

**OPENING REMARKS OF COMMISSIONER AJIT PAI
AT OHIO ASSOCIATION OF BROADCASTERS' AM RADIO TOWN HALL**

COLUMBUS, OHIO

AUGUST 13, 2014

I want to thank the Ohio Association of Broadcasters for hosting this afternoon's town hall on AM radio revitalization. Why have I come to Ohio to discuss the grand old band? Well, I couldn't think of a better place to take up the topic than the home state of our nation's most famous AM radio station: *WKRP in Cincinnati*.

In preparing for this trip, I asked my staff the following question: If I were on WKRP, who would I be? I thought they would pick one of two characters. Either Jennifer Marlowe, as played by Loni Anderson, because I like to think that I'm the main reason people visit our office. Or Venus Flytrap, as played by Tim Reid. After all, Venus and I have a lot in common. We both have worked in New Orleans, and we're both known for our sartorial splendor. And just as he says, "Venus is on the rise in Cincinnati," my catchphrase could be "the Pai is in the sky in Columbus." To my disappointment, however, my staff did not pick either Jennifer or Venus. Instead, they picked Les Nessman, WKRP's bow-tie clad news director, who was known for his glaring on-air mistakes, such as mispronouncing golfer Chi Chi Rodriguez' name as "Chy Chy Rod-ri-gweeze." As you might guess, I'm in the process of finding a new staff.

But in all seriousness, the Buckeye State is a natural fit for this afternoon's event because Ohio has been the home of many "firsts" in AM radio. The first political convention broadcast on AM radio took place in Cleveland. On June 10, 1924, the Republican Party gathered to nominate President Calvin Coolidge, and the Forest City's WTAM was there to broadcast the proceedings. Indeed, it was the first event to be simultaneously aired on radio stations in twelve cities.

Two years later, radio's first mystery serial, "The Step on the Stair," aired on WLW in Cincinnati—a station that later became the first in the world to broadcast at 500,000 watts on a regular basis. President Franklin D. Roosevelt even pushed a ceremonial button launching the powerful signal. It's no wonder that WLW was called "The Nation's Station."

In the following decade, AM radio stations, including WLW, stepped up to the plate when the Ohio River flood of 1937 hit. It's been described as the greatest broadcast media event of its time. In order to provide life-saving information to residents and rescue crews, stations abandoned their scheduled programming and commercials for days on end. This began the concept of providing marathon coverage of breaking events—a practice that we see and hear today with modern emergencies like 9/11 and Hurricane Katrina.

But these blasts from the past aren't the end of the story. Ohio's proud tradition of AM radio lives on. Today, WLW has a 24-hour news department, provides a plethora of local programming, and is a flagship station for the Cincinnati Reds and Bengals. WTAM serves Cleveland-area residents with timely news, information, and debate, and is also a flagship station for the Indians and Cavaliers. KFMB, WHK, WMAN, and several other AM stations in Ohio have maintained the proud tradition of providing up-to-the-minute coverage of breaking events, such as the recent water crisis in the northwestern part of the state. Three AM stations serve my in-laws over in Youngstown, and they regularly listen to NewsRadio 570 WKBN. And even WKRP is poised to make a comeback. A company named Shout! Factory recently acquired the home video rights to *WKRP in Cincinnati*, and all four seasons are set to be released in a boxed set with the original rock music.

But despite these successes, we all know that the AM band is facing some big challenges. Every day, it gets harder to pick up a clear AM signal. The percentage of listening done on the AM dial has

sharply declined, especially among the young. That's why back in 2012 I proposed that the FCC launch an AM Radio Revitalization Initiative.

One year later, the FCC took the first step by announcing a comprehensive review of our AM radio regulations. When we did that—unanimously—we outlined some specific proposals to help AM radio stations. We also asked the public to suggest their own. The time for formal feedback expired earlier this year, and at least one thing is clear: While there are many issues at the FCC that are controversial, AM radio isn't one of them.

The folks who offered their two cents overwhelmingly supported all of the ideas that the FCC teed up. Small broadcasters and large broadcasters alike want to revitalize AM radio. So do civil rights organizations and those favoring increased ownership diversity. Democrats and Republicans, Buckeyes and Wolverines, Hatfields and McCoys, the list goes on. Indeed, I've been amazed how AM revitalization has struck a chord throughout the United States. When I made this proposal almost two years ago, I never imagined the response we would get. AM revitalization even made it to the front page of *The New York Times*—and “net neutrality” got bumped to that day's business section!

So where do things stand now? In my humble opinion, the time for action is near. By Halloween, my goal is for the FCC to adopt AM revitalization reforms that do two things.

First, we should adopt the proposals the FCC outlined last year, with appropriate tweaks. For example, we should move forward with an FM translator window designed for AM broadcasters. I've heard from a lot of AM broadcasters who are desperate for FM translators. If we act soon, that window could open next year and give many stations much-needed relief. We also need to eliminate the so-called ratchet rule. This regulation may have been well-intentioned, as it was designed to reduce interference on the AM band. But in reality, all it has done is stand in the way of AM stations that want to improve their service.

Second, we need to ask the public to comment on a new batch of specific proposals for improving our AM radio rules. That's because the proposals we made last year, while they will help AM broadcasters, aren't going to be a panacea.

So during this afternoon's town hall, I'm eager to hear which ideas *you* think are worth pursuing. If you have an idea for revitalizing the AM band, don't be shy. It's not too late to tell the FCC what you think.

To get the discussion started, let me throw out three issues I've been thinking about lately.

One is skywave. Many of us have fond memories of driving at night and listening to a baseball game broadcast by an AM station hundreds of miles away. But is it time for the FCC to eliminate nighttime skywave protection for clear-channel stations? I haven't made up my mind, but the question seems worth asking. Some say that skywave protection is an anachronism that prevents many smaller AM stations from providing local service at night. Others say that removing it would increase interference and decrease the audience of clear-channel stations. Let's ask the relevant questions, such as how much nighttime skywave listening currently takes place, and resolve the debate.

Additionally, should the FCC pave the way for the use of synchronous transmission systems on the AM dial? This approach would do for broadcasting what small cells do for wireless. And it holds considerable promise for improving AM reception, particularly in densely populated urban areas. Now, I realize that it might not be a realistic option for smaller stations at the moment. But for larger stations, it could prove to be a boon.

Finally, have we reached the point where AM stations should be allowed to go all-digital on a *voluntary* basis? I've been encouraged by the results of all-digital testing, and I've heard that digital signals could improve the listening experience on the AM dial. I know that we're a long way from the point where all-digital AM stations will be the norm. Among other things, the cost of transitioning to

digital would probably be too much for many AM stations to afford right now. But should we let stations have the option of going all-digital? Are there any downsides that need to be considered? Would the examples set by all-digital AM pioneers help the Commission decide whether and when to make a digital transition?

That's some of what's on my mind. But I'm more interested in what you have to say. So now I'm going to turn the floor over to you. I want to hear your thoughts on what the FCC can do to revitalize AM radio. And feel free to weigh in on FM radio, too. If you want to ask a question, I'll do my best to answer. And if you have a complaint about the FCC, I'll be sure to pass it along to my colleagues back in Washington.

Thanks again for hosting me here in Columbus!