

STATEMENT OF COMMISSIONER DEBORAH TAYLOR TATE

Re: Promoting Diversification of Ownership in the Broadcasting Services, Notice of Proposed Rulemaking

One of the primary goals of this Commission should be the promotion of diverse voices in media. This means not only in terms of the number of voices, but also voices that represent *all Americans*. This Order adopts more than a dozen proposals, all aimed at the promotion of ownership by women and minorities, groups that have historically been terribly underrepresented in the leadership of this important industry.

According to a 2007 study, women own just 3.4% of the 11,884 radio stations in this country, despite the fact that women make up 51% of the population. Only 7% of the directors of the 14 largest radio companies are women. Only 4 of the 42 “Most Powerful People in Radio” are women. Television is sadly remarkably similar. There are currently 1,349 full-power commercial television stations in the United States. A paltry sixty-seven, or 4.97%, are owned by women.

The story is even more dramatic for minorities. Minorities own 3% of all broadcast television stations. Hispanics comprise 14% of the entire U.S. population, but only own a total of 15 stations, or barely over 1% percent of all stations nationwide. African Americans comprise 13% of the entire U.S. population, but only own a total of 18 stations, or 1.3% of all stations. Asians comprise 4% of the entire U.S. population, but only own a total of 6 stations, or 0.44% of total stations.

The challenge before us is not to cast blame, but to offer solutions. The time to act is now. In our hearings across the country over the past four years, it has become clear that there are three primary hurdles women and minorities face: lack of access to financing, both capital and debt; lack of access to spectrum; and lack of access to opportunity.

The Minority Media & Telecommunications Council, along with the FCC’s Diversity Committee, proposed a list of initiatives with the goal of assisting women and minorities to clear these hurdles and thus enhance the diversity of voices in the media industry-- from extending the timeline for construction permits to revamping our longitudinal research studies, to requiring non-discrimination provisions in advertising contracts to the creation of a guidebook on diversity. These can have immediate and perhaps lasting impact on improving opportunities for minorities and women.

I will not go into detail on each of the proposals we adopt today, but I do want to single out two that I find appealing because of their strong chance of successful implementation and potential for prompt results.

First, we will convene an annual “Access to Capital Conference” to link potential buyers with prospective investors. This proposal was also strongly supported by the National Association of Broadcasters, which identified access to capital as “the largest roadblock to a more diverse broadcast industry.” The Conference will allow for an annual dialogue between those interested in owning broadcast stations and investors or institutions that want to provide this access to capital and make a difference in the media marketplace. The initial Conference is tentatively scheduled for the first quarter of 2008. I hope this will become an annual event and I plan to lend my time and energies to helping make it a success. Perhaps it can also be held at different locations across the

nation both to educate the investor community and to open more doors for ownership throughout the U.S.

The second proposal I have strongly supported is the modification of our Equity-Debt Plus attribution rule. The EDP rule was designed to resolve concerns that multiple non-attributable interests could be combined to allow the holders to exert a significant influence over licensees. In effect, the present rule has caused potential investors to cautiously avoid investments that might be combined to approach the ownership limit, which has reduced the available capital in the market. This Order does not repeal the rule entirely, but rather allows an interest holder to exceed the 33% ownership limit without triggering attribution. I hope that this change will trigger an influx of investment for women and minorities seeking to own broadcast stations.

However, let me also be clear that this Order is not the last hurdle, but rather a first step. Unfortunately, a step that has already taken this Commission too long and therefore we need to move forward expeditiously- beginning today. That is not to say that we cannot accommodate other new ideas or improve the proposals herein; in fact, we should be committed to reviewing our progress on a regular basis to consider the successes and any failures in order to continue additional constructive efforts to enhance women and minority ownership in the future.

We owe a debt of gratitude to Chairman Henry Rivera and the entire FCC Diversity Task Force; David Honig and the Minority Media & Telecommunications Council; and members of the industry for their tireless work in this important arena.