

**Testimony of  
F.A. BLETHEN  
Publisher, The Seattle Times**

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**Before the  
SENATE COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION  
Related to Localism, Diversity and Media Ownership**

**NOVEMBER 8, 2007  
WASHINGTON, DC**

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Chairman Inouye, distinguished Senators, thank you for the opportunity to share my perspectives with you today.

*There is freedom in a variety of voices.*

*There is, I believe, a fundamental reason why the American press is strong enough to remain free. That reason is, that, the American newspaper, large and small, and without exception, belongs to a town, a city, at the most to a region.*

*The secret of a free press is that it should consist of many newspapers, decentralized in their ownership and management, and dependent for their support – upon the communities where they are written, where they are edited and where they are read.*

*There is safety in numbers, and in diversity, and in being spread out, and in having deep roots in many places.*

*Only in variety is there freedom.*

These are the words of noted journalist Walter Lippman, spoken half a century ago.

I'm Frank Blethen, publisher of The Seattle Times. My family has lived in Seattle for 111 years. We epitomize the local connection Lippman so accurately cites as the foundation of America's freedoms. We are accountable only to our local community and, to our heritage with its paramount stewardship duty of independent journalism and community service.

Tragically, the essential localism and ownership diversity Lippman praises has been abandoned by Congress and the FCC. Throughout America, in-print and broadcast, concentrated absentee ownership abounds. With it has come a disinvestment in journalism, causing serious erosion in America's public policy literacy and civic engagement.

The public knows something is wrong. When given the opportunity they vehemently oppose more media control. They plead for the localism and multiple voices which are the very oxygen of community and of a healthy democracy. As we witness the inevitable failure of the publicly traded and absentee ownership model which has come to dominate our newspapers and broadcast, America is at a crossroads.

This Committee has the opportunity to lead Congress down an enlightened path. You have it in your power to be the public servants Jefferson and Hamilton envisioned when they championed a free and independent press as the essential fourth leg on the democratic stool.

You are told conglomerate owners need more consolidation because the business model is broken. Nothing is further from the truth. After decades of milking newspapers and TV stations for some of the highest pre-tax profit margins imaginable, often as high as 30% for newspapers and 50% for broadcast, it has become impossible to sustain these false margins.

We are simply going "back to the future" when I started in this industry 40 years ago. When newspapers were nice, locally owned, single digit margin businesses, generating good cash flow to operate the business and invest in journalism and community. There is no reason to believe that local newspapers and broadcasts can't both sustain successful business and fulfill their public service mandate going forward. Even today, amid false claims, the economic model is broken, the publically traded newspaper sector is reporting 16 - 18% profit margins!

You have the opportunity to save our free and local press, to rejuvenate America's civic engagement and, to lay the foundation to preserve our democracy longer than any the world has seen.

- **To do so, you must keep all current FCC ownership restrictions and public service mandates in place, including the all-important local cross ownership ban.**

- **You must insist that the egregiously unenforced mandates of minority ownership, female ownership and public service air time be vigorously enforced.**
- **You must craft new FCC mandates to ensure internet freedom.**
- **You need to institute a ban on cross ownership of national print and national broadcast outlets as a companion to the local cross ownership ban.**
- **You must boldly put forth limits on newspaper ownership and create incentives and rewards for owners who invest in journalism.**

I implore you to look to the future and create public policy which allows our nation's free and local press to again thrive and thus ensure our democracy.

This is a historic moment. The American citizen needs your leadership.

Thank you.



# THE DEMOCRACY PAPERS, EXAMINING THE ROLE OF MEDIA IN OUR DEMOCRACY.

A lot has changed since the founding of our country. But one thing remains the same: A free and independent press is essential to our democracy.

With this great legacy in mind, The Seattle Times has created **The Democracy Papers**, an ongoing series of discussions by Seattle Times editorial writers and noted guest columnists offering a look at the state of the press today and the threat media consolidation poses to democracy.

Visit [seattletimes.com/thedemocracypapers](http://seattletimes.com/thedemocracypapers) and explore the intersection of press and democracy. You'll find essays, columns, podcasts, editorial cartoons and a comprehensive list of Web resources — plus the opportunity to add your voice to the discussion. All brought to you by the locally owned and independent Seattle Times.

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# EDITORIAL

## FASTEN YOUR SEAT BELTS: FULL-SPEED MEDIA AHEAD



BY JAMES F. VESELY  
*Times editorial page editor*

**T**HE American press is often reluctant to report on itself, but the overwhelming trends in media consolidation and in fragile instruments of democracy such as low-power radio lead these opinion pages to a series of editorials and essays titled “The Democracy Papers.”

