

**REMARKS OF FCC COMMISSIONER MICHAEL J. COPPS  
NABOB BROADCAST MANAGEMENT CONFERENCE  
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Thank you and it's great to be back at NABOB. I want to start by thanking my good friend Jim Winston—and everyone at NABOB—not just for your kind invitation to speak today, but for your leadership and counsel on some of the most important issues we face at the FCC and, indeed, that we face as a country. By the way, Jim is a rare jewel in the Washington firmament—someone who understand the issues, really cares about them, and knows how to get things done. I rely on his judgment a lot.

As I don't need to tell anyone, we meet this afternoon in difficult times. The nation's financial sector seems somewhere between wreck and ruin, certainly in a major crisis. The government is reduced to bailing out some of the biggest names on Wall Street. And, as so often happens, it's Main Street that may be asked to pay the price. Who could see it coming, the pundits ask? Well, maybe they should have seen it coming. Now, after the fact, little light bulbs are beginning to shine in the experts' heads. Maybe there was too much deregulation, too much faith in the unfettered marketplace. Maybe we need more transparency and for the government to step in and provide some meaningful oversight and public accountability.

Gee, this all sounds familiar. Let me think . . . manic deregulation . . . lack of government oversight . . . no public accountability . . . sounds like what's happened to our media over the past twenty-five years, doesn't it? You know that story. It got into high gear in the 1980's when they sent us a Chairman of the FCC who declared that television was nothing but a "toaster with pictures." And that's how he and his *laissez-faire* friends—some in *very* high places—proceeded to regulate it. Public interest guidelines? Gut them. License renewals? Rubber-stamp them. Media consolidation? Let the good times roll. Minority ownership? Sorry, not interested—why should anyone care who makes our toasters?

I'm not going to spend much time talking about the results of this rabid deregulation. You know what resulted better than I do. Less localism, less diversity, a few giant media companies who gobbled up ever more of the nation's media outlets. And, to our collective shame, a country that is now one-third minority in which people of color own just 3% of all full-power commercial television stations.

There's an old saying—you know this one better than me, too—"Justice delayed is justice denied." That certainly applies here. There always seems to be an excuse why we can't do more. Maybe some of you were at that Congressional hearing in the House when Bobby Rush gave such eloquent vent to his frustration and anger over this constant making of excuses in order to justify doing nothing. But isn't it interesting how excuse-making magically disappears when the big media companies come to the FCC asking for more deregulation and more media consolidation? So we've had years and years of pedal

to the metal, full speed ahead—even though media consolidation only makes it *harder* for minorities and women to buy TV and radio stations, *harder* for broadcasters to serve their local communities when they are controlled by a huge conglomerate hundreds or thousands of miles away, *harder* for the media to serve the people's interest..

That's pretty much what's been happening at the FCC. Last December, the Commission majority wanted to relax one of the few remaining constraints on media consolidation—the ban on newspaper-broadcast cross-ownership. But they got a strong message from Congress and the courts that they had to address minority and female ownership and localism *before* voting to allow more media consolidation. So we passed a few incentives, but—let's be candid here—the majority didn't get anywhere near the heart of a workable solution. They put off real action on the most important questions until another day—things like deciding who is eligible to benefit from the FCC incentive programs. Right now the door is open a whole lot wider for white males than it is for minorities and women.

Their excuse, when pressed, still is: “Gee, we can't do more because we just don't have an adequate record.” But if we lack a record, lack the data, who's to blame? Remember Pogo: “We have met the enemy and it is us.” Why didn't we go out and gather it? Why aren't we doing that now? If the majority suddenly awoke last December to the realization that they didn't have the record, wouldn't that have been the time to launch, for example, the *Adarand* studies that the courts would want to see to justify a really activist approach—and what I mean by “activist” is a more race-conscious approach to reverse the costly loss of minority-owned stations. Wouldn't that have been the time to clean up the almost total information gap that exists when it comes to FCC data on minorities in the media? Have we done anything to proactively enforce our new non-discrimination rules? Have we done *anything* really substantive in the past nine months to move the ball forward? You folks ought to be marching on the FCC after all these years of not-so-benign neglect.

I can really only think of two things we've done. In July, we had an access to capital hearing in New York. That was nice if it had been the beginning of something real, but why does it seem to be receding into just another event in the FCC's history books?

The second thing we've done may hold more promise. Earlier this month, we sought comment on the petition filed by NABOB and other organizations asking the FCC to investigate Arbitron's Personal People Meter system. The initial comments were just filed two days ago, so I can't give you any final reactions, but let me make a few initial observations.

