

**CONCURRING STATEMENT OF
COMMISSIONER MICHAEL J. COPPS**

Re: *Paxson Management Corporation and Lowell W. Paxson and CIG Media LLC.*

Today's transaction involves the transfer of 60 full-service television broadcast licenses to a purchaser about which the Commission knows precious little. We do not know the identity of the investors in this particular fund, and we do not know how this fund has treated other companies it has owned in recent years. Though we know that the fund does not own other media properties, we do not know whether our attribution rules adequately capture the real distribution of power within this new corporate owner. Indeed, we are not even sure what type of entity we are dealing with here: Most press reports refer to it as a "hedge fund," our own *Order* refers to it as a "private equity fund," while the company's own website describes it as "one of the world's most sophisticated alternative investment institutions."¹

In short, we don't have anywhere near the information or context necessary to know whether this change in control will harm viewers in the 60 communities that the company is licensed to serve. This is an especially urgent question because the stations at issue here—roughly 3% of the total TV stations in the United States—represent some of the only outlets for independent broadcast programming available today. So while it is certainly a good omen that the new owners will retain the network's existing management, I do not believe the Commission has enough information before it right now to say, with confidence, that the network's commitment to programming diversity on the public airwaves will endure under the new ownership structure. I, for one, will be watching closely to see that it does.

At some level, the Commission's fundamental lack of curiosity about the identity of our new licensees is hardly a surprise. Even as private equity firms have begun to acquire substantial numbers of broadcast stations (witness the Univision and Clear Channel acquisitions just this year), the Commission has been content to emulate the figures in the famous "see no evil, hear no evil, speak no evil" carving. This in stark contrast to other branches of our government—like the President's Working Group on Financial Markets and the Securities and Exchange Commission—which have shown far greater interest in attempting to understand the regulatory implications of hedge funds and similar financial creations. Accordingly, I must concur in today's *Order* and renew my call for a general Commission inquiry into the impact of private equity, hedge funds, and other related investment vehicles on our ability to protect, serve, and sustain the public interest in our broadcast media.

¹ See Marcia Vickers, "A Hedge Fund Superstar," *Fortune* (April 3, 2007); "Citadel Investment Group, LLC: About Us," available at <http://www.citadelgroup.com/> (last visited 12/28/07).