



[http://www.latimes.com/business/la-fi-fcc6oct06,1,3757295.story?coll=la-headlines-](http://www.latimes.com/business/la-fi-fcc6oct06,1,3757295.story?coll=la-headlines-business&ctrack=2&cset=true)

[business&ctrack=2&cset=true](http://www.latimes.com/business/la-fi-fcc6oct06,1,3757295.story?coll=la-headlines-business&ctrack=2&cset=true)

From the Los Angeles Times

FCC cleared by own inquiry

It says the agency didn't suppress studies that contradicted its former leader's philosophy. Sen. Boxer is skeptical.

By Jim Puzzanghera

Los Angeles Times Staff Writer

October 6, 2007

WASHINGTON — Results of a Federal Communications Commission investigation released Friday dismissed allegations made last fall that agency officials had suppressed two media ownership studies because they disliked the results.

But the findings by the FCC's inspector general, which included an e-mail from a former senior agency official that appeared to call for squelching one of the draft studies, didn't put to rest the concerns raised by the allegations.

Sen. Barbara Boxer (D-Calif.), who requested the investigation last fall along with two other senators after she was sent copies of the studies, disagreed with the inspector general's conclusions and might ask congressional investigators to look into the matter, spokesman Natalie Ravitz said.

FCC Commissioner Michael J. Copps also criticized the findings.

"The nagging feeling remains that we don't yet have the entire story," said Copps, a Democrat.

The inspector general's report concluded that the evidence did not support allegations from Boxer and a former FCC attorney, Adam Candeub, that senior officials suppressed the studies. The purported reason for hushing them up: that their findings conflicted with the agenda of then-FCC Chairman Michael Powell to loosen regulations on ownership of TV and radio stations, allowing further concentration of media in fewer hands.

One of the studies, done in 2004, showed that locally owned TV stations broadcast more local news than stations not locally owned. The other study, from 2003, was a periodic look at the effects of deregulation on the radio industry, finding that the number of radio station

owners declined even as the number of stations rose.

The yearlong investigation, which the inspector general's office said was the largest it ever conducted, also found no evidence of a pattern by commissioners or senior officials to suppress studies because they did not agree with their conclusions.

But the investigators noted they were not able to speak with Candeub, the former FCC attorney who is now an assistant law professor at Michigan State University. He said Friday that he did not participate because he feared a whitewash. And the 34-page report cited some questionable activity, including a December 2003 e-mail written by then-FCC Media Bureau Chief W. Kenneth Ferree that he was "not inclined" to release the draft of the radio industry study because "this is not the time to be stirring the 'radio consolidation' pot."

"If we can change the focus and make it more positive . . . then perhaps we can do something like this again," Ferree wrote, referring to the periodic radio report.

Powell had pushed for controversial rule changes earlier that year to make it easier for companies to own multiple radio and TV stations. The changes were being challenged in court at the time and Congress was considering legislation to reverse one of them.

The inspector general's report said Ferree's reasons for not releasing the study "appear to be legitimate and based on valid agency considerations," and there was no evidence Ferree tried to "twist or conceal facts."

"We absolutely dispute that conclusion," Boxer spokeswoman Ravitz said. "This is information that should have been made public, and Mr. Ferree made a political decision to put it in a drawer."

One Media Bureau staffer recalled being told that Ferree directed employees to respond to any requests for the radio study by saying the bureau did not have time to do one that year, according to the report. The investigators found it troubling that there may have been "an attempt to conceal the existence" of the study, and if Ferree were still working for the FCC "we suspect . . . we would have to refer the matter to the chairman" for possible disciplinary action.

Powell did not respond to messages seeking comment. Ferree declined to comment, saying he had not read the entire report.

"The report bends over backward to give the benefit of the doubt to the commission management," said Andrew Jay Schwartzman, president of the Media Access Project, a public interest law firm that filed the suit that halted the FCC's 2003 media ownership rule changes.