



OFFICE OF
THE COMMISSIONER

Federal Communications Commission
Washington, D.C.

October 25, 2007

Chairman Kevin J. Martin
Federal Communications Commission
445 12th Street, SW
Suite 8B201
Washington, DC 20554

Dear Mr. Chairman:

I write concerning the proposed News Corporation acquisition of Dow Jones & Company (publisher of the *Wall Street Journal*) for approximately \$5.6 billion. If approved, this transaction would leave News Corp. in control of a Big Four broadcast network and *two* of the nation's five largest newspapers (as well as a vast collection of cable channels, satellite networks, motion picture studios, and publishing outlets). For residents of the local New York metropolitan area, it will also mean that a single company operates *two* of the area's most popular television stations and *two* of its most popular newspapers.

Both aspects of this transaction are unprecedented in the history of the FCC and, indeed, of the United States. It will create a single company with enormous influence over politics, art and culture across the nation and especially in the New York metropolitan area.

I propose that the FCC open a proceeding to examine the implications of this proposed acquisition on the national media market. Given what you have described as "dramatic[] change[]" in the media marketplace over the past decade,¹ I think it is essential that the FCC determine whether approval of this transaction accords with our public interest responsibilities and whether our existing media ownership rules and precedents are adequate to deal with this proposed transaction.

The proposed transaction would appear directly to affect the New York metropolitan market in terms of localism, diversity and competition. We need to study these effects before the transaction proceeds. Additionally, we have before us two

¹ Remarks of FCC Chairman Kevin J. Martin, Newspaper Association of America, 2006 Annual Convention, at 3 (April 4, 2006), available at http://fjallfoss.fcc.gov/edocs_public/attachmatch/DOC-264774A1.pdf (last visited October 24, 2007)

pending challenges to the number of media properties News Corp. currently owns in this market.² These challenges should be acted upon expeditiously.

There is no question that News Corp. ranks today as one of the most influential media companies in the world. In addition to owning Fox Broadcasting, it holds 35 full power TV licenses in the United States, including WNYW and WWOR in the New York metropolitan area. It already owns newspapers all across the world, including the *New York Post* with a total paid circulation of 724,748.³ According to the *Post*'s own website, this figure makes it the "5th largest newspaper in the country" and includes "almost 500,000 ... exclusive readers you can't reach through any other New York paper."⁴

Nor is there any question that Dow Jones & Co. and the *Wall Street Journal* play a tremendously important role in both the national and New York media markets. The paper reports a total circulation of over 2.6 million, with a United States print circulation of 1.7 million.⁵ It is estimated that 302,000 of these readers live in the New York metropolitan area.⁶

I believe the FCC's obligation to consider the public interest—which the agency has traditionally defined as localism, diversity and competition—requires us to consider the implications of a merger between these two media giants. Indeed, the FCC has never had occasion to receive comment or do research on the important public interest issues raised by (1) a national network owner owning one or more newspapers that are read across the nation or (2) a company already operating under waivers of the newspaper-broadcast cross-ownership ban acquiring a second newspaper published in that locality. These are important issues that surely deserve serious consideration by the Commission and the American public.

I am of course aware that in 1986 and 1995 the full Commission declined to apply the newspaper-broadcast cross-ownership ban to companies found to publish "national" newspapers.⁷ However, I do not believe that this line of precedent should preclude the

² See Petition for Reconsideration filed by the Office of Communications of United Church of Christ ("UCC") and Rainbow/Push Coalition ("Rainbow/Push") of *K. Rupert Murdoch and Fox Entertainment Group*, 21 FCC Rcd 11499 (2006) (Comms. Copps and Adelstein, dissenting) (granting new newspaper-broadcast cross-ownership waivers for two television stations in the New York market, WWOR-TV and WNYW, and the *New York Post*); and Petition to Deny the license renewals of WWOR and WNYW filed by UCC and Rainbow/Push (*See In the Matter of Fox Television Stations, Inc., Applications for Renewal of License of WWOR-TV and WNYW*, File Nos. BRCT-20070201AJT and BRCT-20070201AJS (filed May 1, 2007)).

³ Available at <http://www.nypost.com/mediakit/mk/index.php> (last visited October 24, 2007)

⁴ *Id.*

⁵ Available at http://www.dowjones.com/Pressroom/PressKits/NewJournal/NJ_FactSheet.htm (last visited October 24, 2007)

⁶ Jim Puzanghera and Joseph Menn, "Dow Jones Deal Prompts Call to Broaden Cross-Ownership Ban," *Los Angeles Times*, at C3 (August 8, 2007).

⁷ Specifically, the Commission's 1986 decision held only that the publisher of *USA Today*—which had been in existence for only four years at that point—could also hold a TV station license in Arlington,

FCC from conducting a thorough analysis of the proposed *Wall Street Journal* acquisition. To begin with, both decisions were reached with very little specific economic or legal analysis—the first is only 2 pages long and the second contains a single sentence of analysis on the critical issue. In other words, these antiquated orders are no foundation on which to build a media policy for the 21st Century. Moreover, whatever one thinks about the wisdom of these earlier decisions on their merits, they clearly involved facts and public interest concerns dramatically different than those before us now.

I look forward to your response.

Warm regards,

A handwritten signature in black ink, appearing to read "Michael J. Copps", written in a cursive style.

Michael J. Copps

Virginia. *Evening News Association*, 102 FCC.2d 1263 (1986); see also *Applications of Multimedia and Gannett*, 11 FCC Rcd 4883, 4895 n.9 (1995) (*dictum*) (noting in passing that ownership of *USA Today* does not trigger the newspaper-broadcast cross-ownership rule because it is a “national newspaper”). The Commission’s 1995 decision held only that the same individual could serve as a director of CBS as well as a director of Dow Jones & Co. without triggering the cross-ownership rule. *Re Applications of Stockholders of CBS Inc. (Transferor) and Westinghouse Electric Corporation (Transferee)*, 11 FCC Rcd 3733, 3779 (1995).