

**REMARKS OF
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What a great way to start the week! Thank you for having me over. Thank you for the kind introduction. And thank you for being here and for your involvement with issues that are so very critical to the future of our country. As I look around this room, I see people who labored mightily in the battle against more media consolidation—otherwise known as the battle for media democracy. The Future of Music Coalition under the leadership of Jenny Toomey and Michael Bracy has been all over this issue from Day One, you're still on the case, and when the dust settles, I do believe you'll be enjoying the sweet smell of success. So I jumped at the chance to come over here this morning to thank you for the hard work and creative thought that so many of you have put into the media consolidation fight.

Of course, no one should have been surprised about musicians and other creative artists joining the fight for good, progressive media policy. History records that creative artists have often been leaders for progressive change and democracy in times of great social and political testing, and their music not only influenced a moment in the past but still reaches out to us down the corridors of the passing years. In this present struggle over the future of the media, groups such as the Future of Music Coalition, the Recording Artists Coalition, AFTRA, the American Federation of Musicians, and the Recording Academy weighed in frequently and effectively with their concerns about spiraling media concentration. Over 4000 recording artists sent us a letter opposing media concentration. In addition to platinum selling artists, many local musicians have stood up, spoken out, filed comments and otherwise gone on the record to highlight the dangers of media concentration.

And then there was the "Tell Us the Truth Tour!" What an experience that was! I got to be up on stage in Madison, Wisconsin—where a lot of you also were on that wonderful night last November 7—as the tour played its first concert. What a debt of gratitude we owe to those incredibly busy artists who gave up their time and resources to raise public awareness of an issue that Big Media was doing its best to hide from the American people. These musicians weren't doing it for money or because it would advance their careers. No—they volunteered because they wanted to awaken the country to an issue that affected not only them and their fellow artists, but affects each of us as citizens. Everywhere the tour went, these committed artists not only gave us the great gift of their music but they held press conferences, they discussed media concentration, and they performed a tremendous public service. So, I want to thank once again Billy Bragg, Steve Earle, Lester Chambers, Tom Morello, Mike Mills, Boots Riley, Jill Sobule, Janeane Garofalo, Peter Jenner and everyone else involved in that truly magical tour.

It took a lot of people to bring this issue to the forefront of the nation's consciousness. It took people raising their voices in song, in protest, in books and pamphlets, in whatever media and whatever forum they could manage to penetrate, to get this issue front-and-center and to force the issue of media concentration outside the pages of *The Federal Register* and into the mainstream of America. Working together, you succeeded in moving this issue outside the Beltway and out onto the highways and byways leading into every city, town and village in America. You made a difference. ***What*** a difference ***you*** made!

Because of the efforts made by you and so many like-minded groups and individuals, millions of Americans now understand that media concentration is not a threat -- it is a reality. Because of your efforts, it is no longer insider information that Big Media conglomerates own not only television and radio stations, but newspapers and cable channels and cable networks and production studios and music promotion and advertising firms and even those hallowed portals of the Internet that were supposed to be forever free. Because of your efforts, there is the growing realization that having a few powerful masters controlling the production of what we see and hear and read, as well as controlling its distribution, is inimical—truly inimical—to the interests of us all. It's just plain bad for America.

What's *good* for America is the kind of citizen action you became part of. Across the political and cultural spectrum, people banded together in a common cause. In these times when so many issues divide us, you participated in mobilizing an unprecedented army – a coalition of left and right, liberals and conservatives, Democrats and Republicans, who understood the dangers of too much concentration and who went to work to do something about it. Concerned parents and creative artists, religious leaders, civil rights activists, labor organizations, young people, old people, broadcasters and many, many others united on this issue. You made it a national issue.

So you have already made a difference. Part of that difference is to be seen over at the FCC. The Commission now must explain its acts to a far more informed and involved citizenry than it did just a year ago. The obscurity of this issue that Big Media and some at the Commission relied on in the past is gone forever. Another part of the difference you made can be seen up on Capitol Hill, where long-time champions of good media policy found themselves joined by many more colleagues than they ever expected. The U.S. Senate has voted to overturn the FCC decision in its entirety and over 200 Members of the House of Representatives have asked the House Leadership for permission to vote on the same resolution of disapproval. They were denied that vote—a denial of democracy that should worry us all. And part of the difference you made can be seen in the courts because a united coalition took one look at those god-awful rules that the Commission majority passed on June 2 and marched them right into court, a court which immediately stayed the new rules, heard arguments and is now writing a decision on what to do about it.

