

**STATEMENT OF  
COMMISSIONER MICHAEL J. COPPS,  
APPROVING IN PART, DISSENTING IN PART**

Re: *Digital Audio Broadcasting Systems and Their Impact on the Terrestrial Radio Broadcast Service*, Second Report and Order on Reconsideration and Second Further Notice of Proposed Rulemaking (MM Docket No. 99-325)

Digital radio is only in its infancy, but already we are beaming with optimism about its innovative potential. What we see holds special promise for consumers, with all kinds of possible new and valuable services that can significantly alter the radio listening experience. Digital radio means multiple audio programming channels, audio-on-demand services, and receivers that can pass along information ranging from song and artist identification to news, traffic, weather bulletins and public safety information—and all of it free of the static, hiss and pop that sometimes limit our analog system. Even as it begins to deliver all this top consumers, it's great good news for broadcasters because it provides exciting new business opportunities that just might reinvigorate free over-the-air radio. So there is a lot here to be happy about.

For the most part, today's decision focuses on the technology and mechanics of the conversion to digital radio systems and it does a good and commendable job of this. Among other things, we refrain from imposing a mandatory conversion schedule, allow FM radio stations to operate in an extended hybrid digital mode and address FM translator and booster operations. So far, so good.

But the digital transition involves more than just developing new technical standards. Digital broadcasting has the power to reconfigure the communications landscape in good and powerful ways—if we get our policies right. If we get our policies right, we can ensure that digital radio enhances localism and that it translates into more locally originated programming, public affairs coverage and airtime for local musicians and creative artists. If we get our policies right, we can ensure that digital radio enhances diversity through a wider range of programs, viewpoints and new opportunities for underserved and non-English speaking communities. If we get our policies right, we can give real meaning to public interest broadcasting in the digital age.

Let's be clear. Broadcasters today are able to multicast. The FCC already has authorized over 600 stations to multicast using in-band/on-channel (IBOC) technology. Within this number there are broadcasters, NPR among them, making creative and local uses of their spectrum dividend. These innovators are improving radio. But by adopting a blanket authorization for *all* digital radio, this decision confers a free pass on others to take their spectrum, bypass local communities and run more of the canned and nationalized programming that is all too common on our consolidated analog system today and which is, truth be told, responsible for many of broadcast radio's current problems. So I am disappointed that we move ahead without answering important questions about how this spectrum—spectrum that belongs to the people—will be used to benefit local communities. The item sidesteps what I believe is a fundamental

responsibility of the Commission: to determine what the public interest means in the digital age.

Important questions go unanswered here. What does the ability to multicast several streams into a community of license have on the competitive landscape there? I hope we'll look at this before anyone suggests loosening our ownership limits. Does a company really need to own eight radio stations in a market when it has the ability to multicast? How about making sure some of these multi-streams are used for more local news and information, for local music and other creative talent, for minority and non-English language audiences? These are the kinds of questions we have to answer if we are really serious about promoting localism, competition and diversity in the digital era. There are other questions raised by this item. For instance, the Commission permits the use of digital radio spectrum for ancillary and supplementary services, including subscription services. What public interest obligations attach to the use of this public spectrum when it is used for subscription services? Another question: would any of our indecency rules apply to these services? Still another: in the digital television context, the Commission required broadcasters to pay 5 percent of their revenues if they use the public spectrum for private subscription services. Here we allow such uses—but with no such payback to the American people. Shouldn't the people being compensated for this private use of a public resource? Couldn't we move to make that happen? The list goes on. My point is: wouldn't it be a good idea to figure some of this out *before* moving ahead?

My hope going into this proceeding was that we would not only authorize an exciting new technology, but we would also help ensure that it reaps the promise of enhanced localism and diversity that it is so capable of providing. Because we stopped short of completing this mission, I must respectfully dissent in part to the item. I do want to thank the Bureau for its hard work to encourage the development of digital radio, and also many in the radio industry who have devoted their time, energy and resources to advance to pioneering what all of us agree is a truly exciting new service. I just hope we will eventually find a way to make sure it does what it is capable of doing to serve the public interest.