

UNITED STATES OF AMERICA

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FEDERAL COMMUNICATIONS COMMISSION

+ + +

PUBLIC HEARING

ON

BROADCAST LOCALISM

+ + +

WEDNESDAY,

JULY 21, 2004

+ + +

THIRD FLOOR  
STEINBECK FORUM  
ONE PORTOLA PLAZA  
MONTEREY, CALIFORNIA

+ + +

PRESENT:

KATHLEEN ABERNATHY, FCC Commissioner

MICHAEL COPPS, FCC Commissioner

JONATHAN ADELSTEIN, FCC Commissioner

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C O N T E N T S

	PAGE
Opening Remarks:	
Commissioner Abernathy . . . . .	3
Commissioner Copps . . . . .	11
Commissioner Adelstein . . . . .	21
Welcome by Mayor Albert . . . . .	32
Presentation by Alex Zerago . . . . .	37
Presentation by Blanca Zarazua . . . . .	44
Presentation by Eduardo Dominguez . . . . .	51
Presentation by Joseph W. Heston . . . . .	57
Presentation by Joseph Salzman . . . . .	63
Presentation by Sean McLaughlin . . . . .	69
Presentation of Chuck Tweedle . . . . .	76
Presentation of Harry J. Pappas . . . . .	95
Presentation of John Connolly . . . . .	102
Presentation of Kathy Baker . . . . .	108
Presentation of Davy D. . . . .	114
Presentation of Delia Saldivar. . . . .	123
Presentation of Harry B. Robins . . . . .	128
Presentation of Warren Trumbly. . . . .	133
Open Microphone . . . . .	146
Closing Remarks . . . . .	292

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## P R O C E E D I N G S

1  
2  
3  
4 COMMISSIONER ABERNATHY: Wow! I love  
5 this gavel.

6 (Laughter from audience)

7 Good evening ladies and gentlemen. And  
8 welcome to the public hearing of the Federal  
9 Communications Commission on localism and  
10 broadcasting. We're so very, very pleased to be  
11 here; gracious hospitality of everyone here. My name  
12 is Kathleen Abernathy, and I serve as a commissioner  
13 of the Federal Communications Commission and I am  
14 joined by my two distinguished colleagues,  
15 Commissioner Michael Copps and Commissioner Jonathan  
16 Adelstein. And I am also joined by Ms. Belva Davis.  
17 She is a long time Bay Area television personality

18 (Applause.)

19 COMMISSIONER ABERNATHY: and current  
20 host of "This Week in Northern California" on KQED-  
21 TV. Ms. Davis has graciously agreed to moderate the  
22 open microphone segment of our program tonight. So I  
23 want to thank her for being willing to do that.

24 (Applause.)

25 COMMISSIONER ABERNATHY: We are also  
26 very pleased to have with us tonight the Honorable

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1 Daniel Albert, Mayor of the city of Monterey, who  
2 will present welcoming remarks in just a few  
3 moments.

4 I'm going to read a long list of  
5 dignitaries and then I think we should give them all  
6 a round of applause. We are also pleased to be  
7 joined this evening by the Honorable Ana Caballero,  
8 Mayor of the City of Salinas; the Honorable Jerry  
9 Smith, Mayor of the City of Seaside; Alex Zerago,  
10 who will present remarks on behalf of Congressman  
11 Sam Farr; Mike Canolakis, Sheriff-Monterey County;  
12 Fred Cohn, Deputy City Manager, City of Monterey;  
13 and Joy Messenger, Center for Missing and Exploited  
14 Children. And if we could welcome all these people  
15 here tonight.

16 (Applause.)

17 And finally, last but not least, we  
18 are particularly indebted to the City of Monterey,  
19 the Mayor and Mr. Cohn for their warm welcome and  
20 kind assistance in making this hearing possible. If  
21 we didn't have their help and their commitment, we  
22 wouldn't have been able to do this. So thank you  
23 very much and to all the citizens in Monterey.

24 (Applause.)

25 As I think many of you probably know,  
26 last August FCC Chairman Michael Powell created an  
27 initiative on broadcasting and localism to examine

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1 how well radio and television stations are serving  
2 their communities of license.

3 (Interruptions from audience.)

4 (Speaking with an audience member.)

5 Well he's not here, he's not here. But we are here!

6 Now, I was going to save this part of  
7 my speech for later. But, I guess I will start it  
8 now. I think a critical part of what defines us as  
9 Americans is our ability to respect and defend the  
10 right of free speech even when people say things  
11 that we may ultimately disagree with and I have been  
12 concerned and I've seen this happen more in politics  
13 lately that when someone says something that we  
14 disagree with, we vilify them or we denigrate them  
15 and that's not what our country is about. Other  
16 countries do that. I think our country has always  
17 been strong because we welcome divergent opinions  
18 and so, but . . .

19 (Interruption from audience.)

20 Maybe I am wrong. I would hope I'm  
21 not. I think it's fair and right that people get to  
22 speak their peace uninterrupted.

23 (Applause.)

24 So that's all I ask. I want to hear  
25 from everyone. I don't think anybody has a monopoly  
26 on the truth and I want to be able to learn from  
27 everyone and so that means we would have to be able

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1 to hear everyone. So with that, what I wanted to  
2 talk about generally is that we want to look at how  
3 radio and television stations are serving their  
4 communities of license. I think we're all, most of  
5 us here are parents, we've got kids. We know what a  
6 significant impact television and radio have on our  
7 everyday lives, on our children, on our culture. And  
8 it's very, very important that at the FCC we take  
9 our oversight role very seriously. So we've had a  
10 number of hearings. The first was in Charlotte last  
11 October. Our second was in San Antonio in Texas and  
12 our third in Rapid City, South Dakota in May. And  
13 tonight we are holding our fourth hearing here in  
14 California and we expect to hold two more hearings  
15 in the upcoming months.

16 So what do we mean by localism and  
17 why does the FCC care about it? In the broadest  
18 sense localism refers to the responsiveness of a  
19 broadcast station to the needs and interests of its  
20 community of license. So promoting localism is one  
21 of the principle reasons the FCC regulates broadcast  
22 television and radio and when we give an entity a  
23 license, in return, the licensee promises to serve  
24 the public through its use of the license and a key  
25 part of that public interest is that the broadcaster  
26 air programming that is responsive to the community  
27 of license and this public interest obligation

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1 applies uniquely to broadcasters and it really  
2 distinguishes them from cable and satellite channels  
3 because if you think about cable and satellite,  
4 they're doing nationwide programming, they're not  
5 looking at the particular needs of the community.

6 So we are here tonight because we  
7 need to further explore whether we as government  
8 regulators, are we doing all that we can to ensure  
9 that stations serve their listeners and their  
10 viewers? And I know it's a relatively simple thing  
11 to say, government should be doing more. But at the  
12 same time it ducks the hard questions -- more what?  
13 I want to hear about more oversight, more specific  
14 kinds of reports. We need to move beyond just simple  
15 statements to specific proposals. And that's why I  
16 am so pleased to be with you here tonight and listen  
17 and learn. I suspect that everyone who is taking  
18 time out of their personal lives to be here really  
19 cares about their local community and wants to  
20 better understand what it means for a local  
21 broadcaster to serve the public interest.

22 Now, I have heard some concerns that  
23 some broadcasters have abandoned their public  
24 interest obligations. They're only interested in  
25 earnings. I'm shocked. But, I have heard that and  
26 others have said that they are very uncomfortable  
27 with some of the broadcast content. While you have

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1 another group that says they're very concerned about  
2 the kinds of content, but they're concerned about  
3 government intrusion on what is said on the  
4 television and the radio, and at the same time I've  
5 heard from some charitable organizations that survive  
6 and thrive thanks to sponsorships from local  
7 broadcasters. So, we're receiving all of these  
8 messages, and we need to know more.

9 So tonight we want to determine all  
10 over again the level and the character of local  
11 broadcast service that's being provided today and to  
12 consider what behavioral rules and policies the  
13 Commission might adopt or what legislative changes,  
14 if it comes to that, that we would need to recommend  
15 to Congress to promote and improve the local service  
16 of broadcasters.

17 And I think the one constant in all of  
18 this is the obligation of broadcasters to serve their  
19 local community. So these hearings are an on-the-  
20 ground inspection of how the broadcast system is  
21 working for local communities, and we have three main  
22 objectives. First, we want to hear directly from all  
23 of you. We want to hear how you think local  
24 broadcasters are doing, what you like, what you  
25 dislike, what you think should be done differently.

26 Second, we want to hear from the  
27 broadcasters about their localism efforts. I know

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1 many broadcasters are proud of the work for their  
2 local community, and we need to hear from them and  
3 hear what they've been doing to really address local  
4 community concerns.

5 And, third, we want to make sure that  
6 all of you know how to participate at the FCC when a  
7 local station's license is up for renewal because we  
8 need to hear about what's going on before we make  
9 certain determinations.

10 So, I see these hearings as an  
11 opportunity to bring these license renewals to life.  
12 I think it's one thing for us to sit in Washington  
13 and read pieces of paper. But coming here is very  
14 important and coming to the other hearings, it's very  
15 important for us to really learn about what's going  
16 on, and we want to ensure that you know how to  
17 participate in the government review of these license  
18 renewals.

19 So, the FCC staff has prepared a short  
20 book, really a primer on how to participate in the  
21 license renewal process, and it is available in the  
22 public packets that you got tonight, but it's also  
23 located on our website, [www.fcc.gov/localism](http://www.fcc.gov/localism).

24 And then, finally, I want to touch on  
25 a recent court decision that overturned the FCC's  
26 media ownership rules. When that decision was  
27 adopted -

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1 (Applause.)

2 COMMISSIONER ABERNATHY: I'll send  
3 your warmest personal regards to the court.

4 (Laughter.)

5 COMMISSIONER ABERNATHY: But to go  
6 back to that decision, when that decision was  
7 adopted, I believed that we were faithfully following  
8 directions given to us by Congress and a prior court.

9 But now a different court has sent the  
10 rules back to us, and it has given us new  
11 instructions, and so that means at some point we will  
12 be seeking further comment on our ownership rule, and  
13 we will also want to hear from the public, from all  
14 of you, about your concerns and experiences when it  
15 comes to those issues, the media ownership issues.

16 And so while tonight's hearing  
17 generally focuses on what we can do to ensure that  
18 all licensees, whether they're small, large, or in  
19 between, so that we can assure that all of them are  
20 serving the local community, we will also listen, of  
21 course, to what you might have to say about ownership  
22 limits.

23 So I want to thank the panelists for  
24 preparing testimony and joining us tonight. The  
25 participation of the community and the local  
26 broadcasters is critical if these hearings are to be  
27 meaningful, and I want to extend a warm welcome and

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1 the Commission's thanks to the citizens of Monterey  
2 County and other areas who are here in attendance, as  
3 well as anyone who's watching on TV or listening via  
4 radio or on the FCC's audio Webcast. We are very  
5 much looking forward to tonight's discussion.

6 And now I would like to acknowledge  
7 Commissioner Copps for an opening statement, and  
8 after that Commissioner Adelstein.

9 COMMISSIONER COPPS: Thank you. Thank  
10 you all for coming, and thank you to this community  
11 for the warm hospitality you have already shown us.  
12 Tonight we continue a truly remarkable grassroots  
13 dialogue about the future of America's media. Over  
14 the past year we have seen a cascading national  
15 concern over what many Americans, me included, see as  
16 deeply troubling trends in the media. Citizens from  
17 all over this country have come together to express  
18 their concern, even their alarm. The discussion  
19 focuses once again on the decision by the FCC to relax  
20 the media consolidation rules with people asking how  
21 many or, maybe better, how few companies should be  
22 allowed to control our media.

23 For what purposes are stations granted  
24 licenses and how does the public interest fare in a  
25 consolidated environment?

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1                   Concerned parents and creative artists,  
2 religious leaders, civil rights activists, labor  
3 organizations, young people, old people, independent  
4 broadcasters and many, many others came together,  
5 worked together and made a difference together.

6                   Their representatives in Congress answered  
7 the call. The United States Senate has voted twice  
8 now to overturn the FCC decision on ownership caps in  
9 its entirety, and over 200 members of the House of  
10 Representatives have asked the House leadership for  
11 permission to vote on the same resolution of  
12 disapproval. So far they have been denied that vote.  
13 Wouldn't it be nice if the members of the House of  
14 Representatives had a right to vote on this issue?

15                   (Applause.)

16                   COMMISSIONER COPPS: The court responded,  
17 too. Just last month, as Commissioner Abernathy  
18 pointed out, the Third Circuit ruled that the FCC's  
19 media concentration plan was legally, and  
20 procedurally, and deeply flawed.

21                   So we have now heard from the court.  
22 We've heard from the Congress. We've heard from the

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1 American people that the FCC got it wrong when it  
2 tried to unleash even more consolidation. It should  
3 be clear that we need to reassess our approach and  
4 start protecting the people's interest in the people's  
5 airwaves.

6 (Applause.)

7 COMMISSIONER COPPS: But let me point out  
8 that it is no slam dunk that this is going to happen  
9 because, while it's really good news that the court  
10 sent those rules back to the Commission, they sent it  
11 back to the very same Commission that gave you those  
12 rules in the first place.

13 (Laughter.)

14 COMMISSIONER COPPS: So, an entirely  
15 plausible outcome of all of this could be ruled every  
16 bit as bad as the ones sent back to us, and throw in  
17 the fact that big media will be right there lobbying  
18 for everything they're worth -- and that's a bunch --  
19 and I think you can see that the battle ahead of us is  
20 going to be long and hard.

21 Let's begin at the beginning tonight  
22 reminding ourselves that it's all of us who own the

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1 airwaves, and that corporations are given the  
2 privilege of using this public asset and even to  
3 profit from its use in exchange from their commitment  
4 to serve the public interest.

5 Broadcasters have been given very special  
6 privileges, but they have very special  
7 responsibilities to serve their local communities.  
8 This is a special interest in serving the public  
9 interest, it's supposed to be its loadstar each day,  
10 every day, every hour.

11 I'm pleased that tonight we will hear from  
12 some local broadcasters with roots in their  
13 communities. We need to recognize and reaffirm the  
14 proud heritage of local broadcasters, many of whom  
15 still are committed to serving their communities well.

16 My concern is that the increasing media  
17 concentration out there threatens the very survival of  
18 these local broadcasters. During the hearings on  
19 media ownership that my colleague, Commissioner  
20 Adelstein and I have held across this country, we have  
21 heard time and again from local broadcasters what a  
22 direct and detrimental impact consolidation has

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1 brought upon them.

2           These days station owners are less and  
3 less captains of their own fate and more and more  
4 captives of unforgiving Wall Street and Madison Avenue  
5 financial expectations.

6           Some tell us the answer is to rely more on  
7 the marketplace forces as a guarantor of the public  
8 interest. These people trust that the public interest  
9 will somehow magically trump the urge to build power  
10 and profit, and that localism will, thereby somehow  
11 survive and thrive. I don't think we can afford to  
12 rely on any kind of magic here, the marketplace or any  
13 other kind of magic, and the people who bring us  
14 reality TV --

15           (Applause.)

16           COMMISSIONER COPPS: -- the people who  
17 bring us reality TV shouldn't expect us to be so  
18 naive. In fact, we need to explain to them that the  
19 ultimate reality show is not how many bugs someone can  
20 eat on a deserted island. The ultimate reality show  
21 is this fight on media democracy and over the future  
22 of the public airwaves.

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1 (Applause.)

2 COMMISSIONER COPPS: Since the 1980s,  
3 fundamental protections of the public interest have  
4 been tossed overboard. Requirements like broadcasters  
5 having to meet with members of the community to  
6 determine the needs and interests of local citizens or  
7 teeing up controversial issues and antagonistic points  
8 of view for listeners and viewers, for providing  
9 viewpoint and program diversity, to name just a few of  
10 the obligations that once we had and we have no more.

11 In addition, we've pared back the license  
12 renewal process from one wherein the Commission used  
13 to look every three years at how stations were serving  
14 the public, with a very explicit list of things that  
15 stations were supposed to do, to a process now where  
16 once every eight years basically the broadcaster sends  
17 in a postcard, and it's a form or two more than that,  
18 but it's not called "postcard renewal" for nothing,  
19 and it's pretty much a slam dunk that the license will  
20 be renewed. That is not what public interest  
21 protections are all about.

22 It's so ludicrous as to be almost funny,

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1 but this erosion of public interest protection comes  
2 at high and dangerous cost to the American people.  
3 Some call my concern excessive, but I believe in my  
4 bones that few priorities our country confronts have  
5 such long-term importance to our democracy as how  
6 America communicates and converses with itself and how  
7 this process has been allowed to deteriorate in recent  
8 years.

9 (Applause.)

10 COMMISSIONER COPPS: So we come to  
11 Monterey to talk directly with members of this  
12 community and this region and to tap your local  
13 expertise to get a look, both broad and deep, at what  
14 is going on here.

