions without you are decisions against you.” This is the time for citizens far-and-wide to tell us what they really think and to offer their comments and proposals for an enhanced media. We have seen citizen input accomplish great things before; now we need to see it again. To my mind, no issue before this Commission—*no issue*—rivals in importance the future of our media. No other great issue will be successfully resolved without its being presented in all its dimensions to the American people. Our Founding Fathers understood this and took steps to make it happen. Now it is our generation’s turn.