No question, then, that you made a difference and congratulations are in order. But now, my friends, we must move beyond congratulation to challenge. This is

demonstrably *not* the time to slow down. Big Media, on its side, isn't slowing down; neither should you. This is the best opportunity this country will have, perhaps for years, to do something about media concentration and to make sure the public's airwaves serve the public's interest. So don't permit yourself the luxury of sitting back. Don't accept anyone's counsel of caution or assurances that this problem can be settled sometime later on. It needs to be fixed now. And if it's not fixed now, the consolidation genie will be out of the bottle with an energy the likes of which we have never seen and that genie is hungry to complete every kind of merger, acquisition and swap imaginable. It could happen easier than you think. It will happen—without your vigilance and without your continued involvement.

You folks in music bring a special perspective to the Big Media debate. Because, in addition to all those other things that Big Media increasingly owns, it increasingly owns the creativity that goes into our mass media. Think about that. They own the distribution, they own the production and, more and more they are getting hammerlock control on creativity itself. Anything with the name “independent” on it seems to be on the endangered species list. That's why I'd like to see some sort of set-aside, like 25-35% of prime-time hours, for independent creators and producers. There's a lot more creativity and genius out there across America that our media should be reflecting than the lowest common denominator entertainment from Madison Avenue that currently infuses so much of the programming we see and hear. More independent programs would also be a boon to localism, diversity and competition—those three essential building blocks for a healthy and dynamic media environment, currently all under the gun. Localism, competition and diversity, by the way, aren't luxuries, nice things to have if we can afford them. They are necessities for a thriving American society and we can't afford *not* to have them. They are essential for the quality of entertainment our citizens enjoy. And they are essential for the vitality of America's civic dialogue. We need them across our entire media landscape. Your FCC ought to be nourishing these all-American traits, not subverting them.

What I see at this particular Commission is a tectonic shift in policy-making across the whole wide range of media and telecommunications issues that are under our jurisdiction. It is a shift in decidedly the wrong direction. We are endangering competition by putting too much power into the hands of too few people. We are pushing aside local creativity, talent and production and replacing them with culturally stultifying news, information and entertainment homogenization. In the process, my friends, the FCC is short-changing its responsibility to protect the public interest.

The public interest—some claim it's unworkable, even unknowable. Forget about it—it's the angel that never appears. Yet there it is, appearing some 110 times in our enabling telecommunications statute, put there to be our lodestar. And all these qualities I have been talking about are exactly what the public interest is.

I know that many of you are feeling the effects of consolidation as you seek to get your creative product out to a wide audience. You know better than I what happens when distribution channels are put beyond your reach. Radio deregulation gives us powerful

lessons. The loosening of ownership caps and limits eight years ago created real problems in radio, most experts agree. Now, arguably, consolidation also created some economies and efficiencies that allowed broadcast media companies to operate more profitably and may even have kept some stations from going dark and depriving communities of service. And that's fine. That's why many Congressmen and Senators voted like they did. But the consolidation that ensued went far beyond what anyone expected, leading to outrageous concentrations of social, cultural and political influence. Conglomerates now own dozens, even hundreds – in one case more than a thousand – radio stations all across the country. Many markets are oligopolies at best. Competition in many towns has become non-existent as a few companies -- in some cases a single company -- bought up virtually every station in the market. More and more programming seems to originate hundreds of miles removed from listeners and their communities. And we know there are one-third fewer radio station owners than there were before these protections were eliminated. And minority ownership is on the way to becoming an historical curiosity.

Respected media watchers argue that this radio concentration has led to less coverage of local news and less public interest programming. When it comes to entertainment, you good folks in the Future of Music Coalition found in your multi-year study an homogenization of music crowding out local and regional talent. Others point out that radio serves now more to advertise the products of vertically integrated conglomerates than to entertain Americans with the best and most original programming.

Rather than learn the lessons of radio concentration, the FCC plunged ahead and voted to visit this policy of “Clear Channelization” on the rest of our media. And if those rules are allowed to go into effect, a single company will be able to own up to three TV stations, eight radio stations, the already monopolistic newspaper, the cable system and potentially the portals of the Internet in the larger markets. The big networks will be permitted to buy up even more local TV stations than they already have to cover potentially up to 90 percent of the market. Newspaper-broadcast cross ownership would be acceptable in 179 of our 210 media markets, and TV duopolies would receive the green light in up to 162 markets. It's breath-taking.