15 Are stations adding to the civic dialogue?  
16 In this election year, are they covering the important  
17 issues that confront you or are they just focusing on  
18 the polls and handicapping the horse race? Are they  
19 covering the local issues in local campaigns? Are  
20 they encouraging local talent, local creativity, local  
21 musicians? Are they reaching out to minority groups  
22 within the community?

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1                   Important questions and all questions the  
2 Commission refused to tackle before we voted on media  
3 consolidation, but now good fortune in the form of the  
4 court has smiled a little bit upon us and we can  
5 hopefully use the record we compile tonight as we  
6 consider the rules that have been sent back to us.

7                   I also want to use the record we compile  
8 tonight in this license renewal process that I  
9 mentioned a moment ago. Every license in the country,  
10 television and radio, will be renewed over the course  
11 of the next few years. We need to make that a serious  
12 process once again, and we need to rely on you to make  
13 that happen.

14                   And as Commissioner Abernathy says, there  
15 are various ways you can do this. You can file a  
16 formal objection. I don't recommend that to anybody  
17 but the really stout of heart. It's expensive and  
18 time consuming, but you can also file an informal  
19 complaint at the Commission and we are obligated to  
20 look at that informal complaint.

21                   This is the fourth of our localism  
22 hearings. We have already heard from the good people

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1 of the Carolinas and Texas and the Dakotas about the  
2 importance they attach to their local media. Once in  
3 a while we get a little sidetracked on this score,  
4 however, and I want to point this out tonight.

5 Some of our broadcaster panelists and  
6 commenters seem to confuse sometimes such things as  
7 conducting blood drives and fundraising for charities  
8 with the sum total of their public interest  
9 responsibilities. Now, please do not get me wrong  
10 here because these fundraising activities are  
11 tremendously commendable activities. I welcome them.  
12 I salute them, and this is as American as apple pie  
13 for corporations in every line of business participate  
14 in that kind of community self-help, and we should all  
15 be proud of it and all applaud it.

16 But that is only part of a broadcaster's  
17 responsibility to the community, and the question on  
18 the table tonight is how well this very special  
19 industry is serving its much broader obligations to  
20 use the airwaves to benefit all of us.

21 So I hope that our panelists and  
22 commenters tonight will resist the temptation just to

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1 catalogue all of these non-broadcast activities and  
2 focus instead on the even more important problems that  
3 we've identified.

4 Again, let me thank our panelists, my two  
5 colleagues here with me tonight, and most of all, you  
6 in the audience who gave up an evening when you could  
7 be doing lots of other things to be here with us  
8 tonight.

9 In the end this really all comes down to  
10 you. It doesn't come down to the courts or the  
11 Congress. It comes down to the American people, and I  
12 think what I see going around this country and  
13 everywhere we go on a night like this you'll see four  
14 or five, 600 people turn out; I think the people of  
15 the United States want to wrap their arms around this  
16 issue of how many or how few companies are going to  
17 control our media future and settle it.

18 And I think if we all pull together, at  
19 the other side of this process that we're involved in  
20 now, and I hope it won't take months and months and  
21 months; I think we need to do this relatively quickly  
22 in the next few months, and if we do it right, we will

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1 end up with airwaves of, by and for the American  
2 people. Thank you very much.

3 (Applause.)

4 COMMISSIONER ABERNATHY: Thank you very  
5 much, Commissioner Copps, and I think everyone knows  
6 his commitment to this issue. So thank you again.

7 And now I'd like to introduce Commissioner  
8 Jonathan Adelstein for his opening remarks.

9 COMMISSIONER ADELSTEIN: Thank you,  
10 Commissioner Abernathy.

11 (Applause.)

12 COMMISSIONER ADELSTEIN: Thank you.

13 Well, it's a real breath of fresh air to  
14 get out of Washington, D.C. Let me tell you.

15 (Laughter.)

16 COMMISSIONER ADELSTEIN: It's a bit of a  
17 swamp there in more ways than one, and to get that  
18 fresh ocean breeze coming when I went to Monterey was  
19 just so refreshing, and it always is refreshing to  
20 get outside of the Beltway and hear from the wisdom of  
21 the American people because by all accounts, I think  
22 there is a lot more out there than there is inside

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1 where we come from.

2 (Applause.)

3 COMMISSIONER ADELSTEIN: And I learn so  
4 much each time I come and listen to you. I, of  
5 course, love it out here. I spent a couple of summers  
6 right down the Pacific Coast Highway in Big Sur. It's  
7 not on my resume, but I was actually a dishwasher at  
8 Epison.

9 (Laughter and applause.)

10 COMMISSIONER ADELSTEIN: There were many  
11 days at the FCC when I wish I had just taken up  
12 residence here.

13 (Laughter.)

14 COMMISSIONER ADELSTEIN: Well, the focus  
15 today is on how well broadcasters are serving their  
16 local communities as we've heard, but tonight comes in  
17 the middle of this larger struggle we've talked about  
18 the overall ownership of the public's airwaves. It's a  
19 fight for media democracy, and it's a struggle we  
20 simply can't afford to lose.

21 Last year I came out here to San Francisco  
22 for an unofficial hearing without all of the great

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1 staff assistance and everything, but we did it on a  
2 shoestring at City Hall in San Francisco, and we had  
3 hundreds of people stand in line for hours to get in  
4 there. It was a reflection even before the ownership  
5 decision of the deep concern in this part of the  
6 country about the state of the airwaves.

7           Everywhere we went Commissioner Copps and  
8 I heard from people a groundswell of concern about  
9 letting giant media companies grow even bigger. A lot  
10 of citizens spoke about how they think consolidation  
11 homogenizes programming, cuts independent and minority  
12 voices, and guts the coverage of local issues in local  
13 communities.

14           So I came back to D.C. from these  
15 hearings, including the one in San Francisco, and I  
16 warned my colleagues that people here in California  
17 weren't satisfied with their media, and they weren't  
18 interested in any more consolidation.

19           Well, this is, as I learned, Citizen Kane  
20 country right down the highway there, right down  
21 Highway 1, but the new rules that went through would  
22 have allowed new media moguls to rise up that make

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1 Citizen Kane look like an underachiever.

2 (Laughter.)

3 COMMISSIONER ADELSTEIN: But what a  
4 difference a year can make. Incredible the amount of  
5 education, the amount of thought and energy and  
6 activism and concern and studies that went into this.

7 Now, the American people have spoken.  
8 Congress and the courts have spoken, and they've all  
9 condemned the FCC's wrong-headed decision. The same  
10 week just a couple of weeks ago that the Senate voted  
11 99 to one to put the FCC's damaging rule changes from  
12 last summer on hold, a federal court as we have heard  
13 rendered a decisive verdict against more media  
14 consolidation. That was a huge victory for the  
15 American people.

16 That was probably the biggest victory in  
17 the history of the media democracy movement, and it  
18 was a tribute to everyone who spoke up, including many  
19 people in this room. Congratulations to all of you.

20 (Applause.)

21 COMMISSIONER ADELSTEIN: The court  
22 reaffirmed that the airwaves belonged to you. What

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1 you told us time and again at every hearing I heard it  
2 again and again: "the airwaves belong to us. Why  
3 can't we have more control over them? Why can't we  
4 have any say in them?"

5 Well, the court spoke loudly and clearly  
6 that the FCC's job is to protect you, to protect the  
7 public. It blasted the FCC for using inconsistent and  
8 incoherent reasoning that didn't reflect the real  
9 world.

10 Perhaps that's because the FCC didn't take  
11 the time to reach out to the public last year, as I  
12 pleaded with my colleagues to do and I know  
13 Commissioner Capps did. We only held one official  
14 hearing as a group, and we didn't put an outline of  
15 the rules out for public comment, and if we had, I  
16 think a lot of the flaws that the court found in the  
17 decision could have been addressed before we made them  
18 final, and we wouldn't have had that decision the way  
19 we did.

20 And we shouldn't have dismissed the views  
21 of three million people with a single passing  
22 paragraph.

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1 (Applause.)

2 COMMISSIONER ADELSTEIN: Well, thanks to  
3 all of the effort and concern that went into it, I  
4 don't think the FCC will be able to do that again. As  
5 a matter of fact, I'm confident in it.

6 (Applause.)

7 COMMISSIONER ADELSTEIN: The court gave us  
8 the opportunity to reclaim the public airwaves for the  
9 people, and we can get it right this time, but as  
10 Commissioner Copps said, it's going to take a lot of  
11 hard work. It's not easy. We didn't get it handed to  
12 us on a platter. It was just an opportunity that we  
13 have to work for and make happen ourselves.

14 Now, Commissioner Copps and I have already  
15 called for more public participation and more public  
16 hearings this time around, and frankly, the court  
17 asked for the same thing in a stunning statement. They  
18 actually footnoted the road trip that we took around  
19 the country in this court decision. It was  
20 remarkable.

21 We should commission independent studies  
22 to really examine the effects of media concentration

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1 and the effects on localism. We should study the  
2 effect of concentration on children, on minorities, on  
3 workers, on small businesses, on independent  
4 programming, on local creative artists and talent, on  
5 the coverage of local political issues and elections,  
6 and on the disability community.

7 Everyone in America is affected by how the  
8 media operates, including issues of localism and media  
9 consolidation as well, and the FCC simply must do a  
10 more thorough review this time.

11 So tonight is your turn to weigh in.  
12 We're here tonight directly to hear from your  
13 experiences with TV and radio, and we want your  
14 perspective on how well broadcasters are doing in  
15 serving the needs of your community right here in the  
16 Central Coast.

17 We want to know are you getting enough  
18 coverage of local issues of concern to you, including  
19 local elections. Do you have enough news from  
20 different sources? Are they providing balanced  
21 coverage of every segment of the community? Are they  
22 providing enough family friendly programming? Are you

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1 hearing local artists played on the radio?

2 We're here to talk about localism.  
3 Broadcast radio and television are so distinct and so  
4 unique and broadcasters are proud of their legacy.  
5 They're required by law to serve the public interest,  
6 as we've heard. It's part of the bargain that they  
7 have with the government.

8 My view, localism doesn't mean just giving  
9 promotional air time and money to charitable  
10 organizations, as commendable as that is. What it has  
11 always meant for us is providing real opportunities  
12 for local self-expression. It means reaching out,  
13 developing it, promoting local performing artists,  
14 musicians and other talent. It means dedicating the  
15 resources to discover and address the needs of the  
16 community. It means being accessible, sending  
17 reporters and cameras out to all parts of the  
18 community.

19 It means making programming decisions that  
20 truly reflect the make-up of the community, such as  
21 this region's large Hispanic population.

22 Now, a lot of broadcasters have a deep

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1 commitment to their communities, and they can really  
2 serve as a sounding board for their communities.  
3 These broadcasters should be proud of the coverage  
4 that they provide of local issues, and I'm pleased  
5 that we have some excellent broadcasters here this  
6 evening, including this man right here and a lot more.

7 We want to hear more about the positive  
8 aspects of what's happening in the local media, as  
9 well as the issues that need more work. We want to  
10 learn how the FCC can encourage all stations, every  
11 single station, every licensee to put the needs of the  
12 local community first.

13 Over the years, the FCC has tried to  
14 promote localism in different ways with direct  
15 requirements to air certain kinds of programming or  
16 obligations on broadcasters to conduct formal  
17 ascertainment interviews with community leaders so  
18 that they learn what's happening in the community.

19 I remember that you told me that any  
20 broadcaster worth his salt would reach out to the  
21 public, and that would be a matter of course. That's  
22 what a good broadcaster does as a part of their

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1 business.

2 But a lot of these requirements have been  
3 eroded or eliminated over the years. Still local  
4 broadcasters continue to be the main source of local  
5 news, weather, public affairs programming and  
6 emergency information. That's where people go. All  
7 of our studies show that. They play a key part in  
8 making our democracy function at its best.

9 I want to hear directly from you about how  
10 well you think your local broadcasters are doing.  
11 That's what we're here for.

12 So I really welcome each of you here  
13 tonight. I do appreciate your coming out and all of  
14 the effort that went into that. You own the airwaves,  
15 and you deserve the final say in how your airwaves are  
16 regulated.

17 We're here tonight because we heard your  
18 voices ring out last year. You made a difference and  
19 the bipartisan coalition gave strength to the battle  
20 for the public interest.

21 So as the FCC goes back to the drawing  
22 board to re-do the rules, we need to hear from you

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1 again. So keep tuning in and taking names. We need  
2 to hear from more than three million this time.

3 Commissioner Copps talked about reality  
4 TV. It's interesting to think about at the dawn of  
5 the new media movement. It's really about the  
6 ultimate reality show of all, which is our democracy.  
7 Let's make sure that our democracy isn't voted off the  
8 island.

9 (Applause.)

10 COMMISSIONER ADELSTEIN: I thank you.  
11 Commissioner Copps and I are ready to ride again in  
12 the spirit of Paul Revere. We'll go back out all  
13 across the country, and we hope all of our colleagues  
14 will join us. And we're thrilled to begin right here  
15 in Monterey. So thanks for having us.

16 (Applause.)

17 COMMISSIONER ABERNATHY: Thank you,  
18 Commissioner Adelstein. In addition to being a  
19 passionate advocate on these issues, he's also an  
20 excellent musician if any of you have the opportunity  
21 to ever hear him play.

22 (Applause.)

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1                   COMMISSIONER ABERNATHY:    At this point I  
2 would like to recognize the City of Monterey, Mayor  
3 Daniel Albert, for some opening remarks.    Mayor  
4 Albert.  He's over to my right.

5                   MAYOR ALBERT:    Thank you very much, and  
6 certainly we want to extend a warm Monterey welcome to  
7 all of you of the Commission Task Force, and we  
8 certainly would like to extend a warm welcome to all  
9 of you out there and want to make sure that you enjoy  
10 the City of Monterey.

11                   We're quite proud of our history and what  
12 it's all about, and we would urge you before you leave  
13 this evening that you spend some time in our  
14 restaurants.

15                   (Laughter and Applause.)

16                   MAYOR ALBERT:    We need some kind of a  
17 commercial here, and I thought we would start off that  
18 way.

19                   (Laughter.)

20                   MAYOR ALBERT:    This is an important policy  
21 area for us, and I know that it is generating  
22 considerable discussion across the country.  And we

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1 thank you for reaching out to hear the public.

2 I would like to share with you two  
3 messages this evening. The first is that the  
4 commercial broadcast media have a history of serving  
5 this community well. We work with, watch, and listen  
6 to our local media outlets on a regular basis.

7 I'm a retired educator and school teacher,  
8 and generally the report card is a good one.

9 We also work with our local broadcasters during times  
10 of emergency when we need to just make vital and  
11 public information during earthquakes, fire, floods,  
12 and hazardous material accidents. Again, good marks.

13 Lastly, we have had many opportunities to  
14 collaborate with local broadcasters as they wear their  
15 corporate citizens' hat while participating in a  
16 number of community enrichment initiatives. Frankly,  
17 this community wouldn't be the same without them.

18 But I would caution the Task Force,  
19 however, not to be too quick to generalize my beliefs  
20 to other markets. I think that our size market makes  
21 our relationship with broadcasters somewhat unique. I  
22 don't think the same thing can be said in other

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1 communities, especially the larger ones, and I know  
2 this adds a lot of meaning to your proceeding tonight  
3 in this smaller community.

4 As an example, and I need to state this  
5 because these are some things that are happening to us  
6 as a city and as a region. As an example of success  
7 we have had locally, I would like to share with you an  
8 unprecedented success story involving Clear Channel  
9 Communications and its predecessor, the Ackley Group.  
10 Our community media nonprofit access, Monterey  
11 Peninsula, had just incorporated and was looking for a  
12 home when Ackley began operations under a local  
13 marketing agreement that moved a CBS affiliate out of  
14 Monterey to locate with a Fox affiliate in Salinas.

15 To make a long story short, Ackley made  
16 the vacant facilities in Monterey available to AMP at  
17 a very below market rent. In essence, when a  
18 substantial debate was taking place about turning two  
19 commercial editorial voices into one, Ackley enabled  
20 an amazing number of community voices by making its  
21 facilities available to the community.

22 As a major partner of AMP, the city is

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1 proud of our relationship with Ackley and now Clear  
2 Channel, and we look forward to that relationship  
3 continuing for a long time.

4 My comments to you and my second message  
5 are briefer - simply, although your proceedings are  
6 looking at commercial broadcast media, I heartily  
7 encourage you to look to your community media and PEG  
8 access to the cable system as vehicles to meet  
9 community needs and interests. These solutions can, in  
10 fact, help mitigate many of the concerns you are  
11 hearing in this media consolidation debate.

