Federal Communications Commission 445 12th Street, S.W. Washington, D. C. 20554

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Contact: David Fiske (202) 418-0513

News media Information 202 / 418-0500

Fax-On-Demand 202 / 418-2830

Internet: http://www.fcc.gov

TTY 202/418-2555

ftp.fcc.gov

FCC CHAIRMAN POWELL DEFENDS FCC MEDIA RULES

Washington - Federal Communications Commission (FCC) Chairman Michael K. Powell today defended the broadcast media ownership rules that the Commission adopted on June 2.

"We are confident in our decision" said Powell. "We created enforceable rules that reflect the realities of today's media marketplace. The rules will benefit Americans by protecting localism, competition and diversity."

The FCC spent 20 months developing the new ownership rules in a proceeding mandated by Congress and the courts. On February 19, 2002, a federal court had branded the previous Commission's decision to maintain the existing rules, including the 35 percent cap, as "arbitrary and capricious and contrary to law."

"The FCC based its judgments on evidence that the new rules would benefit Americans," Powell said.

Evidence in the FCC record showed that the TV networks provided more and better local news than other owners of TV stations. The FCC concluded that raising the national TV ownership limit will help the networks bring these benefits to more Americans.

The new FCC rules would allow the licensees already over the 35 percent cap to purchase a handful of additional stations, approximately half a percent of stations nationwide.

"Our democracy is strong," said Powell. "It is not threatened by half a percent. It would be irresponsible to ignore the diversity of viewpoints provided by cable, satellite and the Internet."

As of March 31, 2003, there were 1,340 commercial TV stations in the U.S. Of these 1,340 stations, Viacom owns 39 TV stations (2.9%), Fox owns 37 (2.8%), NBC owns 29 (2.2%) and ABC owns 10 (0.8%).

The FCC rules adopted on June 2 also tightened radio ownership rules, maintained the prohibition on a merger between the big four television networks, and revamped the newspaper-television cross ownership rules.