First, some very serious questions have been raised about the PPM system. Might it not have some decidedly discriminatory effects on stations serving minority audiences? Could this mean even fewer minority-owned stations on the air—difficult as that is to imagine? Why did the Media Ratings Council deny accreditation in both New York and Philadelphia? Why did Arbitron use a different methodology in Houston than in other

markets where it is rolling out PPM? I'm not the only one asking these questions. Last week, Senators Inouye and Leahy wrote to Arbitron asking many of the same kind of questions. Both the FCC's Diversity Committee and, just this week, the New York City Council have recommended that the FCC open an investigation of PPM and its potential impact on radio diversity. That strikes me as an eminently reasonable request.

Of course there are some who question whether the FCC has any role to play here. After all, we don't regulate Arbitron, so why would we investigate PPM? As I said, the comments are still coming in, but my initial view is that this argument misses the point. Just because we don't directly regulate Arbitron doesn't mean we don't have an interest in these issues. First, we have a strong interest in promoting diversity—both under our general public interest authority as well as the express directive of Section 257. But if and when we really get serious about minority ownership, we will only be successful if we understand the ecosystem in which minority owners operate. We may not be regulating Arbitron, but then again we don't regulate banks either, and yet we should—indeed, we must—take into account the difficulties of access to capital if we are going to construct effective rules. So anything that affects media diversity and minority ownership—and I'm not drawing specific conclusions here—affects our ability to do our job.

But, going a step further, we actually *do* have a very direct interest in the accuracy of Arbitron data. The FCC relies on Arbitron data, for instance, in applying our local radio ownership caps and in license transfers and rule-making proceedings. It's not surprising that we rely on Arbitron—there aren't any competing services currently out there. If we are going to rely on a commercial service for the data we need to do our job, it seems to me that we have a legitimate interest in that data's accuracy, don't you think?

I hope this doesn't become yet another of those tired old arguments about regulation versus deregulation. This isn't about philosophy or theories of political science. Nor is it about taking over the ratings business. It is, in the first instance, about fact-finding and shining the light of day on what may be a real-world harm. Then, when we get the facts, it is about figuring out how to correct any problem.

More broadly, let me say that I have never been in favor of blind regulation—any more than I was ever in favor of the blind de-regulation that has plagued this town and our country for most of the past nearly 30 years. But markets aren't always perfect. If the markets aren't working to produce what society really cares about, like educational children's programming or reflecting the true diversity of our country, then government has a legitimate role to play. Our goals should be firm, but we must always be pragmatic about how to achieve them. Like my hero Franklin Roosevelt, we must be guided by the evidence—if something works, great; if it doesn't work, try something else.

Let me cite a couple of other examples that I think this audience is interested in. These come out of the Commission's Localism proceeding.

First, there is a question about whether we should require 24/7 staffing at broadcast stations. We all know what happened several years ago in Minot, North Dakota, where a train derailment at 2:30 in the morning spewed a huge cloud of poisonous gas over the city. The emergency response was confused at best. Local radio stations were running without staff in the middle of the night and didn't transmit any emergency information for several hours while local officials tracked down the local station managers. Now, I know there are different explanations for what happened in Minot that night, but the larger point remains—there may be public emergencies at any time of the day or night and we need to make sure that broadcasters are prepared to get the word out as quickly as possible.

But we have to be smart about it. There may well be better ways to skin this cat than requiring 24/7 staffing. I've read NABOB's comments on this and I've talked to several groups of state broadcasters. Just this week, I met with a group of broadcasters from Louisiana, some of them small market owners, who told me that a 24/7 staffing requirement could cost them \$100,000 or more a year just to have someone sitting at the station all night in case something happened. Other broadcasters told me they would simply shut down overnight because they couldn't afford to stay on the air.

I greatly appreciate getting that kind of input. In some of these meetings we've started to discuss a third way, something to protect us from another Minot but not burdensome on station owners. Basically, it would require local broadcasters to coordinate with local public safety officials to provide 24/7 contact information for local staff with the authority and the ability to respond to a crisis. The broadcast stations would then have to certify to the FCC that such coordination has been done. I look forward to discussing this with all of you and with my colleagues as the proceeding moves along. I haven't married this idea, but I am married to the idea of solving problems through common-sense and cooperation wherever we can.