12 As an example, AMP and the city have  
13 collaborated to use our institutional network and  
14 community media center cable class, this hearing  
15 locally, and Webcast it across the county. PEG access  
16 and institutional networks are at risk. However,  
17 because of the growing erosion of local governments,  
18 cable financing authorization by legislatures and  
19 regulators is a subject that we care very deeply  
20 about, and we would welcome the opportunity to discuss  
21 it with you in greater detail.

22 What we're trying to say is that we've had

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1 good collaboration here in this particular region, and  
2 it has been a real benefit to the community and to the  
3 City of Monterey, but regional in nature.

4 Again, we thank you for being here in  
5 Monterey, and we know that this is going to be a very  
6 eager crowd to express -- we know. We have heard them  
7 -- a very eager crowd to express their thoughts to you  
8 and what they're thinking.

9 So thanks again for being in Monterey. We  
10 appreciate it. Thank you.

11 (Applause.)

12 COMMISSIONER ABERNATHY: Thank you, Mayor  
13 Albert, for your warm welcome to all of us and for  
14 your insights.

15 And now I would like to recognize Alex  
16 Zerago for a presentation on behalf of Congressman Sam  
17 Farr. Alex.

18 (Applause.)

19 MR. ZERAGO: Members of the Commission, I  
20 am here on behalf of Congressman Farr, and I want to  
21 read a short letter from him, and I'll just start with  
22 that.

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1 "Welcome to Monterey. I want to applaud  
2 your choice of the Central Coast as a venue for this  
3 session and hope that in addition to hearing and  
4 acting on the concerns of the community expressed here  
5 tonight that you are able to" -- and this is an echo  
6 of the mayor -- "to enjoy the offerings of our local  
7 tourism economy.

8 "I regret that with Congress in session  
9 tonight I cannot participate in this hearing.  
10 However, I have prepared written testimony that I ask  
11 for your staff to place in the record." And I have  
12 extra copies with me, if folks want that.

13 "In addition, today I have joined my  
14 fellow Democratic House Members from California in  
15 writing to the FCC Localism Task Force. I ask that  
16 the Task Force include this letter in the record as  
17 well.

18 "Both my testimony and the delegation  
19 letter highlight the widespread concern over media  
20 consolidation and its effect on the public discourse.  
21 I urge the Federal Communications Commission to work  
22 with the public to enact stricter licensing and

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1 ownership standards. I hope that this series of  
2 Localism Task Force hearings will begin a  
3 reinvigorated dialogue that will truly achieve media  
4 diversity.

5 "The hearings thus far must have given you  
6 a sense of the intense interest that this issue of  
7 media consolidation has generated across the spectrum  
8 of the American public."

9 And in addition, what I'd like to do is  
10 read the text of the letter that was sent from the  
11 California delegation. It's short, and it is signed  
12 by 22 members of Congress.

13 It begins, "In light of the recent  
14 decision by the U.S. Third Circuit Court of Appeals  
15 rejecting several FCC media ownership rules, we urge  
16 the FCC to renew the efforts to work with the public  
17 to enact stricter licensing and ownership standards.  
18 Hopefully this Localism Task Force hearing can begin a  
19 reinvigorated dialogue and debate that will truly  
20 achieve media diversity.

21 "One of our country's finest hallmarks is  
22 the promise of a free press that supports and

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1 encourages a wide variety of diverse voices.  
2 Unfortunately, consolidation within the media markets  
3 can and is effectively co-opting this promise. Media  
4 consolidation concentrates ownership of television,  
5 print and radio stations in the hands of a few  
6 conglomerates and transforms the control of the  
7 airwaves from the public to the investors of the  
8 select corporations.

9 "Media conglomerates that own multiple  
10 stations within single markets promote standardization  
11 of programming in order to reduce cost and maximize  
12 profits. This limits the ability of stations to cover  
13 local news, events and political needs because their  
14 corporate owners restrict their programming for  
15 stability.

16 "The result of corporate ownership is  
17 uniformity in local stations' issue coverage, which  
18 results in limiting discussion of presenting pressing  
19 local matters and stagnating public debate. When only  
20 a handful of owners control what a community hears,  
21 sees, and reads, local stations are unable to serve  
22 their diverse viewing public effectively.

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1                    "We must continue to safeguard a free and  
2 diverse media that is relevant to our communities.  
3 Allowing corporate companies, corporations, to control  
4 our media markets is the wrong way to achieve these  
5 goals.

6                    "We encourage the FCC to act in the public  
7 interest and limit media consolidation."

8                    And it is signed by the following members  
9 of Congress: Sam Farr, Nancy Pelosi, Diane Watson,  
10 Barbara Lee, Lois Capps, Robert Matsui, Henry Waxman,  
11 Bob Filner, Maxine Waters, Tom Lantos, Lynn Woolsey,  
12 Mike Honda, Ellen Tauscher, Hilda Solis, Pete Stark,  
13 Mike Thompson, Javier Becerra, Linda Sanchez, Anna  
14 Eshoo, Dennis Cardoza, Loretta Sanchez, Howard Berman,  
15 and Grace Napolitano."

16                    Thank you very much.

17                    (Applause.)

18                    COMMISSIONER ABERNATHY: Thank you very  
19 much, Mr. Zerago, for sharing the statement from  
20 Congressman Sam Farr, as well as the letter, with us.

21                    And of course, it will be placed into the record.

22                    At this point I'd like to announce the

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1 commencement of our first panel, and request that  
2 Secretary Dortch from the FCC announce the hearing  
3 agenda. She'll introduce the panelists and the  
4 procedures for panel presentations, including the time  
5 keeping rule so that we will be sure and have plenty  
6 of time for comments from the audience tonight.

7 SECRETARY DORTCH: Thank you, Commissioner  
8 Abernathy. Good evening to you, Commissioner Copps,  
9 Commissioner Adelstein, panelists, special guests and  
10 citizens.

11 This evening's hearing will consist of two  
12 segments separated by a break. The first segment  
13 features two panel presentations for the seven  
14 different speakers on each panel. Each speaker will  
15 have five minutes to make remarks. I will use a time  
16 machine to maintain these time limits -- located in  
17 front of Commissioner Abernathy.

18 I will display a yellow light when there  
19 is one minute remaining for presentation, and each  
20 panelist should begin to sum up at that time.

21 I will display a red light when a  
22 panelist's time has expired, and each panelist must

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1 conclude his or her remarks.

2 After all speakers on the first panel have  
3 presented their opening remarks, there will be a brief  
4 period for the Commissioners to ask panelists  
5 questions and for panelists to respond.

6 We will then begin the second panel  
7 presentations. It will involve the same format and  
8 procedures as the first panel.

9 A fifteen minute break will follow the  
10 question and answer period for the second panel.  
11 After the break, we will begin the public  
12 participation session of the hearing.

13 Ms. Melva Davis will moderate that session  
14 and provide details about the format and procedures  
15 after the break.

16 Finally, we would like to remind you to  
17 turn off your cell phones and pagers. We will now  
18 begin the first panel presentation. In order of  
19 presentation, the speakers are Blanca Zarazua,  
20 Esquire. Ms. Zarazua has her own law practice in  
21 Monterey County and is Of Counsel to the law firm of  
22 Noland, Hamerly, Etienne and Hoss. Ms. Zarazua is

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1 also the Chair, Hispanic Chamber of Commerce of  
2 Monterey County and Honorary Consul to Mexico for  
3 Monterey and Santa Cruz Counties, Salinas, California.

4 Eduardo Dominguez, Vice President and  
5 General Manager, KSTS-TV, Telemundo, San Jose,  
6 California.

7 Patti Miller was scheduled to be with us  
8 this evening. She's from Children & the Media  
9 Program, Children Now, Oakland, California.  
10 Unfortunately, Ms. Miller was in an automobile  
11 accident and will not be able to be with us this  
12 evening.

13 Joseph W. Heston, President and General  
14 Manager, KSBW-TV, Hearst-Argyle Television, Salinas,  
15 California.

16 Joseph Salzman, Associate Dean, Annenberg  
17 School for Communication at the University of Southern  
18 California. Dean Salzman will present the testimony  
19 of Martin Kaplan, who is also an Associate Dean at the  
20 School for Communication. Mr. Kaplan could not join  
21 us this evening due to a family emergency.

22 Sean McLaughlin, President and CEO, Akaku,

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1 Maui Community Television, Kahului, Hawaii.

2 Chuck Tweedle, Senior Regional Vice  
3 President, Bonneville International's San Francisco  
4 and St. Louis Divisions, General Manager, KOIT-AM/FM,  
5 San Francisco, California.

6 Thank you. Commissioner Abernathy.

7 COMMISSIONER ABERNATHY: Thank you very  
8 much, Secretary Dortch.

9 And so let's start right away with Ms.  
10 Zarazua, but just so you know, we have been in contact  
11 with Patti Miller and we have talked to her. So it's  
12 not serious, but it was serious enough that she  
13 couldn't get here tonight. So for anyone who's  
14 worried, just so you know.

15 Ms. Zarazua.

16 MS. ZARAZUA: Yes, thank you.

17 Good evening, honorable members of the  
18 Federal Communications Commission, and good evening,  
19 ladies and gentlemen of the audience. It is an honor  
20 to be here this evening, and I thank Ms. Royce  
21 Sherlock and the entire Localism Task Force for having  
22 extended this invitation to me.

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1           Given the limited time available, I will  
2 be brief and direct with my comments, which are hereby  
3 respectfully submitted for your review and  
4 consideration. I also apologize for my rush speaking  
5 manner in making this presentation as I will be trying  
6 to keep within the five-minute designated time  
7 allotment.

8           My focus this evening will be to provide  
9 comment with respect to the Commission's concern that  
10 broadcasters serve the needs and interests of all  
11 significant segments of their communities, including  
12 the Spanish speaking communities.

13           I believe the term "significant segments"  
14 as used in the Commission's Notice of Inquiry adopted  
15 on June 7th, 2004, refers to segments of individuals  
16 whom I have the honor of serving in my various roles.  
17 As a lawyer, I represent many Spanish speakers who  
18 find the U.S. legal system difficult to understand. As  
19 Honorary Consul, I address the many issues facing  
20 immigrants from Mexico who live and work on  
21 California's Central Coast, and as Chair of the  
22 Hispanic Chamber of Commerce, I see firsthand the

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1 challenges faced by many small, Hispanic owned  
2 businesses.

3 These significant segments do not belong  
4 to a homogeneous group. Indeed, there is much  
5 diversity within diversity: language of preference,  
6 immigration status, economic level, level of formal  
7 education, etc. will all vary from individual to  
8 individual and from community to community.

9 Given this multifaceted context, the  
10 mission of localism and its implementation require  
11 extensive research and careful evaluation. If a  
12 person is unable to read English and English is the  
13 most commonly used language, that person will rely on  
14 visual and audio sources of information. If a person  
15 reads neither English nor Spanish, reliance on visual  
16 and audio sources of information is heightened.

17 Broadcasters are trustees of the public  
18 airways, and they must use the medium to serve the  
19 public interest. I would urge you to adopt a broad  
20 definition of public to include Spanish speakers,  
21 immigrants from abroad, individuals who are  
22 illiterate, etc., because to deny these individuals

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1 the benefits of this public resource is a disservice  
2 to everyone in the community, not just to those  
3 directly affected by such a decision.

4 This Commission has stated that the free  
5 flow of information is, quote, the life blood of  
6 democracy. As many can understand public information  
7 only if it is delivered in Spanish, do we truly have  
8 this free flow of information and do we truly protect  
9 democracy if Spanish is not used to deliver this  
10 public information?

11 The public's airwaves are akin to sort of  
12 international currency because people from all over  
13 the world use them. I would urge the Commission to  
14 manage this international currency using strict  
15 standards of accountability.

16 I have some specific recommendations, and  
17 my hope is that these recommendations will assist the  
18 Commission in complying with the Third District Court  
19 of Appeals' mandate that a, quote, rational and  
20 reasoned analysis be applied in formulating any  
21 proposed rule changes.

22 I believe a different vocabulary must be

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1 emphasized instead of referring so often to  
2 corporations, conglomerates, and consolidation, let  
3 us begin using words such as commitment, compassion,  
4 and community conscience.

5 (Applause.)

6 MS. ZARAZUA: (Laughing) Stop the Clock.  
7 To contribute to localism, broadcast programming must  
8 highlight heroes and success stories from within the  
9 significant segments already referenced so that  
10 community pride may be fostered.

11 With respect to non-programming factors, I  
12 urge the Commission to undertake the following: Urge  
13 main studios to be located within the local  
14 communities so that the local studios are, quote, part  
15 of the neighborhood.

16 (Applause.)

17 MS. ZARAZUA: Encourage contests for the  
18 leadership in the local community groups so that  
19 licensees have a pulse on community priorities.

20 Define locally oriented programming as  
21 programming of interest to the local community,  
22 regardless of the source.

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1                    Incorporate individuals with sensitivity  
2 to these underserved communities in the decision-  
3 making process.

4                    Reward licensees who seek opportunities to  
5 educate underserved communities. For example, with  
6 respect to local and national elections, licensees  
7 have the ability to educate communities about the  
8 importance of participating in the political process.

9                    (Applause.)

10                   MS. ZARAZUA: Licensees must explain why  
11 understanding and participating in the political  
12 process is important and how politics affect the daily  
13 lives of many individuals residing in underserved  
14 communities.

15                   Currently many individuals in these  
16 communities consider politics as a low priority item  
17 because the daily challenge of basic economic survival  
18 continues to be the top priority.

19                   With respect to regulations, I believe  
20 qualitative features need to be introduced. For  
21 example, if a licensee demonstrates strong community  
22 commitment, the initial term of the license could be

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1 automatically extended.

2 I'm going to conclude now and request a  
3 few seconds additional because of the applause. I  
4 thank you for that additional time.

5 (Laughter.)

6 MS. ZARAZUA: In conclusion, as  
7 Commissioner Adelstein has stated, localism means  
8 providing opportunities for local self-expression. To  
9 deny individuals the opportunity for self-expression  
10 is to deny them their personal growth, self-respect,  
11 and dignity.

12 With your permission, Commissioners, I  
13 would like to conclude with a few words in Spanish.

14 (Speaking Spanish.)

15 I just stated the following: Good evening,  
16 ladies and gentlemen. I just wanted to thank you for  
17 participating in this event. Your participation this  
18 evening confirms your interest in the future  
19 well-being of our community.

20 Thank you.

21 (Applause.)

22 COMMISSIONER ABERNATHY: Thank you, Ms.

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1 Zarazua. Not only are you articulate, but you nailed  
2 the time. So we're very, very pleased.

3 (Laughter.)

4 COMMISSIONER ABERNATHY: Now I'd like to  
5 introduce Mr. Dominguez for his presentation.

6 MR. DOMINGUEZ: *Buenos noches.* Good  
7 evening, Commissioners, ladies and gentlemen, co-  
8 panelists. I'm Eduardo Dominguez, the Vice President  
9 and General Manager of KSTS, Telemundo owned and  
10 operated station serving the San Jose and surrounding  
11 areas.

12 I'm pleased to be here tonight speaking  
13 about broadcaster service to local communities in  
14 Northern California. I'm pleased because Telemundo  
15 and its owned and operated stations consider service  
16 to the local community to be essential to our business  
17 and to our role as local broadcasters.

18 I have spent many years in broadcast  
19 media, with a particular emphasis on California's  
20 Spanish language television stations. Immediately  
21 prior to my current role, I was a station manager of  
22 Telemundo's owned and operated station, KDEA, in Los

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1 Angeles, and before that for KWHY, Los Angeles, a  
2 local, independent, Spanish language television  
3 station.

4 All of that experience has taught me three  
5 principles essential to a TV station: local  
6 attention, local action, and local accountability.

7 Local attention means that a station must  
8 focus on events and issues that matter to all its  
9 audience. In Spanish language programming, that  
10 sometimes means covering a news story about Mexico or  
11 El Salvador that would not make the national news but  
12 is important locally.

13 Sometimes it means addressing the  
14 fundamentals, such as how to open a checking account  
15 or what immunizations are needed for a child before  
16 starting school. Local action means that the station  
17 must involve itself with its community in ways that  
18 advance the community, whether it's by sponsoring the  
19 San Jose Americas Festival earlier this month to  
20 benefit emergency housing and shelter, or by  
21 broadcasting the San Francisco Carnival Parade to  
22 benefit mission neighborhood centers' Head Start

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1 programs, or by reaching out to the community at large  
2 by sponsoring and hosting a weekly Foros de  
3 Inmigracion (Immigration Forums), to address  
4 immigration concerns.

5 What matters is that Telemundo's  
6 establishment commitment in our community of license  
7 goes beyond programming. In addition to the strong  
8 relationship we have with nonprofit community and  
9 cultural agencies serving the Latino population  
10 throughout the coverage area, KSTS maintains a solid  
11 relationship with the local business leaders through  
12 the 15 Hispanic Chambers throughout Northern  
13 California, from Sonoma County in the North to Concord  
14 and Alameda Counties in the East, and here at Monterey  
15 County in the South, by sponsoring and participating  
16 in an array of local programs and initiatives.

