

# Congress of the United States

Washington, DC 20515

May 13, 2003

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Zoe Lofgren, MC  
D.C. Office

The Honorable Michael Powell  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Dear Chairman Powell:

As Chairman of the Federal Communications Commission, you recently indicated a desire to move forward promptly with your agency's review of rules for owning American media. We recognize the amount of time and resources the Commission has devoted to this matter as well as the legal constraints under which you are operating. However, we strongly believe that the Commission should not move ahead with a final rule until it demonstrates how changes in media ownership limits will benefit the public interest and not jeopardize the democratic goals of diversity, competition, and localism.

Frankly, we are concerned that the Commission appears to be moving towards the loosening of these ownership limits, which could result in more mergers and consolidation among companies that are already extremely powerful. More mergers could place control of the airwaves, newspapers, and digital wires in homes into the hands of only a few media giants. The notion that a handful of corporations and their executives could wind up controlling much of the information, news, and cultural options available to Americans should be a chilling concept to most people. The burden is on the Commission to publicly show how this will not be the case.

The fact is that today television and newspapers are the major source of news and information for a majority of Americans. These media sources are the tools that enable citizens and residents of this nation to participate fully in our democratic society. Americans depend on media sources that can offer them diverse viewpoints and opinions as well as content relevant to them personally and to the communities in which they live. Over the years, the courts have reaffirmed the belief of Congress that independent ownership of media outlets helps ensure more diverse media voices, greater competition among owners, and the production of more local and specialized programming.

The current media landscape is already concentrated. Since 1996, increased consolidation among media outlets has resulted in fewer independent voices and less programming and news coverage devoted to local issues. This situation could be made worse if the Commission decides to lift or significantly loosen current media ownership limits. Today, five conglomerates dominate the television news media. These companies own television networks and affiliates, radio stations, cable systems, Internet service providers, and program production companies. Five of them control over two thirds of the programming that appears on primetime television. The top 25 television owners now own more than 44 percent of all broadcast stations, up from 24.6 percent in 1995.

The situation in the newspaper industry is also troubling. Currently, most metropolitan areas have only one newspaper owned by a chain headquartered elsewhere. Thirty years ago, most newspapers were independently and locally or regionally owned. Today, out of 1500 daily newspapers in the U.S., only 281 remain independent, and most are in small towns. The three largest publishers account for 25 percent of all daily newspaper circulation.

Perhaps nowhere is the impact of ownership concentration more evident than in radio. In 1996, before Congress relaxed radio ownership limits, the two largest companies owned 115 radio stations. Today, these two companies own 1,451 radio stations. The top twenty-five radio ownership groups control 24.9 percent of the nation's commercial stations, and take in 59 percent of all advertising revenues. This consolidation has affected everything from the play list of individual radio stations to the local news reports being offered. Greater consolidation in radio and other media outlets could further undermine every person's access to the independent, local media that provide them with news and information important to their lives and communities.

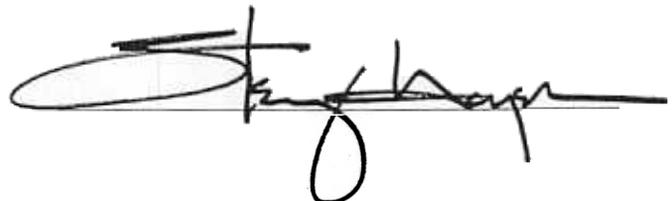
Revisions to media ownership rules also threaten the viability of small businesses. As fewer owners take over a greater number of media outlets, small businesses will find it increasingly difficult to afford to produce or distribute programming, and advertising rates for small businesses will increase significantly. Given the role that small businesses play in the health of our national economy, it is critical that the Commission demonstrate fully how these changes will impact small, independently-owned media outlets. Indeed, the Office of Advocacy of the Small Business Administration recently wrote that the Commission failed to take into account the impact rule changes would have on small businesses, and urged the Commission to analyze first the impact on America's small businesses and then allow small businesses to comment on the analysis.