The media are much talked about but rarely read about in the country’s newspapers. Yet, the press — a better word than “media” — is the coaxial cable that runs through the heart of the country and keeps us in touch with each other.

That voice and its counterpart, the public ear, have evolved into a cacophony of sounds and images, exactly what the Federal Communications Commission warned of when it first established government as the umpire of the nation’s airwaves. The umpires are long gone from the world of blogging, podcasting, text messaging, 24/7 news cycles and community channels. The thud on the front porch that is the newspaper at 5:30 a.m. is a delivery system of the 19th century, now sophisticated enough to give near-precise directions for every paper sent flying through the dawn.

But delivery is not message and message is not the same as content. The press and democracy are one interlocking tree and root system, but its branches are spreading and the cost of keeping single voices independent and in the sunlight is becoming high.

The series begins today with an essay from FCC Commissioner Michael J.

Copps, who begins the narrative with an important government meeting, closed to the media, that produced a 5,000-word document that is known as the U.S. Constitution.

Since that storybook time, the role of the media in America has been embellished by technology, but its function should — and must — stay the same.

In the coming weeks, we will test that theory, that a free press is waning in America and with it the strength of our democracy. Writers on media consolidation, the music industry, the role of the press as unofficial signatory to democratic government, and the future of broadcast and print will be examined in editorials and guest essays.

Monday’s opinion pages will continue the examination of the role of the FCC with an editorial about the commission’s failures, and an essay by Edwin C. Baker, professor of law at the University of Pennsylvania and author of “Media Concentration: Why Ownership Matters.”

The Seattle Times’ editorial pages will have reports on how democracy fares with or without a free press in Uganda, China and Russia. We will examine how journalism is taught at the college level and look back at the scoops and blunders of Northwest journalism in the years of Seattle’s booms and busts.

Finally, the series will examine open government in our state. A new oversight committee is supposed to do just that — yet the editors of broadcast and print news all over Washington understand government’s innate and almost unconscious resolve to protect itself from critical news stories.

The press’s mutual dependence on government, big-league sports, business interests and organized labor for news and information has been disrupted — often for the good — by the individual journalist, a blogger with a keypad. We will profile some of them and try to

understand their frustrations and anger with America’s press.

It’s a big swoop and it will take us several months to try to tell this story and shape some opinions about it. But it begins now.

*James F. Vesely’s column appears Sunday on editorial pages of The Times. His e-mail address is: [jvesely@seattletimes.com](mailto:jvesely@seattletimes.com); for a podcast Q&A with the author, go to [Opinion at seattletimes.com](http://Opinion.at.seattletimes.com)*

# EDITORIAL

*The newspaper's view*

## DEMOCRACY, THE PRESS AT A CRITICAL JUNCTURE



**A**MERICAN democracy is suffering. The natural strain on our political system after more than two centuries is accelerating with the purposeful weakening of the press.

This erosion has been fueled in recent decades by politically calculated legislation, and regulatory agencies not regulating. Political aggression coupled with bureaucratic acceptance has led to the massive consolidation of American and global media.

The Federal Communications Commission can realign democracy with the Founders' vision by acting in the public's interest on a number of issues, such as network neutrality, cross-ownership and broadband. If the FCC missteps, the United States is in danger of losing its independent news organizations.

The press — newspapers, radio, television and magazines — plays a role in democracy every bit as important as Congress, the executive branch and the judiciary. That watchdog role is in danger now that newspapers, which are the driving force behind most original reporting, are being strained by consolidation.

Why should Americans care who owns the press?

Because a democracy ceases to be a political system that promotes liberty when the press is muzzled.

Ownership still matters. The corporatization of news has laid bare how woefully unwilling strictly market-driven

conglomerates are to fielding aggressive news organizations with a public-service mission.

Citizens should look at the press as part of democracy's structure. When viewed through this lens, it becomes apparent that a national discussion is needed about the press, its function, who owns it, and what can be done to ensure it stays vital and independent.

The courts and the FCC have historically recognized the importance of the press and its relation to democracy. Rulings such as the *Associated Press v. United States* in 1945 and *New York Times Co. v. Sullivan* in 1964 demonstrated the court's position. These rulings are now part of a sentimental past.