17 And local accountability requires our  
18 community to be able to rely on us to cover what it  
19 needs to know in a timely and appropriate fashion. We  
20 measure that accountability not just by ratings or  
21 specific feedback, but by our sense of whether the  
22 community knows more today than yesterday.

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1 KSTS serves, if you will, as a bridge for  
2 the Spanish speaking immigrant community to life in  
3 the U.S., covering issues of health, education, and  
4 immigration. Our audience has told us in survey after  
5 survey that they want and need more of this kind of  
6 information so that they can live a better life here  
7 in the United States.

8 We struggle every day to meet these unique  
9 community needs and interest and thereby to earn the  
10 trust and loyalty of our audience. For us, these  
11 principles are not optional. This is not a matter of  
12 regulation. It is a matter of survival. We are the  
13 local face and local presence of our network in each  
14 one of the communities we serve.

15 In a world where cable boasts hundreds of  
16 national channels, a television station that does not  
17 live by these principles will fail, regardless of who  
18 owns that station or what regulation requires.

19 Upholding these localism principles is  
20 fundamental to any broadcaster's success, and  
21 Telemundo is committed to them. When General Electric  
22 acquired Telemundo several years ago, Telemundo did

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1 not de-emphasize these three key principles, but  
2 reinvigorated them at the station and network level.

3 At the station level, Telemundo has  
4 strengthened its local newscast at six and 11. Our  
5 news team has more resources, thanks to the ability to  
6 share the resources of our sister station KNTV, NBC's  
7 San Jose owned and operated station.

8 KSTS serves both the San Francisco and  
9 Monterey markets, and working with NBC's local news  
10 team, we have been able to cover more live news events  
11 by use of their live trucks and helicopter for major  
12 breaking stories.

13 But it goes beyond having access to better  
14 technical resources. In fact, the benefits of our  
15 commitment to our local Hispanic American community  
16 flow to KNTV as well. On numerous occasions Telemundo  
17 has helped NBC cover stories where our reporters have  
18 access to Spanish speakers and covering news events,  
19 thus enabling KNTV to broaden its coverage of issues  
20 that affect us all.

21 My point is this: local attention, local  
22 action, local accountability are not motivated by

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1 threat of sanctions. They are fundamental to our  
2 business. When Telemundo invests the tens to hundreds  
3 of millions of dollars necessary to acquire and  
4 operate a television station, we hardly intend to  
5 jeopardize that investment by airing programming that  
6 offends the viewers or does not appeal to our local  
7 community.

8 Indeed, because we want to expand our  
9 local audience, Telemundo is willing to spend more in  
10 order to continue to produce truly locally oriented  
11 programming, to fund community activities, and to  
12 sponsor events that improve the social well-being of  
13 the communities we serve. These are the hallmarks of  
14 a successful television station.

15 Local attention, local action, and local  
16 accountability are essential to KSTS' past and future  
17 success. These are the three principles that will  
18 continue to guide our strategy.

19 Thank you.

20 (Applause.)

21 COMMISSIONER ABERNATHY: Thank you, Mr.  
22 Dominguez. Also nailed the time. This is great

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1 because we want to make sure we've got plenty of time  
2 for questions.

3 I'd like to move directly to Mr. Heston.

4 MR. HESTON: Thank you, Commissioner  
5 Abernathy and Commissioners.

6 Good evening. I'm Joe Heston, and I'm  
7 President and General Manager of KSBW-TV and serving  
8 Monterey, Salinas, Santa Cruz, and many other  
9 communities here on California's Central Coast. For  
10 the past 50 years, more Central Coast viewers have  
11 received their local news and information from KSBW-TV  
12 than any other local television station.

13 We didn't become a top rated local TV  
14 station by accident. Our success stems directly from  
15 our overriding commitment to localism. Our duty as  
16 stewards of the public broadcast spectrum is to  
17 provide programming responsive to the specific needs  
18 and interests of the Central Coast communities we  
19 serve.

20 Unlike our major market neighbors to the  
21 North and South, we serve a small population spread  
22 over a very large geographic area. We must go the

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1 extra mile, literally, to cover the news in every  
2 corner of our market, whether it's a downtown  
3 redevelopment scandal in King City two hours to our  
4 South, a meth lab bust in Hollister and Howard to our  
5 East, or a garlic festival in Gilroy an hour to our  
6 North.

7 To cover these grounds, we've invested in  
8 three full news bureaus, one in Salinas, one in  
9 Monterey, and one in Santa Cruz.

10 We use three live vans and three separate  
11 ENG receive sites for extensive on-the-spot coverage  
12 of events as they occur. When an earthquake rocked  
13 Pasa Robles (phonetic) last year, we provided live, on  
14 the spot coverage. During the Fall, we cover every  
15 local high school football games.

16 We enhanced our local news with customized  
17 regional and national coverage tailored to issues of  
18 importance to our local viewers. Our Hearst-Argyle  
19 sister station KCRA in Sacramento provides interviews  
20 with our local Senators and assembly representatives  
21 on issues such as local water control and the impact  
22 of proposed budget cuts.

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1                   And our Hearst-Argyle Washington News  
2 Bureau provides us with similar localized coverage  
3 through regular interviews with our congressmen, and  
4 just recently produced an exclusive profile of a local  
5 Salinas soldier selected for President Reagan's Honor  
6 Guard.

7                   Our station has made enormous public  
8 service investments in our local communities. We  
9 provide \$2.6 million dollars for local charities each  
10 year through television fundraising initiatives and  
11 public service announcements.

12                   Our historic partnership with two local  
13 United Way chapters promotes Success by Six, an early  
14 childhood development initiative that uses  
15 informational television spots and special news  
16 reports to focus on children from birth to six years  
17 old.

18                   We also take an entire day of programming  
19 each December to assist the Salvation Army's "Share  
20 Your Holiday" charity drive.

21                   We engage our viewers with public affairs  
22 at local, state, and national level. Our "Feedback at

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1 Five" program broadcasts each Sunday at 5:00 p.m.  
2 before the NBC national news tackles issues such as  
3 local gang violence, earthquake disaster preparation  
4 and child abuse.

5 Our station editorial board prepares, and  
6 we broadcast, weekly editorials on hotly contested  
7 local topics. We invite, encourage, and when we  
8 receive significant interest, we broadcast responses  
9 from our viewers.

10 But no matter how much money or personnel  
11 we invest to serve our local communities, we can't do  
12 it alone. Our corporate parent, Hearst-Argyle  
13 Television, has been an excellent partner in our  
14 commitment to localism. Hearst-Argyle enables and  
15 encourages us to share news gathering resources with  
16 our sister stations to improve the quality and depth  
17 of our local news coverage.

18 Consistent with our corporate commitment  
19 to facilitating and promoting issues and candidate-  
20 centered discourse, all of our stations provide a  
21 minimum of five minutes of free broadcast time each  
22 night during the election season.

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1                   For our political coverage, Hearst-Argyle  
2 stations, including KSBW, received the Walter Cronkite  
3 award from the Annenberg School at USC.

4                   Most important, Hearst-Argyle recognizes  
5 that local managers of local stations know their local  
6 communities best. Our company gives us broad  
7 discretion to make programming decisions that reflect  
8 the specific needs and interest of the local  
9 communities we serve.

10                  We also need cooperation from Washington.  
11 Our viewers cannot reap the benefits of our top-rated  
12 local programming unless they can receive our full  
13 19.4 digital signal. Right now we're carrying a live  
14 broadcast of this important hearing on KSBW-SD,  
15 adjacent to KSBW-DT. Unfortunately, only viewers  
16 watching us over the air on a digital TV can receive  
17 the signal because local cable companies and satellite  
18 carriers do not carry our digital signal.

19                  The FCC should require cable operators and  
20 satellite carriers to carry our full digital signal.

21                   (Applause.)

22                  MR. HESTON: We also need the FCC to

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1 clarify the ground rules governing indecent  
2 broadcasts, particularly as they apply to news  
3 coverage.

4 Finally, we need clarity on the right of  
5 local affiliates to reject national network programs.

6 Our commitment to localism at KSBW is the  
7 hallmark of our success. No basic cable station, no  
8 public access channel, no community access, no premium  
9 pay TV, no satellite delivery company, no local or  
10 national website has been as steady or successful at  
11 addressing in the FCC's own words "the problems,  
12 needs, and interests" of our Central Coast  
13 communities.

14 Thank you.

15 (Applause.)

16 COMMISSIONER ABERNATHY: Thank you very  
17 much, Mr. Heston.

18 And now we'll turn to Dean Salzman,  
19 Associate Dean, Annenberg School for Communications.

20 Thank you for joining us tonight.

21 DEAN SALZMAN: Thank you.

22 Only a great tragedy would have kept Marty

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1 Kaplan from being here today, and that was the death  
2 of his mother, and I stepped in to read his statement  
3 as he has written it, and I think it's an important  
4 statement. He says:

5 "My colleagues and I have been studying  
6 the political coverage on local TV news since 1998.  
7 In 2002, we analyzed more than 10,000 news broadcasts  
8 that aired during the last seven weeks of the  
9 campaign. They were a scientific sample of top-rated  
10 early and late evening half hours of news on 122  
11 stations in the top 50 markets, and here is some of  
12 what we found. Only 44 percent of those broadcasts  
13 contained any campaign coverage at all. Almost six  
14 out of ten top-rated news broadcasts contain no  
15 campaign coverage whatsoever. Most of the campaign  
16 stories that did air came during the last two weeks of  
17 the campaign. Nearly half of the stories were about  
18 horse race or strategy and not about issues. The  
19 average campaign story lasted less than 90 seconds.

20 Fewer than three out of ten campaign  
21 stories that aired included candidates speaking, and  
22 when they did speak, the average candidate's sound

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1 bite was 12 seconds long.

2 Campaign ads outnumbered campaign stories  
3 by nearly four to one. Of the campaign stories that  
4 did air, what kind of races were covered? Sixty  
5 percent were about statewide races like governor and  
6 the U.S. Senate and not about local campaigns.

7 By contrast, races for the House of  
8 Representatives made up only seven percent of the  
9 stories. Races for the state senate or assembly, three  
10 percent. Regional, county or city offices, four  
11 percent. So even if you count a House race as a local  
12 election, only 15 percent of all the campaign stories  
13 in our national sample focused on local races.

14 Here in California, the 11 stations in our  
15 sample did markedly worse than the national average on  
16 covering local elections. Only nine percent of the  
17 campaign stories on top-rated California local news  
18 were about local races.

19 Size of station ownership group appears to  
20 make a difference. The 45 stations in our sample that  
21 are owned by large owners, with over 20 percent  
22 audience reach, carried less local campaign news than

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1 the national average, while stations owned by small  
2 and mid-sized owners beat the national average.

3 I want to single out Hearst-Argyle.  
4 There were ten Hearst-Argyle stations in our national  
5 sample. On average, 40 percent of their campaign  
6 stories were about local races. On that measure,  
7 Hearst-Argyle did more than two and a half times  
8 better than the national average and more than four  
9 times better than the California average. Why?

10 The reason, I think, is management  
11 commitment. Hearst-Argyle has decided that quality  
12 campaign coverage and localism are good for their  
13 communities. Now, they can also be good for business.

14 But Hearst-Argyle is the exception, not  
15 the rule. The campaign coverage Americans get on the  
16 airwaves they own should not depend on good luck or  
17 goodwill. Voluntary standards were proposed by the  
18 Gore Commission in 1998. Five minutes of candidate-  
19 centered discourse a night in the month before the  
20 election.

21 How did it work? In the 2000 election,  
22 the average station ran 74 seconds a night. What

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1 should be done about the lack of political coverage  
2 and the lack of localism?

3 First, we need explicit standards of  
4 performance by local news. Stations promise to  
5 fulfill a public interest obligation in order to get  
6 their license. This nation needs to spell out what  
7 those obligations are in law and in regulation.

8 There are several responsible proposals --

9 (Applause.)

10 DEAN SALZMAN: -- for doing so, including  
11 the "Public Interest, Public Airwaves" petition, the  
12 Minow-Geller petition and the "Our Democracy, Our  
13 Airways" Act supported by John McCain.

14 Second, we need to know if stations  
15 actually meet these obligations. The public  
16 inspection files that the FCC requires are useless for  
17 these purposes. It is not an onerous burden to  
18 require that stations record their public affairs  
19 programming and achieve the rundowns of their news  
20 programs.

21 I applaud the challenge to all local  
22 broadcast stations issued on June 14th by Chairman

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1 Powell and Senator McCain to insure they are providing  
2 local communities with significant information on the  
3 political issues facing the community.

4 But who will know if stations rise to that  
5 challenge or ignore it? There is no monitoring  
6 process in place to answer that question. Nonprofit  
7 funds to support independent studies like the Lear  
8 Centers come and go. Why shouldn't the industry or  
9 the public pay for the data needed for oversight and  
10 compliance?

11 (Applause.)

12 DEAN SALZMAN: Third, we need to link  
13 stations' performance on the public interest  
14 obligation with the renewal of their licenses. The  
15 current postcard renewal system is a joke. We believe  
16 stations must live up to the public interest promises  
17 they make. We must hold them accountable if they  
18 break them.

19 Last month when the FCC issued a Notice of  
20 Inquiry that gave rise to these localism issues,  
21 Commissioner Copps said this about enhancing political  
22 and civic discourse. "Here is an issue that demands

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1 action now. Study after Study depicts a bleak and  
2 depressing picture. We have studies; we have  
3 comments. We don't have action. The better part of  
4 good government here is to move ahead and act."

5 I could not agree more.

6 Thank you very much.

7 (Applause.)

8 COMMISSIONER ABERNATHY: Thank you, Dean  
9 Salzman.

10 Those were very, very sobering facts that  
11 we need to have in place, but you didn't just come to  
12 us with raw data. You gave us the facts and then you  
13 gave us some recommendations that we need to look at  
14 seriously. So thank you very much for your  
15 presentation. It was tremendously helpful.

16 Now I'd like to hear from Mr. McLaughlin  
17 who came all the way from Hawaii to be with us tonight  
18 because we couldn't really justify a hearing in  
19 Hawaii, but I was ready to go.

20 (Laughter.)

21 MR. McLAUGHLIN: Please do, please do.

22 *Aloha, buenos noches, and good evening,*

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1 Commissioners Abernathy, Adelstein, and Copps, FCC  
2 staff, and members of the public here.

3 My name is Sean McLaughlin, and I am  
4 President and CEO of Akaku, Maui Community Television,  
5 sharing these remarks on behalf of myself and the  
6 Hawaii Localism Coalition, which includes professional  
7 journalists, independent producers, academic leaders,  
8 and other supporters of diverse local media in Hawaii.

9 Being here now, I want to say to the  
10 people of Watsonville on behalf of the people of  
11 Hawaii, we apologize for the loss of your community  
12 based radio station to a private interest --

13 (Applause.)

14 MR. McLAUGHLIN: -- that will be airing  
15 Hawaiian music. In the values of Hawaii, this is not  
16 pono (phonetic), not right.

17 (Applause.)

18 MR. McLAUGHLIN: As we know, commercial  
19 media alone do not adequately serve local community  
20 needs and interests, and consolidated ownership  
21 exacerbates the problem. To maximize profits,  
22 commercial media minimized local programming. With

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1 distant owners controlling management decisions local  
2 commercial media increasingly become victims to the  
3 corrosive impacts of the profit-making imperative.

4 The needs and interests of distinct local  
5 communities, especially lower income and minority  
6 groups who lack buying power are ignored or  
7 misrepresented as a result. Local public interests  
8 are at risk as Congress and the FCC reshape the  
9 regulatory landscape for media.

10 The current system to ensure localism is  
11 broken. The FCC and your Localism Task Force must  
12 address the changing relationships between local  
13 broadcast, satellite, cable, and broadband media  
14 operators. Commercial interests will continue to  
15 shape the marketplace and game the regulatory  
16 framework to suit their private interest, not the  
17 public interest of a healthy democracy.

18 The best way to promote locally oriented  
19 programming is to ensure local and diverse ownership  
20 and to set aside bandwidth with adequate operating  
21 support for noncommercial public service media in  
22 every local community.

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1 (Applause.)

2 MR. McLAUGHLIN: The commercial media  
3 marketplace does not and will not adequately support  
4 public interests, especially noncommercial speech.  
5 Consolidated ownership of media further reduces local  
6 content through the elimination of expensive local  
7 programming in favor of lower cost regional or  
8 national syndicated programming.

9 Development of robust local and  
10 noncommercial media is the most effective way to  
11 address shortcomings in the commercial marketplace.

12 (Applause.)

13 MR. McLAUGHLIN: Mandatory set-asides to  
14 provide local media resources should be required as  
15 compensation for private use of public assets.