Given all of the above concerns, we strongly believe that the FCC must justify publicly how any changes in media rules will promote diversity, competition, and localism before moving forward with a final rulemaking. We urge the Commission to afford the public an opportunity to comment on a specific set of proposed changes to its present rules before it promulgates a final set of rules. The current media ownership proceeding is among the most important the Commission has ever undertaken, and the American public and Congress deserve an opportunity to review and comment on your proposed changes before they go into effect.

Collectively, we represent millions of Americans who will be impacted by the FCC's decision. Therefore, we respectfully request the opportunity to meet with you on this very important issue prior to any decisions by the FCC. We look forward to your prompt response.

Sincerely,

Handwritten signature of Nancy Pelosi in red ink, written over a horizontal line.

Handwritten signature in black ink, written over a horizontal line.

Fahat Kennedy

James E. Chyrum

Ed Markey

Roseanne

David Price

Hilda F. Aols

Louise Slaughter

Mike J. Jurey

Bob

Ronald M. Payne

Barney Frank

Lynn Woolsey

John Angel

John M. Snow

Bernad Sanders

Manuel Lujan

Joe Schlosberg

John W. Winters

Howard Brown

Sam Wyman

Carl E. Albert

Ben Cardin

Jim Moran

Marcy Kaptur

Bart Stupak

Martin O. Sabo

Robert J. Matsume

Jander Leri

Gobby L. Bush

Carolyn McCarthy

Bob Ladd

Tom Ryan

Orma G. Estoo

Joe Baca

Joseph M. Hoefel

Albert R. Uffner

Alpine Waters

Yue Huan

Chad Fawcett

Tom Lantos

Phil Jackman

Diane E. Watson

Wm. Lacy Clay

Chris Bell

~~John~~

Frank Pallone, Jr.

Jim McGovern

Bill

Tammy Baldwin

John M. Bennett

Sam Lane

Karen McCarthy

~~Bob Alford~~

Crista Rodriguez

Steve M. Rothman

Elizabeth Zimmery

Bill Russell J.

Michael Horde

Crista Loney

Robert And

John W. Oliver

Laetitia Sandberg

William D. Delahant

Julia Carson

~~Janet Williams Jones~~

Paul Hill

Grace F. Kapitanov

Barbara Lee

Tom Allen

Lois Cappe

~~Langley~~

Eric Bentsch

Lucille Roybal-Allard

Corrine Brown

John F. Tierney

Ed Case

Di Cely

Betty McCollum

Rud Helt

Diana Alotto

C.A. Rota Ruppelberger

Raul M. Grijalva

Tom Clancy

Eddie Bernice Johnson

John

Bob Rangel

Joe Coons

Shirley

Michael H. Michael

Mary L. Ackerman

Ron Lund

**Signatures on Media Ownership Letter to FCC Chairman Powell:**

Pelosi	Hoyer
Menendez	Dingell
Clyburn	Spratt
Markey	Sanders
DeLauro	Hinchey
Price	Schakowsky
Solis	Crowley
Slaughter	Sherrod Brown
Linda Sanchez	Waxman
DeFazio	Kildee
Payne	Cardin
Frank	Moran
Woolsey	Kaptur
Stupak	Waters
Sabo	Gene Green
Matsui	Fattah
Levin	Lantos
Rush	Jackson-Lee
Carolyn McCarthy	Watson
Acevedo-Vila	Clay
Tim Ryan	Bell
Eshoo	Inslee
Baca	Pallone
Hoeffel	McGovern
Wynn	Davis
Baldwin	Olver
McDermott	Loretta Sanchez
Farr	Delahunt
Karen McCarthy	Julia Carson
Etheridge	Millender-McDonald
Rodriguez	Brad Miller
Rothman	Napolitano
Cummings	Lee
Pascrell	Allen
Honda	Capps
Lowey	Obey
Andrews	Deutsch
Roybal-Allard	Corrine Brown
Tierney	Case
Cardoza	McCollum
Holt	DeGette
Ruppersberger	Grijalva
Tom Udall	Eddie Bernice Johnson
Lofgren	Rangel
Cooper	Conyers
Michaud	Ackerman
Kind	