In 2003, the FCC voted to loosen the rules governing cross-ownership so that one company could own a newspaper, three television stations, eight radio stations and an Internet service provider in the same market. The commission bucked millions of public comments against such an undemocratic arrangement.

Thankfully, the courts put the FCC's plan on hold. Unfortunately, the U.S. 3rd Circuit Court of Appeals did not completely block the new rules. The court sent the rules back to the FCC to be reworked. Lifting the ban is still a possibility. Even though the FCC has a new chairman since the 2003 debacle, the majority Republican commission has indicated it likes the idea of big media as a complement to big government.

The government's penchant for bigness is obvious. Radio has been consolidated to minuscule numbers of owners who favor generic play lists. Adding to the corrosion of American creativity is the loss of radio news — too expensive for the big companies. The gutting of local

radio has also blocked minorities and women from the most accessible entry point to media ownership.

Television news has devolved into a cliché. Weather, crime and car accidents fill airspace that was once the domain of substantive reports from city hall and the capitol. The trends have not been much kinder to newspapers. The majority of readers need a score card to keep track of which corporation owns their newspaper.

The press is going through a radical transformation. The old way of doing business is dead. Press opponents know this, and are spending a lot of money in Washington to transform the news into a commodity every bit as purchasable, and salable, as toilet paper.

The federal government has largely failed to protect an independent press. Instead, policies have been tailored for big corporations that are blindly beholden to the market, and increased quarterly profits.

Democracy does not simply happen. It requires nurturing. It needs the public to be aware of assaults against it, small and large. The courts must rebuff debilitating press laws, and politicians should champion media reform.

It is not too late. American democracy and the press are at a critical juncture. What started as a boisterous grand experiment powered by the pen, has become background noise to American life. Democracy's frequency has to be retuned for all to hear.

The press — its state, and how it can be saved — is the right place to begin the discussion.

# EDITORIAL

## Democracy and media

*Do we currently have a system that would make our Founding Fathers proud?*



BY MICHAEL J. COPPS  
Special to *The Seattle Times*

**A**N important government meeting was once called but closed to the media. The assembled leaders produced a 5,000-word document, finalized early enough to be manually typeset by the close of the proceedings.

Within weeks, it was reproduced by newspapers in every state. It came to preoccupy the nation's signed and unsigned editorialists, as well as its political reporters. It prompted conventions across the nation — which we know far more about because they were all open to the media.

The document was ultimately endorsed with some additions, most notably language addressing the role of journalism in a free society.

The document is of course the U.S. Constitution, the string of anonymous op-eds is now known as the Federalist Papers, and the little-debated addition is the First Amendment.

James Madison's original draft in the House of Representatives spoke of the press as one of the "great bulwarks of liberty," echoing language first put forth by the Virginia ratifying convention. But Congress adopted the more economical formulation we know today.

It is enormously revealing that our nation's popular press literally predates our foundational political document, and played a key role in its formation. After all, in Europe, where the power of government remained solidly in the grasp of elites at the end of the 18th century,



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there was no obvious need or demand for a popular press covering — let alone criticizing — the acts of government. But in a democracy — where every citizen is allowed and expected to vote — a professional, independent, objective media is fundamental.

Today, the U.S. is vastly more powerful and richer than in the heady days of Madison and the Constitutional Convention. But do we currently have a media system that would make our Founding Fathers proud?

I fear not. We have a system that has been buffeted by an endless cycle of consolidation, budget-cutting, and bureau-closing. We have witnessed the number of statehouse and city hall reporters declining decade after decade, despite an explosion in state and local lobbying. As the number of channels has multiplied, there is far less total local programming and reporting being produced. These days, if it bleeds, it leads.

Interested in learning about local politics from the evening news? About 8 percent of such broadcasts contain any local political coverage at all, including races for the House of Representatives, and that was during the 30 days before the last presidential election.

Interested in how TV reinforces stereotypes? Consider that the local news is four times more likely to show a mug shot during a crime story if the suspect is black rather than white.

What has caused this appalling degeneration of our media? One factor, I am ashamed to say, is the abdication of responsibility by regulators at the Federal Communications Commission. We allow the nation's broadcasters to use spectrum worth billions of dollars, supposedly for programming that serves the public interest.

Once upon a time, the FCC actually enforced this bargain by requiring a thorough review of a licensee's performance every three years before renewing the license. But during the market absolut-

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ism of the Reagan years, we pared that down to “postcard renewal,” a rubber stamp every eight years with no substantive review.

