



FEDERAL COMMUNICATIONS COMMISSION

March 8, 2013

JULIUS GENACHOWSKI
CHAIRMAN

The Honorable Maxine Waters
U.S. House of Representatives
2344 Rayburn House Office Building
Washington, D.C. 20515

Dear Congresswoman Waters:

Thank you for your recent letter on the pending broadcast ownership quadrennial review. I appreciate hearing your views about these important issues before the Commission. As the Commission conducts its review, promoting diversity of ownership is one of a small number of particularly critical goals, along with guarding against excessive media consolidation, enabling robust local news for all communities, and fostering economic growth and opportunity.

The growth of the Internet is changing the media landscape, including the economics of local newspapers and broadcasters. At the same time, while broadband adoption is increasing, tens of millions of Americans do not yet have ready access to news and other content available on the Internet, and changes in ownership rules may have different effects on those with or without Internet access.

With this in mind, earlier in the Commission's review of its broadcast ownership rules, I circulated a draft order for my colleagues' consideration that would primarily preserve existing ownership rules while proposing steps to promote media diversity and modest reforms that could help strengthen local journalism. I proposed to (1) keep the bulk of existing broadcast ownership rules in place, including the rules limiting the number of TV and radio stations that can be co-owned in any market, and the rules prohibiting ownership of more than one major broadcast network; (2) provide various diversity-promoting broadcast opportunities for small businesses and proceed with studies to determine whether additional measures can be taken in the next quadrennial review to promote minority ownership; (3) retain the rule prohibiting TV-newspaper combinations, while providing greater transparency and predictability on waivers, in a way that would strengthen the bar against major TV station-newspaper combinations, and reduce the bar to smaller TV station-newspaper combinations in the top 20 markets; and (4) remove the bar on cross-ownership of radio stations and newspapers. Circulation of the proposed order has led to healthy discussions among Commissioners and stakeholders about the substance of the issues and the state of the record before the agency.

As you may know, the Minority Media and Telecommunications Council recently informed the Commission that it will conduct a focused, independent study on the effects of cross-ownership rules on minority ownership and newsgathering, in order to enhance the record in the Commission's proceeding. The study is expected to take several weeks and will be filed

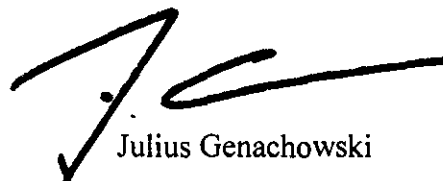
with the Commission, after which MMTC suggests that the agency solicit public input, to be followed by a Commission vote. In this heavily-litigated area where a strong record is particularly important, I believe this is a sensible approach to moving forward. The study addresses an issue of importance, will augment the record, and will assist the Commission in resolving the issues before it on the full record.

In addition to the ongoing review of our broadcast ownership rules, our work to promote diversity continues in other areas. For example, our Office of Communications Business Opportunities (OCBO) has been reviewing the state of communications and media ecologies as part of the Section 257 Report to Congress process. Additionally, the Commission is conducting studies to analyze the critical information needs of the American public and the barriers to participation in the communications industry that might limit the extent to which those needs are met.

Further efforts to promote diversity include our work to enable the largest-ever expansion of community radio, when, in December of last year, the Commission created opportunities for non-profit organizations and minority groups to launch thousands of new low-power FM radio stations. The Commission also recently released an ownership report that provides, for the first time, detailed information by race, ethnicity, and gender concerning ownership of commercial television and radio stations. In our review of the Comcast-NBCU transaction, the Commission worked closely with the parties to develop initiatives, including major ones on broadband adoption and independent programming, to ensure that the transaction improved diversity in the media marketplace. And we adopted rules to preserve an open Internet for all, and to push for greater broadband adoption by low-income groups and minorities.

I remain committed to developing policies that help support and promote a diversity of ownership and viewpoints in our media, which are essential to a well-functioning democracy, and I appreciate the Caucus's continued attention to these important issues.

Sincerely,



Julius Genachowski