

**PRESS STATEMENT
OF
CHAIRMAN MICHAEL POWELL**

In the Matter of the 2002 Biennial Regulatory Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996.

Today, we complete the most exhaustive and comprehensive review of our broadcast ownership rules ever undertaken. We have done so, obligated by our statutory duty to review the rules biennially and prove those rules are “necessary in the public interest.” The Court of Appeals has interpreted this standard as placing a high hurdle before the Commission for maintaining a given regulation, and made clear that failure to surmount that hurdle, based on a thorough record, must result in the rule’s modification or elimination. This is an exceedingly difficult charge, but a critical one to fulfill if we hope to continue to promote the cherished values of diversity, localism and competition.

Over the past twenty months we have been working tirelessly towards achieving three critically important goals: (1) Reinstating legally enforceable broadcast ownership limits that promote diversity, localism and competition (replacing those that have been struck down by the courts); (2) Building modern rules that take proper account of the explosion of new media outlets for news, information and entertainment, rather than perpetuate the graying rules of a bygone black and white era; and (3) Striking a careful balance that does not unduly limit transactions that promote the public interest, while ensuring that no company can monopolize the medium. I am confident we succeed by today’s Order.

This proceeding has been the subject of extraordinary public attention. It is right that it has been so, for the values these rules are intended to advance are critically important to a vibrant democracy. I have heard the concerns expressed by the public about excessive consolidation. Though such generalized worries do not clearly suggest specific answers to the specific issues the Commission must address, they have introduced a note of caution in the choices we have made. Consequently, our decisions today—retaining the rule against networks merging, tightening the limits on radio ownership, and modifying, rather than eliminating, the remaining rules—are modest, albeit very significant changes.

I must punctuate one irreducible point: Keeping the rules exactly as they are, as some so stridently suggest, was not a viable option. Without today’s surgery, the rules would assuredly meet a swift death. As the only member of this Commission here during the last biennial review, I watched first hand as we bent to political pressure and left many rules unchanged. Nearly all were rejected by the court because of our failure to apply the statute faithfully. I have been committed to not repeating that error, for I believe the stakes are perilously high. Leaving things unaltered, regardless of changes in the competitive landscape, is a course that only Congress can legitimately chart.

For these reasons, we have embraced a challenge unparalleled in the FCC's history. We collected a thorough record, analyzed our broadcast ownership rules from the ground up, and wrote rules that match the times. For the first time, we documented the state of the entire industry, empirically analyzed different transactions and their effect on our diversity goals, and—most importantly—sought the views of our citizens as to how they obtain their news and public affairs information, in an effort to craft rules consistent with the actual, rather than theoretical, viewing and listening patterns of Americans.

I am confident and proud of the job we have done. I believe that our actions will advance our diversity and localism goals and maintain a vigorously competitive environment.

I would like to express my deep appreciation to each of my colleagues for their tireless efforts over these past many months. Commissioners Adelstein and Copps have organized numerous hearings throughout the country and deserve credit for bringing unprecedented public input to this proceeding. Commissioners Abernathy and Martin have been actively engaged in every step of the process and have contributed enormously to the Order before us today. I admire the genuine commitment of all four of my colleagues to serving the American public in this proceeding. And, finally, there are not enough words of commendation for the spectacular efforts of the men and women of the Media Bureau. Their dedication and commitment are in the finest traditions of public service.