

November 14, 2011

The Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th St, SW
Washington, D.C. 20515

Dear Chairman Genachowski:

We urge the Federal Communications Commission to pursue its current comprehensive review of media ownership rules with a deregulatory approach, as intended in the Telecommunications Act of 1996. As you are well aware, Section 202(h) of that act requires the Commission to determine “whether any of such rules are necessary in the public interest as a result of competition.” It further states, “[t]he Commission shall repeal or modify any regulation it determines to be no longer in the public interest.” We feel that an honest assessment of the growth of competition, market evolution driven by the Internet, and increased consumer empowerment should compel the FCC to repeal or, at least, modify its restrictions on local radio ownership, newspaper/broadcast cross-ownership, and radio/television cross-ownership.

The media marketplace has changed dramatically since the Commission and Congress last substantively addressed media ownership relief. In 1996, local radio stations simply competed against other local radio stations, consumers did not have an Internet to deliver the news of the day, and over-the-air television faced relatively few competitive programming options. Today’s market is far more complex, with all forms of media – audio, print, and video – delivered directly to consumers via wireline, terrestrial wireless, and satellite platforms, and by rapidly evolving fixed and mobile Internet delivery alternatives. The growth in competition and consumer empowerment within the media marketplace must be considered by the Commission.

To highlight one component, the FCC’s own press documents show there are nearly 20% more radio stations operating today than existed in 1996. And while local radio stations still compete against one another, they also compete against a myriad of other platforms that were either not available or in their infancy 15 years ago. In 1996, only a handful of Internet radio operators existed. Today, Internet radio reaches more than 70 million listeners each month. In 2004, there were a mere 4 million subscribers to satellite radio services. In November of last year, XM-Sirius announced it had exceeded 20 million subscribers. In 2001, Apple introduced its iPod device, enabling consumers to time-shift and space-shift and practice editorial control over their audio consumption. Today, a majority of Americans over the age of twelve own a portable audio device.

The story is similar in the print and video markets. This explosion of new media options and tools, while disruptive, has benefited consumers, competition, and the economy. Competition is healthiest, however, when laws and regulations provide a level playing ground for both new and legacy platforms to compete. Local radio and television stations now attempt to compete in a growing marketplace while strapped with regulations that do not apply to the other competitors.

Print media is struggling to adapt a legacy business model to the new market realities of an online world. The Commission should act proactively now to ensure that legacy audio, print, and video voices are not specifically disadvantaged.

Current media ownership regulations are antiquated and have come to provide structural imbalance in the marketplace. Our government policies should not have the effect of picking winners and losers, but rather provide the fairest competitive environment. By modernizing media ownership rules, the Commission can ensure that local media maintains a fair chance to succeed in the Digital Age.

We appreciate your consideration, and look forward to hearing from you soon.

Sincerely,