It is time to do better. The FCC needs to reinvigorate the license-renewal process. We need to look at a station’s record every three or four years. And let’s actually look at this record. No more rubber stamps. Did the station show original programs on local civic affairs? Did it broadcast political conventions? In an era where too many owners live thousands of miles away from the communities they allegedly serve, have these owners met with local leaders and the public to receive feedback?

Another factor is the FCC’s woeful record of stepping aside to allow wave after wave of consolidation in the broadcast and print business. Though there are rules on the books designed to prevent too much cross-ownership of TV, radio and print properties in a single market, we have not enforced them with the rigor they deserve.

Far more troubling was what the FCC tried in 2003 — over my strong objection — to relax the cross-ownership rules. The agency actually voted 3-2 to allow a single company to own up to three TV stations, eight radio stations, the daily newspaper (a monopoly in most towns), the cable system and the Internet service provider.

Thank heavens Congress and the courts stepped in to overturn that terrifyingly bad decision. But now the agency is considering changes to these very same rules.

I say this is hardly the time to rush headlong into more of what we know has not worked given the wreckage caused by our decades-long flirtation with the notion that Wall Street always knows best when it comes to journalism.

As the FCC and America move forward into the brave new world of media in the 21st century, I hope we can agree the public interest is not just another way of saying “corporate profit maximization.”

President Franklin D. Roosevelt, my personal hero, once said in a letter to newspaper publisher Joseph Pulitzer, “I have always been firmly persuaded that our newspapers cannot be edited in the interests of the general public from the counting room.”

The same is true of broadcast journalism. Consider the fact that the existence of local news in Spanish in a market can boost election turnout among Spanish-

speakers by more than 10 percent. No dollars-and-cents calculation is going to take account of that extraordinary boost to our nation’s democracy.

If technology and changes in the economics of the news business have made the old ways impossible, we need to find new ways to develop a media system that can serve democracy. That is not a luxury, it is a necessity.

I take great comfort from the conclusion of another critic of the current media system, Walter Cronkite, who said, “America is a powerful and prosperous nation. We certainly should insist upon, and can afford to sustain, a media system of which we can be proud.”

Let’s work together to show that it can be done. Our democracy demands it.

*Michael J. Copps is a commissioner at the Federal Communications Commission.*

# EDITORIAL

*The newspaper's view*

## FAILURES OF THE AMERICAN AIRWAVES



**T**HE Federal Communications Commission has failed the people and the democratic system it is supposed to protect.

The many failures reached ridiculous heights in 2003 when the majority Republican commission split along party lines to gut the cross-ownership ban. The change would have allowed a single company to own a newspaper, three television stations, eight radio stations and an Internet service provider in the same market.

The sinister move did not go unnoticed. The FCC was flooded with 3 million comments. Clearly, the American public is attuned to the threat media consolidation poses to democracy.

America's press, and other sectors of the media, will continue to be marginalized unless politicians act on the currents of energy created by the growing media-reform movement. Politicians, both Republicans and Democrats, should push back on the FCC.

The FCC can act on a number of issues that will quickly begin the revival of an independent press and a healthy democracy.

- Cross-ownership. The bloating of the world's media conglomerates begs lawmakers to reexamine this rule. Not only does it need to be better enforced, the rule needs to be expanded on a national level. No company should be allowed

the reach and power of News Corporation. The FCC has to be alarmed that the conglomerate now owns the New York-based Wall Street Journal, Fox News, two television stations and a daily newspaper in the city. News Corporation is also launching a national financial channel.

- Licensing. The FCC should use a licensing program requiring television stations to go through a rigorous renewal every three years. The current system has almost no impact, and renewal is done every eight years. Stations simply send in a postcard.

- Network neutrality. This awkwardly named proposal would keep network providers — such as AT&T or Comcast — which supply the pipes through which the Internet moves, from implementing different pay scales for different levels of service. This law would ensure the Internet remains a place for innovation and is not controlled by the companies that own broadband.

These are just a few actions the FCC and lawmakers could take to perpetuate the press's indispensable role in a democracy. It is time the FCC acted in the best interests of the people it was created to serve, instead of large corporations.

# EDITORIAL

## DISPERSED MEDIA OWNERSHIP SERVES DEMOCRATIC VALUES



BY C. EDWIN BAKER  
Special to *The Seattle Times*

**T**HE Federal Communications Commission is considering whether to reduce restrictions on broadcast-station ownership, an action that would permit greater media and press concentration.

