

Remarks of Commissioner Robert M. McDowell

**Federal Communications Commission
Office of Communications Business Opportunities
Capitalization Strategies Workshop for Small and Disadvantaged Businesses**

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As prepared for delivery

Thank you, Tom, for your kind introduction. I'm extremely pleased to be able to offer a few introductory remarks for today's gathering – because there is widespread agreement that access to capital is the biggest hurdle facing small business entrepreneurs, including minorities and women, who hope to enter and thrive in the communications arena. While the Commission considers what more it can and should do through rulemakings to promote diversity and foster the development of new entrants into the industries we regulate, I'm glad that, with today's event, we also are taking steps to try to help small businesses right now with some very practical assistance.

Throughout my time as a Commissioner, I have consistently called for greater awareness of the financial realities that face small enterprises and new entrants. In today's economy, of course, businesses of all size are struggling to survive through the worst economic downturn in generations. It may be rather cold comfort to those in attendance today to know that many big companies now empathize with small entrepreneurs concerning cash flow and the state of their balance sheets, but I'm hopeful that new opportunities for small entities may arise from today's challenging economic environment. As I've noted in other settings, de-consolidation seems to be the current trend in at least some of the communication sectors we regulate, such as broadcasting.

That development offers potentially attractive openings—if new entrants can secure the financing to make it happen.

Although the FCC can't guarantee that all worthwhile business plans obtain the necessary capital, we can help you make some important connections—after all, we do have expertise in facilitating communications. I am delighted at the quality of the two panels that Tom and his colleagues in OCBO have assembled for today's events. It makes eminent sense to kick off the discussion with information and perspectives from public-sector financing sources, and so I thank our colleagues from NTIA, USDA and the SBA for engaging with us this morning. I'm also pleased that OCBO—in a smart move—invited veterans of OCBO who now are in the private sector to join the first panel and give you the real scoop from both the private and public perspectives. I'm also impressed with the array of private-sector talent on our second panel. They represent an array of investment strategies, which together should provide a very useful overview of the issues that potential investors consider.

Perhaps the best part of today's event will be the one-on-one breakout sessions that will follow the two panel discussions. I'm very grateful to all the panelists who have agreed to stick around to meet with individual entrepreneurs and provide constructive advice regarding participants' business plans. Large-group discussions are great, but there is nothing quite like a frank, quiet conversation about a specific proposal to hone in on the real challenges and promises of a particular idea. Business schools certainly seem to think so; their curricula are built around such opportunities. I'm pleased that the FCC can help provide similar support today.

Today's event should not be the end of the conversation. I hope that many of you will make individual connections that you will carry forward. The Commission, for its part, will continue to look for more openings to facilitate those connections, while also working to advance other related small business and diversity initiatives. For my own part, I look forward to continuing dialogue with the Minority Media and Telecommunications Council, and others, about such matters as enforcement of the Commission's ban on "no urban, no Hispanic" dictates in advertising and renewed advocacy before Congress for a legally sustainable tax certificate program to promote ownership of communications companies by economically disadvantaged businesses.

Without further ado, I am turning this over to our panelists—the folks with the concrete, real-world information about financing new and fledgling businesses. Let the insights and capital flow, and the networking begin!