16 (Applause.)

17 MR. McLAUGHLIN: Okay. I hope I get a  
18 little extra time because of that.

19 (Laughter.)

20 MR. McLAUGHLIN: Public assets like land  
21 and spectrum. We need some electronic green space in  
22 the strip mall of commercial media.

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1 (Applause.)

2 MR. McLAUGHLIN: Community access media  
3 provide a model for localism that could be used for  
4 broadcast, satellite, and IP-enabled media.  
5 Noncommercial public education and government access  
6 channels across this country provide over a million  
7 hours of original local TV programming each year.  
8 Cable access channels are generally provided through  
9 local government franchise authorities, like the City  
10 of Monterey, who collect compensation for the private  
11 commercial use of public rights-of-way by media  
12 corporations. These local media resources are,  
13 therefore, accountable to local government  
14 jurisdictions.

15 A policy approach similar to local  
16 franchising of cable TV should be considered for  
17 broadcast, satellite, and IP-enabled media. Local  
18 governments could be given local oversight and  
19 compensation for use of public spectrum rights-of-way  
20 and other public resources used by commercial media to  
21 serve their constituents.

22 Through a locally accountable process,

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1 broadcast, broadband wireline, and satellite  
2 transmission capacity could be set aside to benefit  
3 local communities. Local regulation and local  
4 governance over public service media resources are  
5 essential principles of the community access media  
6 model.

7 As a cautionary note, cable franchise  
8 situations, such as the terrible situation in the City  
9 of San Jose is experiencing with a change in ownership  
10 undermining community obligations that were negotiated  
11 by a previous owner, need to be proactively addressed.

12 State and local governments in communities  
13 across America must have meaningful and well-defined  
14 roles to adequately protect media consumers and to  
15 effectively advocate for local needs and interests to  
16 be met.

17 Federal regulation is a centralized --

18 COMMISSIONER ABERNATHY: You have about a  
19 minute.

20 MR. McLAUGHLIN: Oh, thank you. I've got  
21 a minute? Great.

22 Federal regulation is a centralized,

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1 opaque process favoring very powerful corporate  
2 interests who privately gain from ineffective local  
3 regulation in the public interest.

4 I'm still going to abbreviate here.

5 Consolidated media ownership favors  
6 private commercial interests that are detached from  
7 local communities and driven by non-local profit  
8 motives. To minimize harm from this imbalance of  
9 market power, local governments and communities must  
10 have authority to regulate and develop local media  
11 solutions that meet people's needs.

12 The FCC needs a media localism policy of  
13 home rule.

14 (Applause.)

15 MR. McLAUGHLIN: Local franchising  
16 authorities for cable and telecom are the appropriate  
17 jurisdictions to oversee community needs,  
18 ascertainment and related public service obligations.  
19 Local and state jurisdictions need meaningful,  
20 appropriate oversight authority to protect consumers,  
21 uphold First Amendment principles, and properly  
22 represent local public interest.

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1 Almost done.

2 (Laughter.)

3 MR. McLAUGHLIN: Local communities require  
4 their own voices. Congress and the FCC must protect  
5 local media and uphold the public interest.

6 Please keep in mind that broadcast media  
7 are not free market industries, and regulatory  
8 barriers, such as duopoly and cross-ownership rules,  
9 were created to protect the public interest  
10 requirements. Local broadcasters receive their FCC  
11 license with little or no compensation to the public,  
12 even though the spectrum bandwidth used by these  
13 broadcasters is a public resource.

14 Essentially, we have a situation where  
15 private interests have bought and sold a public  
16 license --

17 COMMISSIONER ABERNATHY: Do you know what?  
18 We're pushing the edge of the envelope.

19 MR. McLAUGHLIN: Okay. I'm wrapping up  
20 now because I have to.

21 Thank you.

22 COMMISSIONER ABERNATHY: Thank you very

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1 much.

2 MR. McLAUGHLIN: Aloha.

3 (Applause.)

4 COMMISSIONER ABERNATHY: Thank you very  
5 much, Mr. McLaughlin, for traveling so far and for  
6 sharing your concerns and your insights with us.

7 And now I'd like to introduce Mr. Tweedle,  
8 who's with Bonneville.

9 MR. TWEEDLE: Thank you, Commissioners and  
10 members of the public.

11 I'm a Senior VP with Bonneville, and part  
12 of my responsibilities is to oversee our three FM  
13 stations in San Francisco.

14 Bonneville has a longstanding company-wide  
15 commitment to serving the communities in which we  
16 operate. Our three local stations, KOIT, KDFC, and  
17 KZBR, are 100 percent locally programmed. In  
18 addition, all programming decisions are made locally  
19 and all on-air personalities are local residents.

20 We also pay close attention to local  
21 issues. Last year our three stations combined spent  
22 more than \$290,000 researching the concerns and needs

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1 and wants of Bay Area residents.

2 We're a moderately sized company, at best.  
3 Yet, last year our stations aired more than, company-  
4 wide, 215,000 minutes of public affairs programming,  
5 PSAs, and other community service projects worth \$50  
6 million dollars, all of it tailored to the local needs  
7 of the community.

8 Add to that another \$1.2 million dollars  
9 in employee volunteer hours, and it's evidence that  
10 Bonneville's actions back up its stated corporate  
11 philosophy.

12 We do it with enthusiasm since we are part  
13 of those communities. We want to invest in them  
14 because that's where we work and our families live.

15 And reflecting yet another significant  
16 corporate commitment to serving our communities,  
17 Bonneville provides each of our full-time employees 40  
18 paid hours a year to go out and work with local  
19 community groups.

20 (Applause.)

21 MR. TWEEDLE: In the San Francisco area,  
22 KDFC is the only one of the remaining only 30

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1 commercial classical stations left in America that  
2 actually has grown both in listeners and revenue over  
3 the last few years.

4 (Applause.)

5 MR. TWEEDLE: Our other four nets include  
6 KOIT, a light rock station, and KZBR, which last year  
7 became a country station. Significantly over the past  
8 five years, each station has won the National  
9 Association of Broadcasters Crystal Award for  
10 excellence in community service.

11 Last year KOIT and KDFC also received the  
12 NAB Marconi Awards for adult contemporary station of  
13 the year and classical music stations of the year,  
14 respectively.

15 We produce and air three local public  
16 affairs programs each week, "Positive Parenting,"  
17 which is a weekly programming addressing family and  
18 parenting issues.

19 "Today's World" is a program in which our  
20 news director interviews experts on timely Bay Area  
21 issues, and incidentally, we excerpt part of that  
22 program and run it each day at noon Monday through

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1 Friday on KOIT, which is that station's highest-rated  
2 time period, and frequently that station is actually  
3 one of the top-rated stations in San Francisco.

4 And the "Commonwealth Club" is a local  
5 public affairs forum that features nationally known  
6 speakers on a wide variety of topics.

7 Our three stations also broadcast more  
8 than four hours a week, and they're all music stations  
9 of locally produced news. We broadcast many public  
10 service announcements since they are a key element of  
11 localism and, frankly, a lot of the organizations  
12 couldn't survive, let alone prosper, without that  
13 media support.

14 The total value of the air time we  
15 contributed in 2003 to the Bay area was more than  
16 \$15,700,000 dollars. Last year alone, KOIT helped 22  
17 different nonprofit organizations, including Volunteer  
18 Match. We helped this organization pair one million  
19 volunteers with nonprofit activities.

20 This type of outreach to the broad  
21 community is something that local broadcasting is  
22 uniquely positioned and qualified to deliver. Our

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1 stations provide enormous efforts to helping community  
2 groups.

3 What may be unique, however, is that we  
4 also have created public service announcement  
5 workshops in which we teach local nonprofit  
6 organizations how to market themselves to the media.

7 As the primary source of classical music  
8 programming in San Francisco, KDFC actively supports  
9 music education, last year airing 78 hours of music  
10 education programs, and its annual Charity Sampler CD  
11 this year will top \$100,000 dollars in donations to  
12 childrens' program in Bay Area homeless shelters.

13 With more than 20 percent of the Bay Area  
14 population being Asian, KOIT this past May aired a  
15 month long campaign honoring Asian Heritage Month.  
16 Reflecting the diversity of the Bay Area, KOIT.com can  
17 be read in Spanish, Chinese, Japanese, Korean,  
18 Russian, and Italian.

19 Commissioners, we succeed in the Bay area  
20 and as a broadcasting company because our listeners  
21 know that we are truly part of their community. It's  
22 the only way I know how to operate a radio station.

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1 Localism is alive and well, at least with Bonneville.

2 Thank you very much.

3 (Applause.)

4 COMMISSIONER ABERNATHY: Thank you very  
5 much, Mr. Tweedle, and you've given us some very good  
6 insights in some of the things that you do that could  
7 be done by some of the other broadcast licensees.

8 So at this point I'd like to offer  
9 Commissioner Copps an opportunity to ask questions.

10 And just so you know, I know we're running  
11 late. I think all of the Commissioners are committed  
12 to staying and making sure that you get at least the  
13 two hours of open mic time that's in the agenda, and  
14 more if necessary. So I just wanted to make sure that  
15 was clear.

16 Commissioner Copps.

17 COMMISSIONER COPPS: I'll just ask one  
18 question because I think the most valuable part of  
19 this dialogue is going to be the public microphone  
20 part.

21 But, several of you mentioned digital  
22 television, and we are engaged in a transition to a

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1 digital TV, and one of the things that DTV will bring  
2 with it, of course, is the ability of stations to  
3 multi-cast so that the station that has one channel  
4 may have six program streams, and somebody who owns  
5 two stations that command these is going to have the  
6 ability to broadcast maybe 12 different program  
7 streams.

8 It obviously has huge effects on  
9 competition and power in communities and everything  
10 else, but I'm thinking in terms of the localism and  
11 the diversity.

12 You know, if this is done right, this  
13 transition, it has a wonderful opportunity to enhance  
14 localism and to enhance diversity, but I guess there's  
15 already 217 stations in the United States that are  
16 multi-casting.

17 My question is: is there anybody on this  
18 panel, on this side who has already testified who  
19 thinks that we can get there and develop that localism  
20 and diversity and potential DTV without a strong set  
21 of explicit public interest responsibilities . . .  
22 rather than just letting the magic of the marketplace

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1 or voluntary action resolve this?

2 MR. HESTON: For our success as  
3 broadcasters, we've said it up here. Localism is what  
4 sells tickets, and the reasons we have KSBW-DT and the  
5 reason that we have this programming on tonight and  
6 that we are looking at other opportunities for  
7 programming on those side channels, not the HD  
8 programming that we need to move forward for people to  
9 buy digital television, it absolutely is an  
10 opportunity.

11 But to have it regulated, what you've  
12 heard up here is the most successful operators do this  
13 because that's what comes back to you. If you do the  
14 right thing and if you do it well --

15 COMMISSIONER COPPS: Well, I didn't hear  
16 that in Professor Kaplan's comments for example.

17 DEAN SALZMAN: I can't speak for Marty,  
18 but I can speak for myself. Unless you do something  
19 about it, if you leave it up to the marketplace and  
20 leave it up to the people who own this, you see what  
21 happens. Nothing is going to change.

22 (Applause.)

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1 DEAN SALZMAN: I have lived through all  
2 kinds of different technology. When I started in  
3 broadcasting, we shot black and white and converted it  
4 from negative to positive on the air. That's how old  
5 I am.

6 But the point is that it doesn't matter  
7 what the technology is. The people who own the media  
8 will continue to do whatever they want to do to make  
9 the most profit, and unless you do something about it,  
10 it won't change.

11 (Applause.)

12 MR. HESTON: But ultimately the people  
13 decide what they want to watch and what they want to  
14 see.

15 AUDIENCE MEMBERS: No.

16 MR. HESTON: And the best operators - the  
17 best operators, the best operators doing the best job  
18 will, indeed, attract that audience and serve that  
19 audience to the best of their ability.

20 COMMISSIONER COPPS: Well, I think you've  
21 got a little bit of skepticism out here.

22 (Laughter.)

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1                   COMMISSIONER COPPS: But let me just say I  
2 think the figures in Marty Kaplan's statement are  
3 really alarming and they're damning. You know, we  
4 talk a lot of times about how things have improved,  
5 and we look back in the 1950s, for example, as  
6 self-satisfied and fat and flabby.

7                   I remember growing up and I guess the  
8 first presidential campaign I watched on television --  
9 that's how old I am -- was Dwight Eisenhower and Adlai  
10 Stevenson. Nobody has ever equated that, I guess,  
11 with the Lincoln-Douglas debates, but even then in  
12 1952 -- maybe it was '56 or both of them -- I remember  
13 every week on television you would have each candidate  
14 standing up for half an hour and doing a speech.

15                   (Applause.)

16                   COMMISSIONER COPPS: And it was not  
17 preempted. It was certainly commercial-free, and  
18 usually there was an issue that was specifically  
19 discussed, and now we're told, well, we have all of  
20 these new outlets. So we have so much more diversity,  
21 but I don't think the campaign coverage is any better.  
22 I think it's probably worse.

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1                   And Marty's --

2                   (Applause.)

3                   COMMISSIONER COPPS: Marty's comments show  
4 that. The Grade the News Project is Stanford, and its  
5 greatest grade gave most of the Bay Area's TV stations  
6 C's and D's for their news coverage.

7                   We've got to find a way out of this.  
8 We're in a country here in the middle of a war, in a  
9 health care crisis, in an education crisis, and all  
10 kinds of crises, and we're reading about who's ahead  
11 in the polls and what's the latest candidate's  
12 advertisement say. What has the journalism come to  
13 and what's the media come to?

14                   (Applause.)

15                   COMMISSIONER ABERNATHY: Okay. We'll now  
16 move on to Commissioner Adelstein if you have any  
17 questions.

18                   COMMISSIONER ADELSTEIN: Well, it just  
19 seems like a fruitful debate we're having here. I  
20 wanted to continue this out a little bit.

21                   I mean, the statement from Professor  
22 Kaplan that Dean Salzman read to us is just really,

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1 really damning. I mean, it's alarming. It's. . .  
2 it's . . . every time I heard it, and I've heard it  
3 before, it just makes me mad.

4 But I wonder is there any rebuttal to it.  
5 I mean, we've had this study out here for years, and  
6 the National Association of Broadcasters I see is  
7 here. If it's wrong, then they ought to let us know,  
8 and if it's not wrong, they ought to do something  
9 about it because --

10 (Applause.)

11 COMMISSIONER ADELSTEIN: -- it's  
12 outrageous.

13 I mean, those statistics are just  
14 outrageous. Now, we do have here, you know, in  
15 fairness, you have Hearst-Argyle here. We have you  
16 represented in Mr. Heston, and they won the award.  
17 They stood up to the plate, and they said they're  
18 going to do five minutes a night.

19 Now, it's pretty pitiful when you have to  
20 ask people to do five minutes a night in the 30 days  
21 before the election, considering that they're taking  
22 in \$1.2 billion in political advertising using the

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1 public airways.

2 (Applause.)

3 COMMISSIONER ADELSTEIN: But you know, as  
4 pitiful as that may seem, it's actually a very big  
5 deal because others aren't doing it, and those who  
6 agreed to do the five minutes, and I challenge  
7 broadcasters to do it, are according to the study  
8 doing three times as much political campaign coverage  
9 as those who didn't even bother to do that.

10 And this year we have a handful of  
11 stations, again. Hearst-Argyle again this year agreed  
12 to do that, but most of them aren't agreeing to do  
13 that. I mean, I haven't heard from the vast bulk of  
14 broadcasters.

15 So we say the marketplace drives it, and  
16 I'd like to hear a little bit about the success that  
17 we have here. I mean, in a sense, first, Hearst-  
18 Argyle is doing something right compared to the other  
19 broadcasters, but what we apparently have is market  
20 failure in economic terms.

21 I mean, the market is not working because  
22 I talked to one news director who said that election

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1 coverage is ratings poison. Now, maybe that's not  
2 true, but that is apparently the prevailing attitude  
3 among news directors in this country, and it's borne  
4 out by these statistics unless somebody can prove them  
5 wrong, and nobody has bothered to even try.

6 So, to hear from you about how do you get  
7 news directors to say that this is worth covering, how  
8 do you make it exciting enough?

9 And from other people, you know, what can  
10 we do to get broadcasters to do their  
11 responsibilities, to do the kind of coverage that the  
12 public deserves to get so that they can make the big  
13 decisions that are before them in the election?

14 MR. HESTON: Well, Commissioner and  
15 Commissioner Capps, I can't do a tutorial on good  
16 television, but a good news operation, politics is the  
17 life blood of our democracy, and if you can't capture  
18 that on television news, then you shouldn't be in the  
19 business of television news.

20 And it's not about sensationalism. It's  
21 about local issues that affect all of the people that  
22 watch our television station, that watch in this area.