This is a bad idea. Bad for audiences, for citizens, and for democracy. Dispersed media ownership, ideally local ownership, serves democratic values, while conglomerate ownership and media mergers, which would be the result of reduced ownership restrictions, do the opposite.

Equality — one person one vote — provides the proper standard for the distribution of power and voice in a democracy. Maximum dispersal of media ownership can enable more people to identify a media entity as in some sense speaking for and to them.

Dispersed ownership also reduces the danger of inordinate, potentially demagogic power in the public sphere. As the FCC once recognized, many owners creates more independent decision makers who can devote journalistic resources to investigative reports. Finally, dispersal reduces — without eliminating — potential conflicts of interests between journalism and an owner's economic interests.

In contrast, media mergers put papers and broadcasters into the hands of executives whose career advancement depends on maximizing profits. Mergers require owners to squeeze out more profits to pay off debt created by the high

bid made to secure the purchase. As too many recent examples show, the most consistent method to reduce expenses is to fire journalists.

Smaller owners, free from the financial burden of paying for mergers, have more room to maintain a commitment to quality. They can be interested in how their paper contributes to their community, not merely to their family's wealth. While certainly not true in every case, research shows that, holding other factors constant, smaller owners tend to hire more journalists and commit more resources to journalism than do the conglomerate owners.

For the media to have a single-minded emphasis on the bottom line is dangerous for democracy. Unlike many companies whose main business is providing individual consumers with goods they value, the press provides value to the public at large. Non-readers benefit when the press identifies government corruption or corporate malfeasance. News organizations that practice aggressive investigative reporting can benefit the public without even producing a story to sell readers when their reputation for reporting deters wrongdoing.

Of course, the newspaper does not profit from providing these benefits to those who do not purchase the paper. Papers concerned primarily with profits have inadequate incentives to provide this kind of beneficial journalism. Only a commitment to traditional journalistic values leads to the commitment of the journalistic resources necessary to provide this public good.

It is precisely because the press can provide the public with these kinds of benefits that it is the only private business to receive special constitutional protection. This explains why the FCC has long restricted concentration of ownership of broadcast stations and the cross-ownership of a local broadcast station

and a newspaper within a community.

Large media companies often claim that any restraint on their freedom to merge violates their rights under the First Amendment. But in writing for the Supreme Court, Justice Hugo Black, famous for his absolute commitment to the First Amendment, rejected this claim, stating: "Surely a command that the government itself shall not impede the free flow of ideas does not afford non-governmental combinations a refuge if they impose restraints upon that constitutionally guaranteed freedom ... Freedom of the press ... does not sanction repression of that freedom by private interests."

The Supreme Court strikes down any law censoring what the media can say. At the same time the court consistently follows Black's logic by upholding any law that can be reasonably defended as furthering a more democratic structure of the press.

Rather than reduce restrictions on media ownership, the FCC should expand ownership restrictions and create regulatory preferences for more diversified and more local ownership.

The FCC or Congress could extend the ban on cross-ownership to prohibit ownership both of a national newspaper or a large newspaper chain and of a national broadcast or cable network. This rule would, as it should and constitutionally could, require undoing the recent purchase by Rupert Murdoch's News Corporation of The Wall Street Journal.

Widely dispersed ownership of independent media serves both democracy and the First Amendment. It embodies a commitment that is good for everyone in a democratic society.

*C. Edwin Baker, author of "Media Concentration: Why Ownership Matters," is a professor of law at the University of Pennsylvania.*

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# EDITORIAL

*The newspaper's view*

## ... BUILD BROADBAND



**T**HE Internet is an important conduit to commerce and innovation, a medium that has wildly exciting communication potential. Yet, the United States' paltry broadband network lags behind most of the industrialized world.

Our weak Internet infrastructure not only puts the nation at a competitive economic disadvantage, it threatens democracy.

Japan and South Korea have cheaper Internet service that is many times faster than that in the U.S. To get an idea of how far behind Japan we are, think of our network as a Soviet-era grocery store and Japan's as Whole Foods.

At least a dozen countries have zipped by America because of smart government regulations that encouraged the build-out of networks and promoted competition. It is time Congress and the Federal Communications Commission did the same.

A national discussion about what we want, and need, for the Internet of the future is part of the solution.

Should it be treated like the airwaves, which belong to the public? Can network providers like AT&T be forced to allow broadband startups onto their lines? Could a system modeled after public utility districts help broadband reach areas that are not attractive to network providers?

