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Scrap 'Em All

"*Powell for a Day*," absent the sausage-making aspects of Washington rules, regulations, and politicians, offers a chance to address our current arbitrary and overreaching media ownership regulations might fit some country's needs, but not ours. France comes to mind.

The rules were originally adopted in an era of broadcaster preeminence. The world has changed. Has anyone in DC heard of cable, Direct Broadcast Satellite, satellite radio, and the Internet? Apparently, the DC Court of Appeals, for the most part, concurs, having repeatedly sent the FCC back to the drawing board for justification.

Eliminating the local ownership restrictions (particularly the television duopoly rule and the newspaper/broadcast cross-ownership ban) is crucial for local broadcasters to remain competitive in a digital, multichannel world.

My first action: TV duopoly rules are history. Many small and medium market TV operators are losing money with no end in sight. They can now combine, regardless of market size. Watch the level of public service, including news and other locally oriented programming, increase now that stations no longer have to worry about mere survival.

My second action: If a proposed radio station transaction complies with the Telecommunications Act of 1996, it is hereby granted. No red flags (or French flags, or flags of any other color). Further, the Commission is hereby directed to get out of the anti-trust business. There are laws and agencies in place to deal with and protect against anti-trust abuses. If a transaction is anti-competitive, haul it into the DOJ or take the parties to court.

And while we're on that subject, the notion that the radio advertising market is a discreet market unto itself (ignoring newspapers and television) is ridiculous. Don't you wish that the Commissioners and the DOJ crowd had to earn a living for a few months selling spots? Maybe then,

they would understand. A cluster's 80% radio revenue share is no big deal when the local paper is pocketing two times the market's entire combined radio revenue.

My Final Action: Newspaper/Broadcast Cross-Ownership restrictions are trashed. A recent study found that stations when combined with newspapers "tended to produce higher quality newscasts." Seems obvious, doesn't it? There are some 40 such combinations in place already. Have there been any problems? The public interest, convenience and necessity are actually enhanced, not harmed, by these combinations.

As the NAB noted in their comments to the FCC, ". . . why should the owner of a single media outlet automatically be assumed to be more public spirited and less driven by profit motives than the joint owner of a newspaper and a broadcast outlet or the owner of two television stations?" The stand-alone guy might not even be able to stay in business, let alone serve the public interest.

If there is any question about my stand on the current regs, let me be very clear: scrap 'em all!

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