At issue in the Commission's dismal decision of last June is how America's TV, radio, newspapers and even the Internet are going to look for years to come. Who is going to control the media? How many -- or rather, how few -- companies? And for what purposes? How will we assure quality TV and music instead of being so often fed a diet of pre-canned, nationalized fare aimed primarily at selling products? Will we still be able to get real local news and clashing points of view so we can make up our own minds on the issues of the day? The issues here boil down to whether a few large conglomerates will be ceded *content control* over our music, entertainment and information; *gatekeeper control* over the civil dialogue of our country; and *veto power* over the majority of what we and our families watch, hear and read. These are incredibly huge stakes.

What you have to also remember is that this is only the latest, most radical step in a twenty-year history of undermining the public interest. The first great wave hit in the

1980s, when the guiding rationale at the Commission was that television is nothing more than a toaster with pictures. Well, that Commission burned the toast. And this present Commission is upping the toaster's amps. Step by step, rule by rule, bit by bit, we have allowed the dismantling of public interest protections and flashed the green light to the forces of consolidation, until now a handful of giant conglomerates are on the inside track. Fundamental protections of the public interest have been allowed to wither and die. Vertical safeguards, such as the financial syndication rules, are long since gone. Horizontal protections were whittled significantly down long before June 2. License renewal is a joke. Requirements like ascertaining the needs of the local audience, the Fairness Doctrine, teeing up controversial issues, providing demonstrated diversity in programming—all these and more have long since been abandoned. Rigorous public interest scrutiny is more a quaint relic of the past than an effective safeguard to protect against excessive concentration.

Over the years, the Commission has come to rely more and more on marketplace forces as a proxy for serving the public interest. Don't get me wrong—I don't have anything against folks making a buck from their media investments. We decided long ago in this country that the media would be part and parcel of our great system of capitalist enterprise and that's fine. But our licensees, in return for the privilege of using airwaves that belong to somebody else—somebody called The People—undertook and pledged to serve the public interest. It's a very different and very special industry. And when its foundation stones begin to crack and things like diversity and localism and competition are imperiled, then it's past time that we wake up and do something about it. I think the heart and soul are going out of much of our media. And by neglecting to do justice to proposals such as requiring more independently produced programs, or disciplining the mad bazaar of media consolidation deals, or encouraging more diversity, we are skirting perilously close to taking the public interest out of the public airwaves.

During the hearings on media concentration that my colleague, Commissioner Adelstein, and I held across the country, we saw and heard first-hand the stories of so many hundreds of citizens about the detrimental impact that consolidation has already had on their local media and their fears about where still more concentration will lead. We heard from people laid off from the newsroom when local news got the ax from the new owner. We heard from creative artists who couldn't get air time for their music because they weren't on the centralized, homogenized play-lists. We heard from independent programmers who couldn't find outlets for their programming because the networks and the studios had that hammerlock on so much of what is produced.

Everywhere we went we heard anguish over the prospect of more local and independent stations facing imminent takeover by one of the media giants. People are worried because it is precisely these independents that are serving diverse audiences in local communities, and it is at these kinds of stations where I still find a large measure of broadcaster dedication to serving the public interest. The fear is that they will be the first casualties of a buy-out, taking local diversity with them. Those few that remain will find themselves less and less captains of their own fate and more and more captives of Wall

Street and Madison Avenue manipulators. That's just not the way things are supposed to be.

There were so many important questions that should have been addressed in the ownership proceeding that were not. Let me mention a couple.

What might be the effects of further concentration on America's minorities in terms of providing Hispanic Americans and African Americans and Asian-Pacific Americans and Native Americans and other groups the kinds of programs and access and viewpoint diversity and career opportunities and even advertising information about products and services that they need? America's strength is, after all, its diversity. Diversity is not a problem to be overcome. It is our greatest strength. ***Our media need to reflect this diversity and to nourish it.*** Yet, the number of minority owners has dropped by a shocking, and nationally embarrassing, 14 percent. And there has been an even greater drop in minority station managers and newsroom employees. Why not ask these questions ***before*** we change the rules instead of creating the potential for even more harm?

What is the impact on small, local broadcasters? Consolidation could sweep them all before it. Media analysts expect that the only option for most local broadcasters will be to sell if the new rules go into effect. And that those that want to remain will face an extremely tough road. During our hearings, we heard from small broadcasters that had already been squeezed out of the market. That's not good for them and it's not good for you and me, either.

Then there is the question of local artists getting airtime on local stations. In our hearings, we heard time and again that if you do not have a major label contract with promotional money behind it, you can forget about airtime. We heard that various types of paid consideration and business relationships influence programming decisions more than do the merits of recordings. We heard from recording artists like Tift Merritt in North Carolina who have major label contracts but can't get airtime in their home states.