Another issue is the main studio rule. As you know, that rule has been relaxed over the years to permit stations to locate their main studio outside of the community of license—sometimes way too far outside the community of license. We had one case recently where the main studio was located *over a hundred miles* from the community it was licensed to serve. So I understand the motivation behind the proposal to think about going back to the old rule. If a main studio is 50, 60, or 100 miles from the community of license, it's just a tad unlikely that the station manager is going to be hanging out in the local café or joining the local PTA.

So maybe just reverting to the old rule would do more harm than good. Whether the prior relaxation of the rule was correct or not, licensees have relied on those changes and many of them have invested in new studios that comply with the new rules. My old boss Senator Hollings always used to say that business can't operate with a question mark. Especially when businesses invest in infrastructure based on FCC actions, we need to be very careful about reversing course.

Here again we need to think anew, and I believe that here, too, we can find a win-win solution. The goal is the same—how do we ensure an ongoing, on-the-ground dialogue between broadcasters and their listeners or viewers about local needs and interests. The main studio rule is one way to promote that dialogue but there are others. Many, many broadcasters do this local groundwork as a matter of course. They know that staying in touch with your local community is not only a public good, it's good business. Hopefully, whatever we come up with in this area will not inconvenience those broadcasters—like I'm sure most everyone here in this room—who are already actively engaged with their local communities. But we do need to find a way to make sure that *all* broadcasters are following your example. And I know this: we should not let any of them free-ride on your good work.

You know, these haven't been very good years for the public interest, for America's media environment, for expanded minority participation in the media, or for the civic dialogue upon which our democracy depends. In fact, that civic dialogue has been dumbed down beyond belief. And that's one big reason the doors of equal opportunity remain shut to so many people in America. But I'm an optimist, I really am. And I think change just may be on its way to Washington. I'm a believer that our history can be traced through cycles of reform following years of reactionary policies, and that today, America is ready—way past ready—for the reform part of the cycle.

When that cycle comes—and it's no slam-dunk that it will—I believe media has to be high on the priority list of issues needing to be tackled. Tackled right away. Now some will say, “Oh there goes Copps again, off on some media tangent.” And even some in this audience may say, “Hold on, we've got worse problems out there—persistent poverty, discrimination, two wars, a ridiculous health insurance system, poor schools, a fast-deteriorating planet and now, on top of all that, an economy deep in the tank. What's the big deal with media?”

Well, here's the big deal with media: all these other issues, if they're covered by big media at all, are too often filtered through the funnel and perspectives of a few industry giants. They often are not presented with the attention they need if we are to have a civic dialogue that gives people the facts they must have in order to make intelligent decisions for the future of the country. The present big media system can be very constricting to an issue, even fatal. So what I'm saying is that if you think these issues I've mentioned—such as discrimination, health and education policies, peace and war—might fare a little better in a more open media where other viewpoints and minority perspectives are presented and debated, then media needs to be pretty high up—I'd say way, way up—on your list of things to get changed when change comes to town. And, by the way, I also believe that change would have come to town sooner than now if we had had that kind of coverage of real news and real issues and real people rather than what has passed for “news” and “in-depth” broadcast journalism at too many big media stations in recent years.

Here's what I'd really like to see. I'd like to see us be ready for change. I'd like to see all of us out there right now pushing these issues—doing so on your stations, in our

newspapers, in our communities, with our families and friends, and with all of the candidates running for offices across this land. This isn't an issue they should find out about and start to be educated about when they get to Washington. This is something they need to hear from the folks back home. At the grassroots. Right now. If we're lucky enough to get real change, no one knows for sure how wide the window of reform will open or how long it will last. We've got to be ready. Lots of these other issues are teed up for attention. Why should we think we don't need to tee up media if we really want results? So my message to you today is to take it on big-time now, tee it up, get it on the priority list. You know how to do this much better than I do—it's how we've made the progress we've made in prying open the doors of opportunity in this land.

In Minneapolis in May, at the Media Reform Conference, one of my heroes, Bill Moyers, advised us to do just this. "Tell it," he said—tell the story, highlight the issue, explain the stakes, wherever you go. That, my friends, is exactly the road for us to travel. *That's* the road to victory—the road to a media that works for every American, that opens doors of opportunity, enhances our civic dialogue, and truly serves the public interest.

We *can* do this. If we really work together and pull together, we can have a media of which we can all be proud—one that reflects and nourishes our diversity; one that educates and informs us as citizens; and one that provides a truly local voice to every community. In other words, we can come out of this struggle with a media that is worthy of the American people because it is truly of, by and for the American people. I look forward to working with NABOB to make it happen.

Thanks for feeding me lunch and thanks for all the good things you do.