

**STATEMENT OF
COMMISSIONER BRENDAN CARR**

Re: *2014 Quadrennial Regulatory Review – Review of the Commission’s Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, MB Docket No. 14-50; *2010 Quadrennial Regulatory Review – Review of the Commission’s Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, MB Docket No. 09-182; *Promoting Diversification of Ownership in the Broadcasting Services*, MB Docket No. 07-294; *Rules and Policies Concerning Attribution of Joint Sales Agreements in Local Television Markets*, MB Docket No. 04-256; *Rules and Policies to Promote New Entry and Ownership Diversity in the Broadcasting Services*, MB Docket No. 17-289.

Congress recognized that the FCC’s media ownership rules could outlive their usefulness. That’s why it directed the Commission to examine those rules every four years and determine whether they’re still “necessary in the public interest as the result of competition.” Unfortunately, the Commission has taken an ostrich-like approach to this requirement in nearly every one of its quadrennial reviews. And when it finally completed the 2010 and 2014 reviews in August 2016, the Commission ignored the realities of the modern media marketplace and the many ways that Americans now consume news and information. This failure does not serve anyone’s interest, as a broad range of stakeholders have made clear.

Fortunately, the agency has a longstanding process that enables us to correct these types of errors. Under our rules, any interested party can petition the FCC to reconsider a final decision in a notice-and-comment rulemaking, and a number of parties did so. In response, the Commission provided public notice and afforded all stakeholders an opportunity to comment.

As a result of this process, we now reconsider several decisions made in the Commission’s August 2016 order. In doing so, we finally acknowledge the reality that many of our current media ownership rules are outdated and counterproductive.

Take the newspaper/broadcast cross-ownership ban. The FCC adopted it in 1975 to promote a diversity of viewpoints. At the time, the Commission found that prohibiting one entity from owning both a daily print newspaper and a broadcast station within the same local market would preserve independent voices in a marketplace then characterized by relatively few such voices. But the extensive record compiled in this proceeding shows that the newspaper/broadcast cross-ownership ban is now doing far more harm than good. The record is replete with evidence of a newspaper industry in decline, with massive drops in ad revenues in the Internet era and the shuttering of hundreds of newsrooms around the country as a result. If we want to reverse this tide, if we want to incentivize greater investment in journalism and additional resources for local reporting, then we should eliminate regulations that are preventing that investment. Our decision today does just that.

And the benefits of our decision are not just theoretical. The record contains numerous examples of grandfathered combinations where the FCC has allowed newspaper/broadcast cross-ownership. Those combined operations are producing more local news than other enterprises. This should come as no surprise, as the Commission recognized over a decade ago that the cross-ownership ban likely hinders the Commission’s localism goals. So I support today’s long overdue decision to repeal the newspaper/broadcast cross-ownership rule.

For similar reasons, I support the decisions to eliminate the outdated radio/television cross-ownership rule and to make commonsense modifications to the local television ownership rule. In light of the modern media landscape, our ownership rules should give broadcasters flexibility to attract investment that will enable them to better serve their local markets. Additionally, I support our decision

to repeal the attribution rule for television joint sales agreements or JSAs. The record makes clear that these JSAs enable broadcasters to attract critical revenue in a marketplace characterized by increased competition for advertising and viewers, and in turn, invest in service improvements for local communities. And I am glad that we are seeking comment on an incubator program to promote more diversity and new entry into broadcast markets.

Likewise, I am pleased that today's Order provides some relief to local radio broadcasters that operate in so-called "embedded markets," which are smaller communities located outside of major cities. Our current policy prevents certain combinations of radio stations in multiple embedded markets even where doing so could enable broadcasters to improve their coverage of local news and events and better compete for local listeners. On reconsideration, we grant some relief by adopting a presumptive waiver approach for these types of embedded market scenarios. I appreciate my colleagues' willingness to work with me on changes to this portion of the Order.

Finally, I thank the Media Bureau staff for all of their hard work on this item. It has my full support.