

**STATEMENT OF
CHAIRMAN KEVIN J. MARTIN**

Good afternoon. Thank you for joining us today.

As you know, we recently began a comprehensive review of our rules governing media ownership. Public input is critical to this process. There is enormous value in hearing from members of the public, as well as from the media industry. This is the first of six public hearings that the Commission will hold around the country on the topic of media ownership. The goal of these hearings is to more fully and directly involve the American people in the process.

The Commission is looking for input on our rules and how they impact the three core goals they are intended to further: competition, diversity and localism. The decisions we will make about our ownership rules will be as difficult as they are critical. The media touches almost every aspect of our lives. We are dependent upon it for our news, our information and our entertainment. Indeed, the opportunity to express diverse viewpoints lies at the heart of our democracy.

I recognize many of the concerns expressed about increased consolidation and preservation of diversity. But, also critical to our review is exploring and understanding the competitive realities of the media marketplace. It is our task to ensure that our ownership rules take into account the competitive environment in which media companies operate while also ensuring the promotion of localism and diversity.

We must also recognize, though, that some of our rules have not been updated for years and may no longer reflect the current marketplace. The Third Circuit recognized this when it upheld the Commission's elimination of the newspaper/broadcast cross-ownership ban. We need to develop a rule for cross-ownership that reflects current market characteristics, including the struggling nature of today's newspaper industry, and recognizes how ownership rules impact the ability of newspapers and broadcasters to serve their local communities.

We are just beginning this process. We are working to develop a record, with hearings like this one today and through the written comment process, on which to base our decisions. It is important that the record be complete before we make any decisions about whether and how any of our rules should be revised.

It is fitting that we start here in Los Angeles. Those operating media outlets and living in this area can provide an extremely helpful perspective on media ownership. L.A. is the second largest media market in the United States and the heart of the entertainment industry. Moreover, it has an enormously diverse population – Los Angeles' multi-ethnic population includes people from 140 countries speaking nearly 100 different languages. Additionally, the LA area has one of the largest, if not the largest Hispanic and Asian populations in the nation.

I look forward to hearing your thoughts and insights on the subject of our media ownership rules. Thank you for your participation today.