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1 And if we don't do that, for 50 years KSBW wouldn't be  
2 the station that it is.

3 I would suggest, Commissioner Capps, that  
4 with all due respect, we could put on a thousand hours  
5 on a thousand outlets of people standing and talking  
6 about issues, but that doesn't mean that people will  
7 come to hear them.

8 What we try to do is put on --

9 (Applause.)

10 MR. HESTON: What we try to do is put on  
11 political coverage that's relevant and that people  
12 will actually see and it will have an impact.

13 Just as with public affairs programming,  
14 we could put on all 24-hour a day public affairs  
15 programming, just one half hour of a talking head  
16 after another, but by capturing it in a highly rated,  
17 highly robust local news, the real issues go out to  
18 the community that we serve.

19 MR. TWEEDLE: Excuse me. I am not a  
20 television person at all. I'm just a viewer like the  
21 rest of you, but I commend the people that step up to  
22 the plate in the business, that do a good job like

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1 KSBW who are in this marketplace.

2 But being a radio person, which is what  
3 I've spent my career in, unfortunately a lot of years  
4 and a lot of gray hair, I'd like to really say that  
5 radio in a lot of markets -- and I'm going to salute a  
6 couple of my very tough competitors up in San  
7 Francisco, KGO, KCBS, KQED, the public station - all  
8 do a fabulous job with coverage, and these are all  
9 basically 24-hour a day operations.

10 (Applause.)

11 MR. TWEEDLE: And do you know what? We  
12 live or die by the Arbitron ratings. There are 48  
13 stations that make the book pretty much every time  
14 around, and our success or failure commercially  
15 depends on our ability to deliver an audience.

16 And the KGOs and the KCBSs of the world  
17 are right up there, and they do a great job, and I'm  
18 proud to say that our company owns two great news  
19 operations, WTOP in Washington, D.C. and KSLM in Salt  
20 Lake.

21 So we very much march to that tune in the  
22 markets where we can operate those kinds of stations.

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1                   COMMISSIONER ABERNATHY:    Could I do one  
2 quick follow-up on this same area, which is I'd like  
3 to hear from Mr. Dominguez about Telemundo's  
4 experience as far as broadcasting more political  
5 information, information about elections and  
6 candidates. And then the viewership of that, and what  
7 you've learned or haven't learned from the Hispanic  
8 community reaction.

9                   MR. DOMINGUEZ:    One of the things that we  
10 have done through all the television stations that I  
11 have, is that we also feel that we are, as I mentioned  
12 before, bridged for that underserved community. So  
13 part of it is also bringing some of the issues that  
14 are affecting a lot of our audience that does not  
15 vote. So part of what we do, besides just covering  
16 each one of the propositions that is up, and we have a  
17 commitment to each one, and each one of the local  
18 politics, so for the coverage areas that we have, it's  
19 11 counties. We try to get those issues where there's  
20 the highest concentration of Hispanics.

21                   And then in addition to that, we also have  
22 a commitment that, the 20 years that I've been in the

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1 business, we unite with local organizations or with  
2 the Southwest Voter Registration Project to make sure  
3 that there are citizenship campaigns and voter  
4 registration campaigns, and then getting out the vote  
5 campaign. So it's about covering each one of the  
6 issues, and each one of the sides in any one of the  
7 key elections, supervisory elections. And currently,  
8 we also initiated quite a few different segments  
9 during our newscast besides breaking news where it's  
10 called "Talk to Your Leaders", so we do interviews  
11 with different Mayors, Chief of Police, covering some  
12 of those issues that come to us from the public.

13 (Applause.)

14 COMMISSIONER ABERNATHY: Thank you very  
15 much. So here's the question. We can move straight  
16 to Panel II with no official break, and leave the  
17 break before the public mic time, or we can take a  
18 very quick break, but I'm afraid of getting people  
19 coming and going, so what we could do is just -- those  
20 who want us to continue say "yea."

21 (Audience response.)

22 COMMISSIONER ABERNATHY: Okay. Well,

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1 those who don't? All right. We're going to continue.  
2 Also, the panelists, if anyone needs to get up, please  
3 do so. I mean, we're not trying to make people suffer  
4 up here. I'd like for Secretary Dortch to introduce  
5 the second panel.

6 SECRETARY DORTCH: In order of  
7 presentation, the speakers are Harry J. Pappas,  
8 President and CEO, Pappas Telecasting Companies,  
9 Visalia, California; John P. Connolly, National  
10 President, American Federation of Radio and Television  
11 Artists, Los Angeles, California; Kathy Baker,  
12 Executive Vice President, Buckley Radio; General  
13 Manager, KWAV-FM and KIDD-AM, Monterey California;  
14 Davey D. Disc Jockey,

15 (Applause.)

16 SECRETARY DORTCH: KPFA-FM, Berkeley,  
17 California; Delia Saldivar, Regional Manager, KHDC-FM  
18 (Radio Bilingue, Inc.),

19 (Applause.)

20 SECRETARY DORTCH: Salinas, California;  
21 Harry B. Robins, Jr., Emergency Services Manager,  
22 Monterey County, California; and Warren L. Trumbly,

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1 President, Community Broadcasters Association, Zephyr  
2 Cove, Nevada; Vice President, Broadland Properties,  
3 KAXT-CA, San Jose, California.

4 (Laughter.)

5 COMMISSIONER ABERNATHY: All right. Let's  
6 first hear from Mr. Pappas who's here from Pappas  
7 Telecasting.

8 MR. PAPPAS: Commissioners, fellow  
9 panelists, distinguished guests, and members of the  
10 public, good evening. I am pleased to appear before  
11 you today as a broadcaster who just celebrated his  
12 40th anniversary in this great industry, but also as a  
13 concerned citizen who believes that localism is  
14 increasingly quite endangered.

15 Regulatory action is required to ensure  
16 that we are able to fulfill our duties without  
17 improper restraint by those who are not licensed to  
18 serve a local market.

19 (Applause.)

20 MR. PAPPAS: The public has a legitimate  
21 concern when localism and diversity are threatened by  
22 increased network dominance of over-the-air TV, and

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1 the public senses that the increase in profanity and  
2 indecency on television has occurred as a consequence  
3 of such increased dominance in the last 15 years. I  
4 think there is reason for such concern, and here's  
5 why.

6 Free, over-the-air broadcasting is the  
7 means by which we're bound together as a nation. It  
8 is our national public space, and a symbol of our  
9 democracy. In authorizing local broadcast stations,  
10 Congress gave them a special mandate to serve local  
11 communities, and indeed, the network affiliate  
12 relationship reflects in a significant sense the  
13 principles of federalism on which this nation is  
14 founded.

15 The Commission has consistently reaffirmed  
16 the obligation of broadcast licensees to air  
17 programming that is responsive to the interest and  
18 needs of the diverse local communities we're  
19 privileged to serve. And as the recent hearings in  
20 Congress on broadcast indecency reflect, local  
21 broadcasters can also be the best defense against  
22 indecent and profane network program content.

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1                   However, our ability to discharge that  
2 statutory duty to program in the interest of our local  
3 viewers is limited by certain Big Four network  
4 practices. This tension between the law and the true  
5 realities of the network affiliate relationship has  
6 been clearly outlined by the Network Affiliated  
7 Stations Alliance in its petition filed before the FCC  
8 in March of 2001.

9                   Today, local affiliates have been  
10 virtually stripped of any right to receive network  
11 programming in advance, and to evaluate its content.  
12 An affiliate is now asked to pay compensation and even  
13 risks losing its affiliation if it preempts more than  
14 a specified number of hours of Big Four network  
15 programming. And as the result of unduly relaxed  
16 federal oversight, the Big Four networks are in a  
17 position to effectively deny local stations the  
18 ability to reject network programs that may simply be  
19 unsuitable for their local market, or to substitute  
20 programs of greater local interest or importance.

21                   Lastly, certain Big Four networks now seek  
22 complete control over all of their local affiliates

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1 digital spectrum by seeking to require those stations  
2 to carry unspecified digital content in violation of  
3 the FCC's option time rules. Unfortunately, unless  
4 the Commission, and we, forthrightly reverse this  
5 trend, local stations will become mere passive network  
6 conduits for national network programs, to the great  
7 detriment of you, our viewers, and to our democracy.

8 The bottom line is this - localism depends  
9 on a balanced network-affiliate relationship. Localism  
10 will not survive unless the proper parameters of that  
11 relationship are restored by prompt affirmative action  
12 by this Commission.

13 Localism also depends on the continued  
14 viability and robustness of free over-the-air TV. The  
15 simple truth is that Americans are increasingly being  
16 made to pay for what they used to get for free 20 or  
17 30 years ago.

18 (Applause.)

19 MR. PAPPAS: For example, in the 1960s, the  
20 National Football League promised that if it were  
21 given Anti-Trust Immunity, it would not go to pay TV.  
22 Decades ago, the public was assured that collegiate

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1 sports would primarily be on free over-the-air TV, and  
2 now you know much of the NFL games and college sports  
3 are on pay TV.

4 The repeal of the Financial Interest In  
5 Syndication or FINSYN Rules has effectively strangled  
6 independent TV production. The repeal of FINSYN,  
7 which I confess I once supported, together with the  
8 Commission's unwillingness to enforce its network  
9 affiliation rules for much of the last decade and a  
10 half, have effectively assured that independently  
11 produced programming is shut out of prime time or  
12 prime access periods.

13 The impact on consumers of all this is  
14 tangible. Not only are they now required to pay for a  
15 lot of popular programming that they used to get for  
16 free, but they are also deprived of the diversity in  
17 offerings that a vibrant, independent production  
18 market once provided.

19 If the FCC is genuinely committed to  
20 preserving localism, I believe that it must assure the  
21 right of local stations to truly control the  
22 programming that goes over the air, and it must assure

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1 that independent production doesn't disappear from TV.  
2 It must also assure the continued viability of free  
3 over-the-air local broadcasting, which can't survive  
4 in an advertising supported context if its critical  
5 mass of viewers continues to dwindle because of benign  
6 neglect by Congress and the Commission.

7 (Applause.)

8 MR. PAPPAS: Why does the viability of  
9 over-the-air local stations matter to you? Because  
10 broadcasters have largely kept their promise to the  
11 American people. And yes, to our government. Local  
12 over-the-air stations have an unmatched record of  
13 community service and of broadcasting in the public  
14 interest. And long ago, this Commission fostered the  
15 establishment of more news stations nearly all UHF, to  
16 promote diversity and competition, and it worked.

17 Our first TV station, KMPH in Visalia,  
18 Fresno went on the air in 1971. It was the first  
19 independent station outside of the top 20 markets to  
20 launch local news in 1979. Now we carry nearly 30  
21 hours per week of live local news.

22 Today most UHF stations that went on the

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1 air over the last four decades are --

2 COMMISSIONER ABERNATHY: You're winding  
3 up, right?

4 MR. PAPPAS: I'm winding up. As struggling  
5 independents, have successful daily local newscasts  
6 and regular public affairs programming. And just last  
7 week, we joined many others in our industry in  
8 announcing our Election 2004 Voter Awareness  
9 Initiative, a public service campaign of enhanced  
10 candidate and issue coverage in the 30 days preceding  
11 Election Day 2004. And as part of this initiative,  
12 all of our stations that are news producing will  
13 devote a minimum of five minutes per day to election  
14 issues and candidate coverage within our newscasts.

15 Localism is the bedrock of broadcast  
16 regulation, and it's a tribute to the genius of  
17 Congress that it designed a broadcast system to assure  
18 that local stations in local communities, not network  
19 executives in Hollywood or New York, would pick the  
20 programs for those communities.

21 The emphasis on localism and diversity is  
22 what made American broadcasting the envy of the free

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1 world.

2 (Applause.)

3 MR. PAPPAS: Free over-the-air local TV has  
4 served communities across America well. With your  
5 continued support, and yours, we'll continue to  
6 provide free TV service that reflects the needs and  
7 interest of local communities for a long time to come.  
8 Thank you.

9 COMMISSIONER ABERNATHY: Thank you, Mr.  
10 Pappas. We're fortunate Mr. Pappas is also willing, he  
11 spends time in Washington working with us, educating  
12 us, so thank you again. And now we'll hear from Mr.  
13 Connolly about his concerns. Thank you.

14 MR. CONNOLLY: Thank you. I want to  
15 express my appreciation both to the Commissioners and  
16 the Commission Staff for the honor of appearing here  
17 tonight and discussing these important issues.

18 In seeking broad public participation in  
19 the discussion surrounding this critical public policy  
20 issue, however belatedly, the Commission is  
21 acknowledging the tremendous challenge faced in  
22 balancing corporate hunger for deregulation against

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1 society's right to demand that the public airwaves be  
2 used to serve and protect our local communities, our  
3 artistic communities, and the free flow of information  
4 that underpins our democracy.

5           There can be no doubt that localism and  
6 the public interest are inextricably linked. In my  
7 role as President of the American Federation of  
8 Television and Radio Artists, I'll attempt to  
9 adequately articulate grave concerns of our nearly  
10 80,000 members who work in the media as broadcast  
11 journalists, actors, recording artists, and other  
12 entertainers, as well.

13           We have a lot of concerns about the  
14 continued erosion of regulatory framework in the  
15 broadcast industry. And I submit that the central  
16 question to be answered in this entire process is  
17 whether market-driven forces alone can ever  
18 sufficiently protect the needs and interests of local  
19 communities and individual artists, or whether an  
20 unregulated marketplace will ultimately sacrifice the  
21 free exchange of ideas representing diverse viewpoints  
22 on the altar of the corporate bottom line.

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1 AFTRA, along with Communications Workers  
2 of America, the Newspaper Guild, NABET, the  
3 Technicians Union and the Writers Guild of America  
4 East, representing some half-million media workers,  
5 conducted a survey of a broad cross-section of print  
6 and broadcast news professionals, and the results are  
7 quite informative.

8 Notwithstanding the seismic shift in their  
9 industry and the commensurate threat to their very own  
10 livelihood, this group of workers and artists  
11 overwhelmingly expressed concern not about their self  
12 interest, but rather about the loss of integrity and  
13 diversity in news coverage as a direct result of  
14 industry consolidation.

15 These workers surveyed overwhelmingly  
16 cited an increased emphasis on the bottom line, a  
17 declining quality of community coverage, too little  
18 focus on complex issues, and the ever-growing  
19 influence of ratings, or circulation in the newspaper  
20 business, on coverage and programming decisions. We  
21 released the survey yesterday morning at the United  
22 States Capitol.

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1                   When asked to predict the likely impact of  
2 further deregulation, 80 percent noted that it would  
3 be likely negative. Eighty-six percent cited less  
4 diversity of viewpoints in local news coverage, 86  
5 percent thought control of news and programming  
6 decisions would be concentrated in even fewer, too few  
7 corporate hands, 79 percent predicted growing  
8 corporate bias in the news, and 78 percent feared a  
9 general and continuing decline of news quality.  
10 Seventy-five percent of these views in broadcast  
11 workers surveyed have worked in the media field for  
12 more than 10 years, and more than 50 percent of them  
13 have been affected directly by changes in ownership  
14 due to consolidation within the past 5 years.

15                   Commissioners might want to follow-up our  
16 survey results with further interviews with broadcast  
17 journalists and workers, but you should consider  
18 making provision to protect the identity of those  
19 workers who would come forward, because unfortunately,  
20 many of our members, both those we interviewed and  
21 others, are already fearful of openly disagreeing with  
22 the new deregulatory orthodoxy; such as, single news

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1 rooms and duopoly situations, etc. They fear for  
2 their jobs.

3 Now one might conclude that these results  
4 evidence little more than fear of change among  
5 entrenched union members and the unions themselves,  
6 but I submit that there are a number of concrete  
7 decisions being made in corporate boardrooms  
8 throughout this nation that give credence to all the  
9 concerns that we've raised. And I'd like to express a  
10 few tonight.

11 One familiar to many of us is voice  
12 tracking in radio. It has been demonstrated again and  
13 again that distant programming disguised as local  
14 programming actually corrodes local service in many  
15 radio markets, unfortunately.

16 (Applause.)

17 MR. CONNOLLY: Clear Channel Radio is the  
18 greatest example of this, owning over 1,250 stations,  
19 close to 70 percent of Clear Channel's radio  
20 broadcasts are voice-tracked from distant locations.  
21 Now if you're voice-tracking 1,200 stations or close  
22 to it with distant production, that is not local

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1 production.

2 In addition, this is now leaking over into  
3 the television business, with experiments like  
4 Sinclair Television creating central-casting. The  
5 television equivalent of voice-casting, where news and  
6 weather is being broadcast from a single national  
7 facility.

8 I'll wrap-up by just going to a final  
9 comment. Essentially, our unions and our members,  
10 and, I think, the public is urging a full schedule of  
11 Commission hearings like this one.

12 (Applause.)

