

## Ownership Rule Review Launched

By John Eggerton -- Broadcasting & Cable, 6/21/2006 10:53:00 AM

Veteran media policy watchers could be forgiven a cry of "here we go again" as the FCC Wednesday officially launched its review of media ownership rules with some of the same fireworks and contentious talk that characterized its first attempt to deregulate media ownership in 2003.

The vote was unanimous to--finally--launch the proceeding, part of which is actually required by Congress to begin in 2006, the other part on orders from a federal court over two years ago.

While they agreed it was time to get on with it, Democrats Michael Copps and Jonathan Adelstein dissented in part, arguing passionately that the proceeding was not sufficiently attuned to issues of localism and diversity.

Adelstein called it an inadequate start, saying it was akin to turning in a high school term paper for a PHD thesis. If we don't change course, he said, the rules would be rejected once again.

FCC Chairman Kevin Martin pledged an open and neutral process, saying the FCC would hold at least a half-dozen public hearings, fund studies of the effects of consolidation on family-friendly programming, kids programming, news, localism, independent programming and more, budget willing.

The FCC will also hold an extended comment period of 120 days to provide the public ample opportunity to weigh in, said Martin.

But Adelstein and Copps argued that the review was deficient in failing to incorporate a completed localism review launched in 2003, that it failed to assure that the public would be able to comment on individual proposed rule changes before they were voted on, and that the rules were not being treated as an organic whole, with studies of the changes in one rule, say lifting the ban on newspaper/TV station cross-ownership, on other changes, like allowing companies to own more stations in a single market.

Martin said the FCC would incorporate an interim status report on the localism proceeding in the rule review, calling it an important element. While he saluted the passion of his colleagues on the left, he also said his "dissenting colleagues may be rushing to judgment," likening it--to pick up on Adelstein's school theme--to giving him an F grade on the first day of school.

He said the Democrats were focusing on past processes--Copps at one point had called the original rules the "misguided handiwork of the previous commission"--and that he was confident that they would "be able to work together through all this very contentious process."

The FCC approved its 2003 deregulatory rule rewrite on a straight 3-2 party line vote with Martin voting for them while still a commissioner under Chairman Michael Powell, and Copps and Adelstein voting against.

Those rules would have replaced the newspaper/broadcast crossownership ban and radio/TV crossownership rules with a "single set of media limits." It also revised TV multiple ownership rules to allow more stations in a market to be owned by one entity, changed the dual network rules and amended radio market definitions.

The FCC must now look at the remand of those specific rules as well as look at all its rules per a congressionally-mandated quadrennial review. It was that review, biennial at the time, that prompted the first rule rewrite.

Andrew Schwartzman, whose Media Access Project was instrumental in the suit that resulted in the court remand of the original rule changes, said that if the FCC actually does take a neutral look at the rules, rather than approaching them from a deregulatory presumption, it will leave them alone.

He was also unhappy with the FCC's inability to complete the localism proceeding.

"We are especially disappointed that Chairman Martin continues to ignore public and Congressional requests that he complete the FCC's long delayed localism inquiry," he said in a statement. "Broadcasters can best serve the public by addressing local needs. We are certain that the results of a serious study of broadcasters' performance will support our position that media consolidation is incompatible with effective public service."

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