So far, the discussion has been defined by lobbyists for the telecom and cable companies, which have spent many millions of dollars opposing network neutrality and any legislation that would force competition. How much will their

networks be worth if all the brightest minds migrate to where their talents can contribute to society and be monetized?

Americans should be worried about the current level of service. This is a serious problem that goes beyond the annoyance of slow-loading Web pages. Many rural and poor areas still use painfully slow dial-up Internet connections and will not get broadband anytime soon. Those with no access, or prohibitive access, will be silenced as more communication, services and news media jump to the Internet.

Not only does the U.S. risk falling behind its partners and competitors, a large swath of American voices will disappear if broadband is left to network providers. That's a great loss for a democracy.

# EDITORIAL

*The newspaper's view*

## FREE THE INTERNET ...



**D**EMOCRACY is meaningless without structure. It requires support and infrastructure to become a word capable of giving entire nations voice and freedom.

The architects of America's democracy knew this. The Founding Fathers made sure newspapers and magazines were widely distributed by allowing periodicals to utilize low postage rates. Technologies like the airwaves, which were enshrined as the public's ownership, have also been federally regulated to be used as democratic tools.

Lawmakers have another opportunity to use technology to bring the nation's democratic discussion to more people. The Internet has become home to modern-day pamphleteers, community discussion and innovation. Like any valuable resource, the Internet is in need of protection.

The Federal Communications Commission and Congress can provide this by passing an Internet-neutrality law. Congress can act this fall on a net-neutrality bill sponsored by Sen. Olympia Snowe, R-Maine, and Sen. Byron Dorgan, D-N.D., that is before the Commerce Committee.

Working against such common-sense legislation are corporations such as Comcast, Verizon and AT&T. These corporate octopuses vehemently oppose any laws that will erode their considerable influence as network providers.

The legislation seeks to prevent companies from manipulating the content that flows through the networks they have

built. Currently, there is nothing stopping Comcast from slowing down content it did not create or from degrading content from competitors. AT&T illustrated the danger when it deleted comments made by Pearl Jam singer Eddie Vedder during a concert webcast through its Blue Room Web site.

Constructive regulation is needed to allow the Internet to grow and mature. It has the potential to connect people from the country's remote corners to residents of the biggest cities. The Internet is a place where ideas catch fire, where like minds find refuge and debates can rage.

The Internet cannot belong to a couple of gigantic corporations. A handful of telecommunication and cable companies should not be entrusted with something as precious as our diverse, national dialogue.

# EDITORIAL

## THE LOCAL VOICE OF RADIO HAS BEEN MUFFLED BY GREED



By Bill Wippel

Special to *The Seattle Times*

**L**OCAL radio stations, left independent, are the best examples of freedom and democracy. Most are located in small markets where they mirror the community's image.

Take Pullman. Station KOFE in 1964 decided to turn over the entire station's proceeds for one day to the local chamber of commerce. Chamber members bought spots and wrote their competitors' commercials and read them over the air.

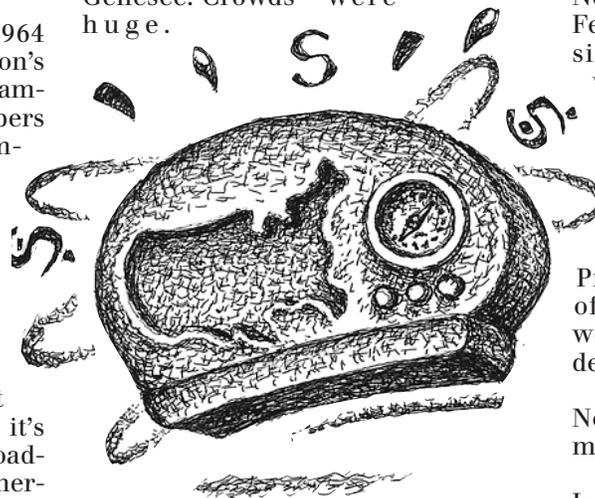
Seafirst Bank wrote: "Pullman National Bank has a clock out front because inside they won't give you the time of day!" And, Pullman National bank wrote: "You think that thermometer out front gives the temperature? No, it's Seafirst's rate of interest." (The broadcast was made in July when the thermometer read 85.)

In all that fun, including newscasts read by chamber members complete with botched pronunciations and laughter, \$4,000 was raised. It bought most if not all of the Christmas decorations for the town.