My colleague Commissioner Adelstein has already spoken up on this issue. It is now time for the Commission to take seriously these allegations that institutional and structural barriers are preventing so much music from getting onto the public airwaves. Does local music no longer have a place on local commercial radio? Is that in the best interests of our citizens?

In the near future, the Commission will launch an inquiry to examine localism. It is important that this proceeding not become business as usual. If you have experiences you can share, I hope you will do so. In the meantime, the FCC ought to do more than just ask preliminary questions designed to determine if we need to change our disclosure rules. We should investigate allegations of pay for play that might form the basis for enforcement action under current rules. And we should obtain and analyze data and playlists from the industry to determine if ever more media consolidation makes this problem worse. A recent study of a sample of FM rock stations undertaken by Gabriel Rossman at Princeton found that the larger a station group is, the less there is of song and

artist diversity. The FCC should use this study and build on it to understand what is happening in radio and music rather than just proceeding pell-mell in the happy notion that the market will solve all problems. Sometimes markets create problems.

Two more quick thoughts. First, there is now an additional way for you to be involved in these issues. As we make the transition to digital, there is a crying need to update our rules on the public interest obligations of those who are given the right to use spectrum, particularly those who will multi-cast additional program streams. The potential of digital television and radio is enormous and I believe the rewards, for everyone, can be enormous, too. But while we have been very attentive to expediting the mechanics of the digital transition—things like DTV tuners and the like—and while we've made progress there, on the central questions of what the digital transition means for the public interest, we have a bad case of lock-jaw. The result is a great big digital gap. We actually started having a discussion about digital television and the public interest a few years ago and it was a pretty good one. The Commission even initiated a couple of specific proceedings—one on children's programming for DTV and the other a requirement for disclosure of the station's public file on the Internet. But three years later they have yet to be completed.

I want us to finalize action on these two specific rulemakings and then go beyond that with a more comprehensive proceeding on the public interest obligations of digital television broadcasters. I am pleased to see that a coalition – the Public Interest, Public Airwaves Coalition – has formed on this issue to press for such things as more local civic and electoral affairs programming and more independent programming.

I hope you'll take me up on getting involved in this, and expanding the public interest discussion to include radio. We have an opportunity in radio to avoid the experience we have had so far with digital television and accord the public interest the high priority it deserves. The additional program streams that are becoming digital reality could be a real boost for localism, competition, and diversity. I hope we will not miss this opportunity to make sure that the American people realize the full benefits of the digital transition.

Finally, one last area that merits attention in our effort to increase localism, competition, and diversity is low power FM. These community-based stations are licensed to local organizations and can help in significant ways to meet the needs of under-represented communities. Low power benefits recording artists by providing more outlets for airplay, especially on a local or regional level. It provides community coverage in often strikingly-successful ways. The Chairman of the FCC announced last summer that the FCC was going to license more low power FM stations. We need to fast-track this effort.

In closing, as we approach the one year mark since that big FCC vote on media concentration, we have a lot of challenges ahead. But let me tell you my mood. I am encouraged. I am enthused. And I believe that, if the grassroots pressure continues, we can see progress—real progress—in the months ahead. What encourages me most is that

one consequence of the June 2 vote that the Commission majority did not count on. Their rush to loosen the rules and their reluctance even to share the draft rules with the American people -- or the Congress -- before they voted awoke a sleeping giant. The people. Citizens across this land of ours let their voices be heard. They got downright mad that far-reaching changes were being plotted and planned behind closed agency doors. They didn't like the Commission messing around with their airwaves that way. And they made up their minds to make a difference.

So we heard from 2.3 million people, and 99.9 percent of them came down opposed to greater media concentration—not a bad ratio when you stop to realize that on so many issues these days we see 50-50 divides. I believe this groundswell of public opinion will yet save the day. But it really comes down to you, on your staying involved, on staying the course and even stepping up your efforts, and on all of us putting maximum energy and maximum commitment into the crusade for media democracy.

Yes, powerful economic forces that favor consolidation are out there and they are converging with worrisome regulatory policies that pave the way. But, after traveling the length and breadth of this country, I believe these forces will yet be countered because so many Americans want, deserve, and are demanding action on how their airwaves are going to be used to serve the public interest.

If we roll up our sleeves – if we continue to work together now – all of us – business people, artists, workers, regulators, consumers, even independent broadcasters, citizens everywhere—we can settle this issue of who is going to control our media and for what purposes, and we can resolve it in favor of airwaves of, by and for the people of this great country. Let's make it happen.

Thank you.