13 MR. CONNOLLY: Hopefully, I don't mean to  
14 be churlish, but hopefully with the Chairman present.  
15 And these hearings, we believe, should examine every  
16 aspect of ownership regulation, localism, and  
17 diversity in program and voices, touching every corner  
18 of our country, and listening to the unprecedented  
19 millions of voices that have already been raised in  
20 alarm at the fraying of our media democracy, which is  
21 so crucial to the politics and integrity of our  
22 republic. Thank you.

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1 COMMISSIONER ABERNATHY: Thank you very  
2 much, Mr. Connolly. I think you struck a chord with  
3 the audience, and I want to also say thanks for the  
4 survey data. Again, that's the kind of information  
5 that we need as we move forward and decide where we go  
6 from here, so thank you again for taking the time and  
7 for your presentation. And now I'd like to introduce  
8 Kathy Baker, and have her make her presentation.

9 MS. BAKER: Thank you very much. Good  
10 evening, Commissioners, ladies and gentlemen. I'm  
11 pleased to be here tonight speaking about how  
12 broadcasters serve their local communities, and how my  
13 stations in particular fulfill that role.

14 I've been involved with local media in the  
15 Monterey market for over 24 years. I've been the  
16 General Manager of KWAV for 16 years, and KIDD for 9  
17 years, in addition to my duties as General Manager in  
18 Monterey. I'm the Executive Vice President for  
19 Buckley Radio Overseas Stations in California, and I  
20 was the Chairman for the California Broadcasters  
21 Association in 2003.

22 KWAV and KIDD are privately owned. Our

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1 parent company, Buckley Radio, owns 10 stations in  
2 California and 9 stations on the East Coast. This in  
3 many ways translates to answering to Main Street and  
4 not Wall Street. The company's philosophy has always  
5 been to be involved in local communities.

6 At my stations, we invest in enough  
7 personnel and resources to keep that mission alive.  
8 And we believe that it's just smart business and what  
9 the community looks for in their local radio stations.  
10 Being local creates a relationship with the audience  
11 and, therefore, makes for a successful business. It  
12 is not only the right way to be, but the smart way to  
13 be.

14 I was born on the Monterey Peninsula, and  
15 you don't get any more local than that. My concern  
16 for the community and our radio stations' audience  
17 carries over to my personal philosophy in running a  
18 radio station that the things that are important to  
19 the people that live and work in the community.

20 When Buckley Radio purchased Radio Station  
21 KIDD-AM, it had been off the air, and the owners had  
22 gone bankrupt. In 1994, we launched a nostalgia music

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1 format, offering a style of music in a formation not  
2 previously available in the market. Over the last 9  
3 years, KIDD has offered an outlet for local musicians  
4 to showcase their music. We have a program which runs  
5 every week called "Colony Arts," which features a  
6 local musician, music teacher, or music program.

7 We also have a show called "Central Coast  
8 Swing," which is dedicated to promoting local  
9 musicians, their venues, and their recordings. We  
10 have our own local band called "The Magic 63 All-Star  
11 Band," which is made up of all local musicians.

12 Throughout the week we will highlight and  
13 give air play to local acts, and put on our own summer  
14 music festival each year with local musicians. Our  
15 annual summer music festival is free to the public.

16 Both KWAV and KIDD feature locally  
17 generated newscasts along with CNN and NBC National  
18 News, public affairs programming, public service  
19 announcements, in addition to our sponsored community  
20 events and our music formats. We are heavily involved  
21 in our local community, working side by side with non-  
22 profits, governmental agencies, city governments, and

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1 government officials to get their message out over the  
2 airwaves.

3 The following are just a few of the  
4 organizations we are involved in - Children's Miracle  
5 Network. Over the last two years, KWAV and KIDD have  
6 been responsible for raising over \$160,000 for a local  
7 non-profit Children's Miracle Network. But more  
8 importantly, letting numerous local organizations get  
9 out their message in over 80 hours of live  
10 programming. The entire KWAV and KIDD staffs are  
11 involved in these kind of efforts.

12 There's an organization, Jazz Masters.  
13 Jazz Masters is a music and education program. It's  
14 dedicated towards teaching music to the youth in our  
15 area. Working closely with Director Bruce Foreman,  
16 we're able to get the word out about his events and  
17 workshops in our area.

18 Bruce is a frequent live in-studio guest  
19 on our stations, and we have assisted him in many of  
20 his fundraising efforts, including recent coverage of  
21 his trip across the United States called, "Route 66  
22 Challenge." Bruce and his band raised money for Jazz

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1 Masters by traveling the original Route 66 and played  
2 music along the way to raise funds. We covered his  
3 travels live and on our website over a two-week period  
4 of time.

5 (Applause.)

6 MS. BAKER: Another sample of another event  
7 we're involved in is the City of Monterey's annual  
8 Fourth of July celebration. We work hand-in-hand with  
9 the city to put on a safe, entertaining Fourth of  
10 July. We run public safety tips, as well as recorded  
11 and live announcements about the event. We also  
12 provide a 20-minute musical synchronized sky concert  
13 for the fireworks show for the city. Our on-air staff  
14 participate in the day and evening activities.

15 Meals on Wheels, Alliance on Aging, SPCA,  
16 City of Seaside, City of Salinas, Monterey Public  
17 Library - I could go on, and on, and on. These are  
18 organizations that we work with, and also we're  
19 involved in all the chamber of commerces, or most of  
20 them, to help in our outreach program in the  
21 communities to target the needs and interests of our  
22 listening audience. We have an active participation

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1 of staff members volunteering their time as an  
2 announcer for all kinds of events, and also on the  
3 site.

4 I want to thank you for the opportunity to  
5 speak here tonight. I understand the Commission's  
6 need to reach out into the local communities and get  
7 the public's feedback on the job we are doing. I can  
8 proudly say I feel we are doing a great job. This is  
9 the place I have chosen as my home, and running a  
10 business that also supports the local community is the  
11 bonus. I'm happy to answer any questions. Thank you  
12 very much.

13 COMMISSIONER ABERNATHY: Thank you very  
14 much, Ms. Baker, for telling us a lot about what you  
15 do here in the local community. We appreciate that.  
16 And now we'll turn to Davey D, Disc Jockey.

17 (Applause.)

18 DAVEY D: Just for people who don't know,  
19 I've been in radio for close to 15 years, spent 11 of  
20 them at probably one of the most influential radio  
21 stations in the country, which was KMAO, which was a  
22 Clear Channel affiliate. With that being said, a few

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1 things that we need to keep in mind.

2 Radio, generally speaking, is very apt at  
3 doing what we call "smoke and mirrors" in the  
4 business. That means that we present an image and make  
5 it sound good, we're really good at selling things,  
6 crunching numbers, and painting this picture that  
7 really achieves our end. And the thing that we depend  
8 upon, collectively speaking, is the fact that the  
9 average person doesn't really know what goes on behind  
10 the scenes, the types of manipulation that takes  
11 place, all the types of games that are played to  
12 really paint this picture.

13 That being said, what happens is, is that  
14 this is boosted by the fact that you'll have very few  
15 DJs like myself who are in the professional level, who  
16 will speak out. Now I think when I spoke in Seattle,  
17 I showed my contract which said you can't speak about  
18 inner-workings of your station. I had to give up my  
19 severance package so I could continue to speak about  
20 these sorts of things. So you're not going to find  
21 your popular DJ coming to a hearing like this and  
22 saying look, these are the things that are going on,

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1 and these are the reasons why they need to be  
2 corrected. That usually means that the spokespeople  
3 are going to be the managers or the owners, who are  
4 going to paint the rosy picture, which you often have  
5 to question is it motivated, especially this whole  
6 question about localism, is it motivated by an  
7 economic agenda, or is it really a sincere, genuine  
8 concern about what the local community needs, even if  
9 they, as owners, disagree with that. And that's where  
10 the real question comes in. So we have to keep that  
11 in mind.

12 The other thing that happens is that we  
13 forget when we do all this "smoke and mirrors," that  
14 all these changes that we're talking about, even if  
15 you can find radio stations that show these examples,  
16 they're not institutionalized. So yes, we can point  
17 all across the country and say this DJ at this  
18 station, he showed all the public love for us. Or  
19 that radio station, they did a nice thing - they did a  
20 concert and all that, but is it institutionalized?  
21 What happens if that local DJ, who's doing the favor  
22 for y'all, doesn't like you? What happens if the

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1 radio station that owns 12 in the market decides that  
2 they don't feel your organization, because you are  
3 organizing and doing all this activist work to result  
4 in these type of hearings, you might not be on the  
5 airwaves, and you won't have access to the public. So  
6 you have to have these things institutionalized. It  
7 just can't be nice guys doing you a favor. That's a  
8 problem.

9 (Applause.)

10 DAVEY D: The other thing that you have to  
11 keep in mind, a lot of these cosmetic changes to me  
12 are designed to placate people in the halls of power.  
13 So in other words, we can paint the picture and say we  
14 got the ratings, we got all these things that we're  
15 doing, but the problem still stands. I've been to a  
16 lot of hearings over the past couple of years. Every  
17 time, whether it's in Seattle, San Francisco, here,  
18 you name it, the halls are always packed, standing  
19 room only. And a lot of people are just really upset,  
20 so even if you can present the nice picture, it  
21 doesn't eliminate the problem which is evident by you  
22 being here, so we have to keep that in mind.

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1                   Finally, a couple of other things I would  
2 say is that, oftentimes, radio plays this "winner-  
3 take- all" mentality. I think the woman down at the  
4 end - I forgot your name - mentioned the thing about  
5 significant audience. Okay. Let's say 51 percent of  
6 the audience agrees with what the stations want. They  
7 want more consolidation and all these different  
8 things. What about the other 49? Are they just out  
9 of luck? Do they have any recourse? Do their issues  
10 no longer matter? We're talking about a situation  
11 where we live in a country where we're supposed to be  
12 able to vigorously debate the issues, vigorously flush  
13 these things out and really have an exchange.

14                   If it's just a situation where "winner-  
15 take-all," and then everybody else we just try to act  
16 like they don't exist, and paint this picture like  
17 they never even protested, or brought these issues up,  
18 we're still going to have the problem.

19                   (Applause.)

20                   DAVEY D: I'll give you an example. In  
21 Detroit, in Chicago, in Cleveland, in Kansas City, in  
22 New York, you had community organizations, significant

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1 numbers that have launched boycotts against radio  
2 stations. There was the "Turn Off The Radio"  
3 campaign, there was the "Black Out Friday" in Detroit,  
4 there was the Chicago situation - all these things  
5 where you were just looking around and seeing  
6 everywhere you go people having the same problems,  
7 especially in the urban realm, but none of the radio  
8 stations talked about it. You didn't see it on the  
9 local news coverage. You didn't see any of these  
10 things, so then when you come to a hearing like this  
11 and start to mention it, people go well, I never heard  
12 this before, which goes back to my first point; that  
13 if you can cultivate a learned behavior, condition  
14 people just to accept what you continuously feed them,  
15 even if it's mediocre, they don't know until you start  
16 to point out all the things that have been omitted.

17 You know, for example, Clear Channel in  
18 San Francisco after 9/11 put up a dozen posters on all  
19 their billboards and had all these public affairs  
20 advertisements going on about give to the Clear  
21 Channel Fund. Be patriotic. It was only when  
22 somebody on the inside like me pointed out and said

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1 hey, did you notice that they didn't tell you about  
2 one voter registration campaign, didn't interview one  
3 candidate on any of the stations, didn't do any sort  
4 of election coverage or encouragement to a community  
5 that where you have 70 percent of the people not  
6 voting came the March 7th primary after 9/11. And  
7 people are looking around and going yeah, you know  
8 what - they didn't do that. And so this goes back to  
9 the seriousness of this problem.

10 This is not a thing of trying to make  
11 ourselves look good if we're media owners or if we're  
12 in the media. This is very serious business for a lot  
13 of people, very serious business. I feel even trapped  
14 because I only have five minutes to explain so much,  
15 where there are a whole lot of people who have  
16 protested, who have done studies, who have gone back  
17 and forth in sending delegations to the stations, and  
18 doing all types of things to bring out this type of  
19 awareness, and they're not even here to explain  
20 themselves, and talk about the organizing and the  
21 challenges that they faced, and how every single time  
22 they were rebuffed.

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1           If you listen to the radio stations in San  
2           Francisco, some of the key things that people are  
3           complaining about, local artists not getting played.  
4           That was the basis for all the boycotts in the cities  
5           I mentioned. Some of the community access that a lot  
6           of key organizations, other than one or two that got  
7           on the airwaves had, they didn't have access. So now  
8           you see some of these cosmetic changes. But what they  
9           don't tell you is that it didn't come after all these  
10          protests and everything. It only came when another  
11          radio station came into town and said we'll fill the  
12          void. Then, you can listen to all the local groups,  
13          then you can hear all the public service  
14          announcements, then that same radio station that was  
15          turning away dozens of people at a time and ignoring  
16          all these important issues, suddenly they want to be  
17          your best friend, and we're supposed to buy into it  
18          and say yes, sign on the check and give them whatever  
19          they want.

20                 This has got to stop. It goes beyond just  
21          a few sound bites at a hearing. It goes beyond just a  
22          few station owners touting what they can do, giving

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1 anecdotal evidence, and then making everybody think  
2 that that's the way it is all across the country.  
3 There's serious prices that you pay if you're on the  
4 inside of these stations and you speak out against it.  
5 You won't find anybody who's working for any of these  
6 big major corporations speaking out. At all the  
7 hearings we've been at, have you seen any of them? I  
8 mean, you've been at these things, you all see it -  
9 because you get blackballed in the industry, where  
10 it's increasingly getting smaller, and the competition  
11 is less and less. So everybody keeps their mouth  
12 shut, and then we have this illusion that everything  
13 is A-okay.

14 There's so much more I could add. We  
15 don't have a whole lot of time. I'll answer  
16 questions. I will say one thing, that there was a  
17 study that was done, and I'll just conclude with this,  
18 because this was something that wasn't covered locally  
19 by the TV stations or the radio stations.

20 You had a group of people, mostly twenty-  
21 something year olds, those type of people who you say  
22 are apathetic, the hip-hop audience that doesn't do

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1 anything except rap and wear fat gold chains, they put  
2 together a study after listening and monitoring the  
3 local radio stations in their community for a couple  
4 of months, came up with a set of recommendations,  
5 conclusions, talked about it, put it in the paper,  
6 passed it out to everybody. Not only did it not get  
7 covered on the local media, but then when these  
8 changes that they recommended started to come, the  
9 very people who organized were not part of the process  
10 when it came time to seating people at the table;  
11 which means that there was a punitive action against  
12 those who organized. And so people who are getting  
13 air play and access now, they're the ones that didn't  
14 even organize in the first place, which is a shame, so  
15 that you still have the same problem in those very key  
16 issues not being addressed. Thanks a lot.

17 COMMISSIONER ABERNATHY: Thank you very  
18 much, Davey D, for taking the time and having the  
19 courage to come here. You breezed through the clock  
20 and I didn't even know it because I was paying such  
21 close attention. And I want to thank you again for  
22 all your information and what you said. And let's

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1 keep moving, so we can get to the open mic. At this  
2 time, I'd like to introduce Ms. Saldivar.

3 MS. SALDIVAR: Yes, after this great  
4 speech, I would like to talk about the situation of  
5 the Latino population in this country, and how the  
6 media doesn't represent us how we are and how we don't  
7 have access, and what we should have.

8 (Speaking Spanish)

9 MS. SALDIVAR: I wish to express my  
10 gratitude to the Commission for allowing myself and  
11 other committee members to submit testimony on the  
12 important issue of industry deregulation. My name is  
13 Delia Saldivar. I'm a Mexican immigrant and resident  
14 of Monterey County, California. I'm the Manager of  
15 KHDC-FM, a Latino-controlled public radio station in  
16 Salinas, and part of Radio Bilingue, Inc., a statewide  
17 network of five full-power FM stations serving  
18 California. We're affiliated in California in South  
19 Salinas, Mexico and Puerto Rico.

20 We broadcast 24 hours a day and 7 days a  
21 week with music and informational programming to  
22 benefit our community. We broadcast in Spanish,

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1 Mixteco, Trici (phonetic), Hawaiian, Filipino, Latino  
2 and also some English. Some languages are native  
3 languages for people who come from other countries to  
4 the United States. We are a community-based station  
5 and guided by our mission to provide information and  
6 access to our community through the radio airwaves.

7 There is a growing need by our diverse  
8 community for ethnic controlled media in California  
9 and across the United States. Through my comments, I  
10 would like to focus on how the Latino community in  
11 California and nationwide can use media outlets to  
12 address issues such as health in a linguistically and  
13 culturally competent way.

