

2002 -

1

FEDERAL COMMUNICATIONS COMMISSION

**MEDIA BUREAU STAFF RESEARCH PAPER**

*Media Ownership Working Group*

# A Comparison of Media Outlets and Owners for Ten Selected Markets (1960, 1980, 2000)

By Scott Roberts, Jane Frenette and Dione Stearns

September 2002

**A Comparison of Media Outlets and Owners  
For Ten Selected Markets  
(1960, 1980, 2000)**

**By Scott Roberts, Jane Frenette and Dione Stearns\***

\* Scott Roberts is a senior economist in the Industry Analysis Division of the Media Bureau, Jane Frenette is a staff accountant in the Industry Analysis Division of the Media Bureau, Dione Stearns is a law student intern in the Media Bureau. The views expressed in this paper are those of the authors alone and do not necessarily reflect the views of the Federal Communications Commission, any Commissioners, or other staff.

## I. Executive Summary

The purpose of this study is to compare the availability and ownership of media in ten different radio markets<sup>1</sup> at three different points in time. This report contains a count of the number of broadcast outlets, cable systems, direct broadcast satellite systems and daily newspapers located in 10 selected radio markets for the years 1960, 1980 and 2000. We also count the number of owners for each of the above and the number of unique owners across all these media.

Collectively, the number of media outlets and owners increased tremendously over the 40-year period from 1960 to 2000. The percent increase in the number of outlets averaged almost 200 percent across all ten markets. The percent increase in owner count, somewhat less dramatic due to consolidation, averaged 140 percent. For each media we find:

- The number of broadcast outlets increased dramatically from 1960 to 2000. The number of broadcast owners also increased significantly from 1960 to 1980 but, from 1980 to 2000, the count of owners was generally, relatively stagnant. This is mainly due to tremendous consolidation, especially in the radio industry,<sup>2</sup> since passage of the 1996 Telecom Act.<sup>3</sup>
- In 1960, cable was present only in two of the selected markets. By 1980, cable was available in all ten markets and about one-third of TV households, on average, subscribed to cable. Cable subscription doubled in these markets by the year 2000, to about two-thirds of TV households, on average. Cable ownership has also experienced significant consolidation especially in the last several years.<sup>4</sup>
- Direct broadcast satellite (DBS), which was unavailable in 1960 and 1980, is now available nationwide. DBS was available from two companies in 2000.
- The count of daily newspapers/owners has, in general, remained flat in the ten markets since 1960.

---

<sup>1</sup> The radio market represents a core geographic area where most consumers reside. Virtually all media is available from the perspective of these residents.

<sup>2</sup> See FCC, Mass Media Bureau, *Radio Industry Review 2002: Trends in Ownership, Format and Finance*, September 2002.

<sup>3</sup> Pub. L. No. 104-104, 110 Stat. 56 (1996).

<sup>4</sup> Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, *Eighth Annual Report*, CS Docket No. 01-129, 17 FCC Rcd 1244 (2002), at para. 28.

## II. Methodology

### Selection of markets:

There are 285 Arbitron radio Metro markets.<sup>5</sup> In order to have 10 observations, representing both large and small markets, we started with market #1 [NY] and every 28<sup>th</sup> market thereafter for a total of 10 markets. The counties that made up the radio markets for the year 2000 as designated by Arbitron were used to generate comparable data for the two prior dates, 1980 and 1960.

### Compilation of data:

All commercial and non-commercial TV stations in the DMA<sup>6</sup> and all commercial and non-commercial radio stations licensed to communities in the radio Metro market were counted. If cable was available within the radio Metro, it counted as one system and one owner. DBS counts as two available outlets and two owners for all ten markets for the year 2000 only. Daily newspapers published in the radio Metro principal city were also tallied. All data were cross-checked for common ownership. For data sources, see Appendix.

## III. Results

### Table 1 - Summary of Media Outlets and Owner Count for 10 Selected Radio Markets

This table is a count of media outlets and unique owners for 1960, 1980 and 2000, for the ten selected markets with the percent increase in the number of outlets and owners from 1960 to 2000. The number of media outlets and owners increased tremendously over the 40-year period from 1960 to 2000. The percent increases in outlets ranged from 79% in Lancaster PA to a whopping 533% in Myrtle Beach SC with an average increase of almost 200% across all ten markets. The percent increases in owner count, somewhat less dramatic due to consolidation, ranged from 67% in Altoona PA to a huge 283% in Myrtle Beach SC resulting in a 140% average increase in the number of owners for all ten markets from 1960 to 2000.

While the number of media outlets increased dramatically from 1960 to 2000 in all ten markets, the New York market (#1) experienced a net loss of two owners by 2000 from peak year 1980. The number of owners in the Kansas City market (#29) remained

---

<sup>5</sup> An Arbitron radio Metro market is a specific geographic area consisting of one or more contiguous counties that generally coincide with a Metropolitan Statistical Area as specified by OMB. The terms radio Metro market and radio market are used interchangeably.

<sup>6</sup> Designated Market Area (DMA) is the television market as specified by Nielsen Media Research. For this exercise, we assume all TV stations located in the DMA are receivable in the radio market. We did not count low-power TV stations.

the same from 1980 to 2000. The other eight [smaller] markets experienced moderate increases, averaging about 25%, in unique owner count from 1980 to 2000.

#### Table 2 – Outlet Count by Media for 10 Selected Radio Markets

This table is a breakdown of the outlet count; separating broadcast, cable, DBS and newspaper counts for each market and year. The broadcast numbers account for virtually all of the dramatic changes in the overall media counts in Table 1.

#### Table 3 – Count of Broadcast Outlets for 10 Selected Radio Markets

This table focuses on the broadcast outlet count from Table 2. The broadcast count is divided into radio and television, commercial and non-commercial, counts for each market and year, further illustrating the consolidation in the commercial radio industry between 1980 and 2000.

#### Table 4 – Summary of Cable System Availability for 10 Selected Radio Markets

This table exhibits the tremendous growth of cable in each of the ten markets, not only in the number of communities served, but also in channel capacity and subscriber count. Cable, virtually non-existent in 1960, has grown to be the dominant video delivery vehicle in the U.S. This table also depicts the declining number of cable system owners, reflecting recent consolidation.

#### Appendix – Data Sources

BIA Associates, BIA Master Access Data Base (March 2002);  
FCC's Cable Operations and Licensing System (COALS) data base;  
Television Digest, Inc., Television Factbook, Services Volume, 1967 Edition No. 37, Services Volume, 1980 Edition No. 49, 1966 Edition No. 36, Services Volume and Stations Volume, 1981-82 Edition No. 50, Edition No. 30 and 31 (1960);  
Television Digest, Inc., 1961 Radio Station Directory;  
Warren Publishing, Television & Cable Factbook, Cable Volume No. 68, Vols. 1 and 2;  
Nielsen Media Research, *U. S. Television Household Estimates*, September 2000;  
Television Digest, Inc. Cable & Station Coverage Atlas, 1980-81;  
Warren Publishing, Cable & Station Coverage Atlas, 1993;  
Broadcasting Publications Inc., Broadcasting Yearbook, 1972, 1974, 1981;  
R.R. Bowker, Broadcasting & Cable Yearbook, 2000;  
Directory of Newspapers and Periodicals (1960); Ayer Directory of Publications (1980);  
2000 Ayer Directory of Publications.