Earlier, in Pomeroy, Garfield County, which does not have a radio station,

KOZE in Lewiston, Idaho, broadcast a play-by-play description of the Pomeroy Day Parade. The big news was that an area farmer had paid cash that day for a new Edsel. Interviews of local folks made them "famous" in that small farming community!

Genesee, Idaho, never had a station, either. But once a year, Pullman's KOFE did a broadcast from the farming community from 6 a.m. to 6 p.m. for Genesee Days. No other commercials were broadcast except those from Genesee. Crowds were huge.



Interviews with city leaders, farmers and business owners told of the small town's pride and joy: wheat farming and soil conservation.

Owners of large radio conglomerates today would call this "hokey." They would also call this exercise "looking back, when we should be looking

forward." Today, many broadcasters exhibit just the opposite of community resourcefulness. There are exceptions, but they are few and far between.

There are radio stations located in the Seattle area that have left their original city of license. Stations that used to broadcast the hometown news and community events of suburban King, Pierce and Kitsap counties now involve themselves almost solely with Seattle or some other nonlocal focus.

None of this is illegal, thanks to the Federal Communications Commission. The FCC has watered down what is required to receive a radio broadcast license. Each station can renew its license by just a postcard. No promise of news, community involvement or public service is necessary to renew its license.

Proponents of further relaxation of FCC broadcast rules argue that we have so many news venues that democracy is in good health.

Not when a few own so much of the media.

Imagine if Rupert Murdoch, coming off his acquisition of *The Wall Street Journal*, added our local press or radio and television stations to his worldwide stable of traditional and new media. Where would we turn for diversity of coverage in news, sports and opinion? It would be a catastrophe for the Puget Sound region.

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We have allowed greed to replace enterprise. We have allowed the local voice of radio, for all intents and purposes, to be stifled.

Guglielmo Marconi must be rolling in his grave. The voice of democracy and independent thought on radio are all but dead.

*Bill Wippel of Normandy Park has been in radio for 58 years and is a former owner of KOFE in Pullman. He now directs Tape Ministries NW, a nonprofit lending library of Christian books on tape for blind and sight impaired people, [www.tapeministries.org](http://www.tapeministries.org)*

# EDITORIAL

The Seattle Times

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OCTOBER 3, 2007 | WEDNESDAY

## FCC FIDDLES WHILE NATION'S BROADBAND FALLS BEHIND



BY JOHN MULETA

*Special to The Seattle Times*

As the economy of the mid-20th century boomed, government action to provide consumers with free over-the-air television and radio changed forever the way Americans engaged in the life of their nation.

For the first time, news and entertainment from around the corner and around the world were delivered directly into our living rooms. America became a truly interconnected society as our country's perspective on events like the civil-rights movement and the Vietnam War were defined by the widespread adoption and availability of free consumer communication services.

In the 21st century, broadband has the potential to similarly reshape our democracy through the interactive power of the Internet. Unfortunately, there is growing evidence that the current Federal Communications Commission (FCC) is failing the American people in maximizing use of the airwaves to serve the "public interest."

When it comes to broadband communications, the FCC's policy is to consistently favor media megaconglomerates by throwing up roadblocks to competi-

tion and failing to protect consumers. The FCC has protected entrenched incumbents by building an obstacle course for innovative new entrants.

While the FCC coddles AT&T and Verizon, more than 100 million adults and their children still do not have broadband connections, and our country has fallen to 24th in the world – behind Estonia – in global broadband-adoption rankings.

Congress has found that broadband services in the United States are delivered by a duopoly of incumbent telephone and cable companies, leading to high prices and low adoption rates. Prices for broadband have only declined 10 percent over the past decade while prices for computing have dropped by more than 90 percent. Computer makers are regulated by the marketplace, while broadband providers are regulated by the FCC – and therein lies the problem.

The result is that broadband adoption has stalled at below 50 percent while the economic and racial disparities in connectivity have grown. In America today, poor, rural and black families have broadband service at half the rate of their rich, suburban and white counterparts. This is un-American and unacceptable.

Given this sad state of affairs, one might assume the FCC would be open to considering new and innovative approaches to using America's airwaves to spur broadband adoption. Sadly, this is not the case.

The experience of my company, M2Z Networks, is an example of how hard it is for innovative ideas to enter the marketplace. Backed by the same Silicon Valley innovators that brought you Amazon.com and Google, we proposed to build a free, fast and family-friendly nationwide wireless broadband Internet network without a government subsidy. Such an innovative service would be an unprecedented step toward breaking down the socioeconomic barriers that divide our country and extending the great opportunities of broadband into the homes of every American family.

