

**STATEMENT OF  
COMMISSIONER MICHAEL J. COPPS**

*Re: In the Matter of Digital Audio Broadcasting Systems and Their Impact on the Terrestrial Radio Broadcast Service, Further Notice of Proposed Rulemaking and Notice of Inquiry*

Like my colleagues, I am enthused about the potential of digital radio to give consumers new and valuable services and to give terrestrial radio broadcasters new and valuable business opportunities. Partly this is about better quality sound but it's also about a host of new services, such as multiple audio programming channels, datacasting, and interactive features. All these, and I'll bet even more, will enhance audio broadcasting and advance the public interest.

But important questions remain to be settled. I am pleased that today we seek comment on many of these issues. For example, we seek comment on how to promote the digital transition and about ways that the availability of additional audio streams can further diversity goals for minorities and other underserved segments of the community. We also seek comment on measures to protect existing subcarrier services such as radio reading services for the blind and visually impaired.

I am also pleased that we raise some questions in this Further Notice about the public interest obligations of broadcasters in a digital environment, and I appreciate my colleagues engaging with me on these issues. We seek comment, for example, on how the statutory political broadcasting rules apply and how digital audio broadcasting can enhance political discourse. We ask about local programming requirements and the extent to which they should include news or public affairs programming. We address the obligation to provide emergency information to the public and how digital radio can provide greater access to critical information. And we seek comment generally on ways that broadcasters can use digital technology to better and more fully meet the needs of their communities.

All that being said, I would have preferred an even broader discussion of the public interest in this item rather than deferring some important issues to future proceedings. As just one example, an issue that we raised in the context of digital television but which is not addressed here is how broadcasters can identify community needs and enhance disclosure to their communities of how they are meeting their obligations.

I don't want to see us go down the same road here as we are going on digital TV. Over the past few years, we have made great progress on the mechanics of the digital transition, but there exists a great big digital gap on how digital television is going to serve the public interest. We actually started having a discussion, and a pretty good one at that, on digital television and the public interest a few years ago. The Commission issued a formal Notice of Inquiry in December 1999, followed by two Notices of Proposed Rulemaking the following year. But since that time, these proceedings have

languished. We now have over 1000 digital stations broadcasting across this country and over 200 stations that are multicasting. And yet, these broadcasters still don't know what they must do to discharge their public interest obligations. And consumers don't know what to expect from digital radio either.

So I would hope we could find a way to get these critically important public interest questions out on the table now, early in the transition, so that consumers and people in the radio business alike would know what to expect. Then we can truly realize the full benefits of the digital transition.

I also believe that multicasting raises questions about our ownership rules. As the Further Notice recognizes, digital radio and multicasting hold out the promise of new opportunities to enhance diversity and to promote localism. But there may also be some risks involved here, particularly as regards changes in the local competitive landscape. Might not the ability to multicast several streams in a community instead of just one have at least some effects on the competitive landscape in that particular media market? What does it mean for competition if a company that would be permitted to own eight radio stations in a market also obtains the ability to multicast many more programming streams? Does that really promote competition, localism and diversity in the digital era? We need to be looking at such questions before we leap.

I look forward to a good record on the issues and to working with both consumers and industry to develop digital audio broadcasting standards and rules so that the full promise of digital radio will come to pass as expeditiously as possible.