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NONPROLIPERATION AND TRADE

REVITALIZING OLDER CITIES TASK FORCE Julius Genachowski

Congress of the United States House of Representatives

Washington, **BC** 20515-3227

February 28, 2012

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NEWOOK 356 Chairman Federal Communications Commission 445 12th Street SW Washington, DC 20554

Dear Chairman Genachowski,

I am writing to respond to the National Football Leagues' (NFL) statement of opposition during the Federal Communications Commission (FCC) comment period on a petition urging the elimination of sports blackout rules.

As you know, I recently joined several of my colleagues in the House of Representatives to express concern that blackout policies do not fairly serve the public who invest substantial tax dollars towards the construction and maintenance of stadia. As Western New Yorkers may soon be asked to provide public funds to upgrade Buffalo's Ralph Wilson Stadium, I again urge the FCC and the NFL to eliminate their blackout policies.

The NFL's defense of the blackout rule cites the rule's financial significance, yet evidence is insufficient as the League does not publicly release financial statements. The NFL is a multibillion dollar business and it is important to understand what financial sources add to its incredible value.

Many of the nation's top academic economists, including Roger Noll of Stanford University, submitted to the FCC findings that "local television blackouts have little or no effect on ticket sales or attendance for the game that is being televised." Further, they concluded that "local blackouts of home games harm consumers without producing a significant financial benefit to teams." Their findings revealed that ticket sales account for only 20% of the League's revenue, even as the NFL has the highest average ticket price of all professional sports at \$75 and an estimated 60% of League revenue is from game broadcasts.

The value of the League was substantially enhanced by televising games. Decades old blackout rules created before the League achieved its current popularity and financial stability do not increase game attendance and are not fair to a public that commits substantial tax dollars to the construction and maintenance of stadia across the nation.

I again urge the FCC and NFL to abandon its decades old blackout rules. Thank you for your attention to this matter.

Member of Congress