Of course, these networks require licenses from the FCC to use the public airways. After 16 months of inaction, the FCC recently announced that it would need more time to consider our proposal – despite 50,000 Americans and hundreds of federal, state and local officials telling the FCC that our service was in the public interest.

Despite this overwhelming public support, the FCC sided with seven incumbent telephone companies that said a slow decision on our license application was in the public interest.

The real issue when it comes to broadband is that America's airwaves are managed by an FCC that is content to fiddle while American broadband falls behind.

The FCC's duty is to serve the public interest by promoting competition and protecting consumers through the use of the "public" airwaves. It is high time

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the FCC act in the public interest of American consumers and stop acquiescing to the special interests of incumbent phone companies and media conglomerates.

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# EDITORIAL

*The newspaper's view*

## HEADLONG INTO THE MURK OF MEDIA



The Federal Communications Commission must slow down. Nothing good can come from squeezing major changes to the laws that govern media ownership by year's end.

FCC Chairman Kevin Martin wants a vote on media-ownership rules by Dec. 18. Never mind that the FCC has not held its required sixth and final hearing on media ownership. That hearing is now scheduled for Seattle on Nov. 9.

Expect the hearing to be a rushed affair. An FCC hearing to explore how broadcasters are serving communities was announced at the same time as the Seattle media-ownership hearing. The broadcaster — or localism — hearing was finalized the night of Oct. 24, giving the public only five business days to prepare. The localism hearing was not only degraded by its timing, but also by its venue. The hearing was tagged onto the end of a regularly scheduled FCC meeting on Halloween.

There is no logical reason for Martin to be in such a hurry other than to work something out for the sale of media conglomerate Tribune to Chicago developer Sam

Zell. Zell wants the deal to go through by the end of the year. He also wants the deal to include Tribune's television stations, many of which operate in the same cities as its newspapers.

The current FCC cross-ownership ban bars a company from owning a television station and newspaper in the same city. Tribune has been able to operate in a number of cities under the ban with a waiver that does not transfer with the sale.

It is reasonable to believe Martin will be pushing the commission to drop the cross-ownership ban. In 2003, he voted with the former Chairman Michael Powell to allow a company to own in one market a newspaper, a television station, eight radio stations and an Internet service provider.

These rule changes prompted the public to act through a court challenge. The FCC was flooded with nearly 3 million letters in opposition to the changes. Then, the 3rd Circuit Court of Appeals in Philadelphia sent the rule changes back to the FCC.

The FCC should be more concerned about structuring rules that ensure an independent and diverse press and media, and not so worried about appeasing the conglomerates that believe a cross-ownership ban is standing in the way of more revenue.

This is too important an issue to be rushed. The FCC needs to facilitate a national discussion about how the American press and media can best serve democracy. That cannot be achieved by Dec. 18.

# EDITORIAL

*The newspaper's view*

## DEFY NEWS CORP.



**N**ews Corporation's purchase of Dow Jones signals a frightening new phase of media ownership that demands scrutiny.

At least one person in a position to do something about it agrees. Michael Copps of the Federal Communications Commission sent a letter last week to FCC Chairman Kevin Martin asking that the commission take a hard look at the sale of Dow Jones, which includes The Wall Street Journal. Copps says that News Corporation's extensive media holdings should be of concern. He is right. News Corporation's media holdings are too prodigious for a democracy.

Unfortunately, it is not clear whether the FCC can do anything about it. Martin is not likely to try to hold up the deal, and the FCC does not have a nationwide cross-ownership rule that would prohibit a company from simultaneously owning a national newspaper and a national news station.

Just because there is no ban does not mean there should not be one. The American press and media have been condensed into the grip of a handful of companies. Rupert Murdoch's News Corporation already owns everything you watch with the word FOX in the name. He also owns Direct TV, MySpace, TV Guide and HarperCollins Publishing.

The acquisition of Dow Jones will solidify News Corporation as the dominant news voice in New York City, and across the country. Nationally, the Murdoch conglomerate will own the New York-based Wall Street Journal, FOX News, and a soon-to-be-launched financial channel. News Corporation already owns two television stations and a daily newspaper in New York City.

The FCC should listen to Copps. News Corporation, or any company, for that matter, need not have such a dominating media presence. It is time the FCC expanded its local cross-ownership ban nationally to ensure Americans are served by a dispersed, diverse press and media.