14 Currently, one-third, 32 percent, of  
15 California's population is Latino. Over two-thirds,  
16 70 percent of this population is of Mexican descent,  
17 with 45 percent being foreign-born. The Latino  
18 population continues to be one of the fastest growing  
19 in our state. California's Hispanic origin population  
20 is expected to double between 1995 and 2025, and  
21 accounts for one-third of the nation's total Hispanic  
22 population. By 2025, Hispanics are projected to be

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1 the largest race or ethnic group in California,  
2 comprising 43 percent of the population.

3 According to the 2000 census, some  
4 California counties are already a majority Latino as  
5 in Tulare and Imperial counties. The majority of this  
6 population prefers to communicate in Spanish, and  
7 refers to Spanish as their language, primary language,  
8 and their language of comfort. However, the number of  
9 radio outlets, commercial and non-commercials, that  
10 are owned or controlled by Mexican-Americans in  
11 California is zero, except for radio stations.

12 The radio airwaves should be used to  
13 benefit the public and to address pressing issues.  
14 One of these issues is health. The level of health  
15 disparities in the Latino community is shocking.  
16 Currently, 1.2 million Latinos of Mexican ancestry in  
17 the United States have been diagnosed with diabetes.  
18 Cardiovascular disease is a leading cause of death  
19 among Latinos in California and nationwide.

20 A lot stations will broadcast programs and  
21 messages to inform our Spanish speaking listeners  
22 about ways to get health care for themselves and their

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1 children. We use the airwaves as an informational tool  
2 and in this manner we provide the public service that  
3 all media outlets should provide. The need for  
4 reliable information from local services continues to  
5 grow as the demographics of this state and the nation  
6 shifts.

7 For the majority of Latinos, English is  
8 not our language of preference. So naturally, a  
9 Spanish language programming better serves our  
10 community. Media is turning into a giant money  
11 machine, instead of the people's voice. As the need  
12 for reliable information grows, so has the  
13 consolidation of the media outlets. This  
14 consolidation includes Latino-Spanish language  
15 services, such as the purchase of Hispanic Radio by  
16 Univision. The Spanish language corporate media  
17 offers less information to our communities, less  
18 cultural programming, and virtually no local  
19 information programming. The corporate Spanish radio  
20 industry is increasing a broadcast of its own version  
21 of "shock radio", and they broadcast music that  
22 glamorizes drugs and violence to increase their

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1 ratings.

2                   Unfortunately, in many markets, especially  
3 urban California markets, there is no Spanish language  
4 public radio service to provide an intelligent  
5 alternative for listeners. Simply stated, due to the  
6 weakened regulation in the industry, a large segment  
7 of the population is being excluded from effective  
8 radio service. The current stakeholders who are media  
9 conglomerated do not represent or produce programming  
10 to address the needs of the growing majority of  
11 California and Latinos across the nation.

12                   We urge the FCC to look closely at the  
13 actual demographics of our state and our nation, and  
14 investigate whether or not the current situation  
15 provides equal access to linguistic or cultural  
16 minorities. After all, aren't these airwaves meant to  
17 serve the public? We support the FCC's efforts and  
18 policies for increasing local services in low power  
19 radio. Thank you for considering my comments.

20                   (Applause.)

21                   COMMISSIONER ABERNATHY: Thank you, Ms.  
22 Saldivar, for your commitment to the Hispanic

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1 community, and also for sharing with us all the  
2 information about what's going on. We really  
3 appreciate it. And now I'd like to turn to Mr.  
4 Robins, who's Emergency Services Manager in Monterey  
5 County. Mr. Robins.

6 MR. ROBINS: Thank you very much, and I  
7 thank the Commission for inviting me here to speak  
8 tonight. I'm going to talk respective of Emergency  
9 Services Management. That's something I've dealt with  
10 in Monterey County for the last 13 years. That means  
11 that we collectively, the media, the Sheriff, the  
12 Mayors who were here earlier, and many of the audience  
13 have dealt with a variety of major emergencies,  
14 several disasters, and a host of minor emergencies in  
15 which we've all played a key partnership role.

16 Monterey County is not unique in some  
17 respects, but in some it is. Delia just addressed one  
18 of my major concerns that I'll touch on later. We  
19 have a wide and large growing population. We have  
20 varied demographics. We have minority needs that must  
21 be addressed, and they must be addressed in Emergency  
22 Services Management context. I can neglect no element

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1 of my community. Everybody is important, and I must  
2 reach out to everyone.

3 To do this, Monterey County, like other  
4 counties in the state, imports standardized emergency  
5 management systems. This is mandated by state. It  
6 grew out of the Oakland fires of some years ago. We  
7 are the lead agency in the operation arena. It is  
8 composed of 38 agencies, cities, volunteer agencies,  
9 districts, what have you. We handle an emergency  
10 situation, originate and coordinate all public  
11 information, those releases that go out to our media.

12 In a normal situation day-to-day, I  
13 promulgate them usually myself, or one of my staff  
14 promulgates them, the Office of Emergency Services.  
15 We put a high premium, if you will, on public  
16 information. It is vitally essential to our mission.  
17 Our goal is accurate, timely promulgation of  
18 information to maximize coverage. Our public  
19 information officers are formally trained. This has  
20 resulted in close coordination with the media  
21 frequently on name-to-name basis. We understand the  
22 mutual needs of both sides of the house. It is

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1 cooperative.

2 We know what their requirements are. They  
3 know what our requirements are. We use a process  
4 called the "Emergency Bulletin." It's promulgated to  
5 the media and all county entities - fire, law,  
6 whatever have you, through fax, through e-mail, and  
7 through our website. That's our means of getting the  
8 information out.

9 During an actual emergency, we use the  
10 emergency alert system. Yes, Monterey County, I'm the  
11 guy that interrupts your favorite program, be it game  
12 show or soap opera with that ticker tape that comes  
13 across. I'm the guy who does that. I use that only  
14 in extreme emergencies.

15 Responsiveness, to me, equates to  
16 localism, localism in putting out information for  
17 disaster information, as well as emergency  
18 preparedness. Now if I can quote Mayor Albert,  
19 paraphrase Mayor Albert, our relationship with the  
20 media here in Monterey County is strong, viable, and  
21 mutually supportive. We rely on our local media as  
22 part of the overall team and outreach arm, if you

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1 will, of OES, but there is a caveat.

2 One thing that we are finding, I think  
3 that my colleagues in the media have addressed this,  
4 is that more and more of our local stations are  
5 becoming what we call automated. If I have got to get  
6 to that audience at 10:30 at night, or 2:00 in the  
7 morning which I frequently have done, I'm probably not  
8 going to get there, because they're controlled from  
9 someplace else, and it's either taped or automated.  
10 Okay. Not in all cases, but more and more of that  
11 percentage is going up.

12 Now OES has some needs. My needs are very  
13 simple. First of all, we need from the media  
14 notification of changes. This is what happened to me  
15 at the Salinas Air Show last year, and the local  
16 people will probably appreciate this. I have one  
17 station which is my LP-1, my primary station for the  
18 emergency alert system. I walked up to that station's  
19 booth at the Salinas Air Show, after the previous week  
20 of putting out the information on that station's  
21 frequency. There before me were bumper stickers which  
22 had changed their frequency.

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1 I felt a little stupid, but there's no  
2 mechanism - correction - infrastructure in place to  
3 keep the local emergency services management  
4 infrastructure informed of changes within the media.  
5 Call Station change, licensee change, points of  
6 contact changes, even fax changes - there's no way of  
7 letting us know. We need more interface with the  
8 media, and again this is localism, on PSAs. One of my  
9 roles is to promulgate information on preparedness for  
10 emergencies, again from terrorism to natural events  
11 and back again. I need to get more interface and get  
12 my message out on preparedness.

13 I also need to work my, or achieve a  
14 greater ability to deal with my ethnic minorities.  
15 And the reason for that is, I don't have any Spanish  
16 speakers in my organization, but I know that my  
17 colleagues in the media have found a way of taking my  
18 words, quickly translating them and putting them out.

19 AUDIENCE MEMBER: Hire one.

20 MR. ROBINS: I'll take you as a volunteer.

21 Let me summarize by saying from our standpoint, and  
22 I'll stress the word "local." We need to retain

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1 strong local involvement between OES and the media.  
2 We need to retain strong local mutual support, and we  
3 need to retain strong local responsiveness. The key  
4 word is "responsiveness." This equates to  
5 professional partnerships to ensure that the public is  
6 informed during any emergency situation. Public  
7 service is paramount to OES. I thank you very much  
8 for having me here tonight.

9 COMMISSIONER ABERNATHY: Thank you very  
10 much, Mr. Robins, for the work that you do every day,  
11 and for sharing with us a lot of information that  
12 frankly we just didn't have before, so I really  
13 appreciate your presentation. And last, but certainly  
14 not least, Mr. Trumbly, who's President of Community  
15 Broadcasters Association.

16 MR. TRUMBLY: Thank you, Commissioner,  
17 and thank you, FCC Staff, for putting this together,  
18 and Davey D for your great presentation. I think what  
19 you said was very important.

20 We are a group of low power TV stations,  
21 the Community Broadcasters Association, lower power  
22 and Class-A stations. There are over 2,600 of us

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1 stations around the country. We're small stations, 97  
2 percent of us are not on cable, and we're typically  
3 locally owned and operated. We have about twice as  
4 many low power and Class-A stations as there are full  
5 power stations.

6 These stations are received over-the-air,  
7 just like full power stations on your television set.  
8 The only difference is the amount of power that we're  
9 allowed by the Commission. Our Class-A stations are  
10 required to broadcast three hours a week of locally  
11 produced programming, and we're the only service to  
12 have this requirement.

13 There are low power and Class-A stations  
14 all across the country in every market, from New York  
15 City, Los Angeles, San Francisco, to Hopkinsville,  
16 Kentucky, Kerville, Texas, and Wynache, Washington.  
17 The Univision and Telemundo affiliates in Washington,  
18 D.C. are Class-A television stations. These 2,600  
19 plus stations represent the broadest spectrum of  
20 programming, and the greatest diversity of ownership  
21 of any media. There are more individually minority  
22 owned and operated LPTV and Class-A stations than all

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1 the other media combined.

2 Just east of here in Fresno, Cocola  
3 Broadcasting's KJEO-LP Channel 32 is the only station  
4 in the area doing local high school football for the  
5 Central Valley. They also do AAA Baseball for the  
6 Fresno Grizzlies, and Fresno City College basketball  
7 games. Their new business showcase features six new  
8 businesses in Fresno per show, at no charge to these  
9 businesses. Many of the owners have said that without  
10 being on television, their businesses may not have  
11 made it.

12 My wife and I operated Class-A stations in  
13 San Francisco and San Jose for over 10 years. We've  
14 had independent Spanish programming. Much of that we  
15 produced ourselves with daily newscasts from San  
16 Francisco's Fisherman's Wharf. We've also produced  
17 San Francisco 49er pre-season football in Spanish,  
18 explaining the game in Spanish. Football means  
19 something different in Spanish. We've also produced  
20 professional soccer in Spanish. We've also given  
21 local air time to, or free air time to local and  
22 regional political candidates. And we have one hour a

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1 night of local news in Korean. And we have gotten  
2 involved with the local music community. We produced  
3 video preview for many years, one hour a night, local  
4 music videos, call-in interaction within the  
5 community.

6 Full power stations service the DMA. They  
7 have a broader audience. Our stations focus on the  
8 local community. We're much more specific in our  
9 viewers. Mary Silver in Kerville, Texas, with KVHC-LP  
10 is an example of localism. They're 70 miles outside  
11 of San Antonio, and they're surrounded by hills with  
12 very little off-air reception. They serve a community  
13 of about 25,000 people. They work with the local  
14 school system to produce "Club Ed," a 30-minute  
15 educational program. They also telecast local  
16 high school football games.

17 Mary told me of a story of an elderly lady  
18 who was physically unable to attend the high school  
19 football games because she could not climb the steps  
20 to get into the stadium. She called the station in  
21 tears after seeing her son for the first time playing  
22 his trumpet in the high school band during the game.

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1 This is just one of ten locally produced shows each  
2 week, including a nightly half-hour newscast for  
3 Kerville, Texas. And they are the only local  
4 emergency outlet in the community.

5 Mary Silver is committed to her community,  
6 so committed that she has refinanced her house twice  
7 in order to build the station and to produce local  
8 programming, because the community needs the local  
9 attention from her local station.

10 Vernon Watson in Pensacola, Florida is  
11 another example of a person committed to localism.  
12 Vernon is Vice President of the Community Broadcasters  
13 Association, the CBA. He's an African American. He's  
14 employed full time with the U.S. Navy, but on top of  
15 his full time job, Vernon owns and operates WBQP-CA,  
16 that's CA for Class-A, Channel 12. He does  
17 significant local programming for the African American  
18 community in Pensacola.

19 Lou Zenoni is another example. He's the  
20 only television station in Trenton, New Jersey's state  
21 capital, where he does news. Lou looked at the state  
22 capital, that it should have a TV station, and he

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1 saw the need for news where there was a significant  
2 need. Lou has also had to make personal financial  
3 sacrifices to building WZBM.

4 WZBM was the first station to broadcast a  
5 Missing Child Report of 7-year old Megan Cantor.  
6 Megan was abducted and murdered by a pedophile  
7 neighbor, and Megan, you might recognize the name from  
8 Megan's Law.

9 When we talk about localism and what is  
10 local, the best definition is an example. I believe  
11 these stations and these people provide a very fine  
12 definition. And very quickly, there are five things  
13 that can help us produce more localism.

14 Number one, encourage Class-A. A kind  
15 word from the Commission, from the top on what we're  
16 doing is very important. Number two, as we go to DTV,  
17 provide a transition method that we can have a second  
18 channel and the time and the effort to do this. And  
19 number three is, our stations need to move to Class-A.  
20 They need an opportunity to do that. And number four,  
21 don't let anyone tell you that low power stations are  
22 causing problems with DTV. We're secondary, Class-A

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1 and low powers. We're not going to delay any  
2 transition. And finally, local programming - we need  
3 to get the definition of local so that when we do  
4 local interviews at the state capitol, that this could  
5 be a local program for our stations.

6 Thank you very much. In conclusion, LP  
7 TVs and Class-A stations, they've done a great job  
8 over the years. Our goal, our only success, our heart  
9 and soul is local. So, Commissioners, thank you so  
10 much. I want to work with the staff as much as I can.  
11 Thank you.

12 COMMISSIONER ABERNATHY: Thank you, Mr.  
13 Trumbly. And I think you gave us a good example of  
14 what can be done if you're committed. And he was in  
15 last week at the FCC meeting with many of us about  
16 what's going on, and we've been paying close  
17 attention. So thank you again for coming here  
18 tonight. And now we'd like to turn to Commissioner  
19 Copps to see if he has any questions for the panel.

20 COMMISSIONER COPPS: No, I think I'll  
21 forego any questions so we can get to the public mic.

22 (Applause.)

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1                   COMMISSIONER COPPS: I just would like to  
2 thank our panelists tonight for I think some of the  
3 best and most eloquent statements that we have heard  
4 anywhere. I think you have really . . .

5                   (Applause.)

6                   . . . laid out some of the big policy  
7 problems, and also some of the nuts and bolts problems  
8 that we need to address, and we thank you for that.  
9 The message I'm hearing from most of you is that the  
10 public interest is in trouble, and I think we need an  
11 affirmative action program for the public interest  
12 based on what I've heard.

13                   COMMISSIONER ABERNATHY: Commissioner  
14 Adelstein.

15                   COMMISSIONER ADELSTEIN: I do want to get  
16 to the public comments as soon as possible, but I just  
17 have to observe that I heard a consistent theme here  
18 about localism, and the need for local ownership  
19 really, for things to be down, down low. We heard  
20 about networks trying to crush local affiliates. We  
21 heard about workers getting squeezed and crushed. We  
22 heard about good things that can happen with small

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1 broadcasters who take the cities and the communities'  
2 interest into their own hands and put local artists  
3 on. You hear what happens when somebody tries to  
4 speak up and tries to take a stand against it, and  
5 gets knocked down and crushed themselves. We hear how  
6 the Hispanic communities take it into their own hands  
7 to deal with their own needs, and doesn't always get  
8 served as well as they need to by the larger  
9 community.

10 Emergency broadcasting, which is the most  
11 important basic function of broadcasters, if there is  
12 any public interest obligation, gets ignored and  
13 disrespected. And community broadcasters when they're  
14 small and they're community-based, do the best they  
15 can to serve their local communities. It's all about  
16 local ownership and trying to break it down, having  
17 diversity, having a lot of owners. It's a consistent  
18 theme here.

19 There's just one thing I want to ask.  
20 And, Davey, I know there's something on your mind that  
21 you didn't get a chance to say about how do you break  
22 out of that cycle? I know there's something more you

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1 had to tell us, and I want to hear it.

2 DAVEY D: The thing with local ownership  
3 in contrast to the consolidation that has taken place,  
4 this is the things that they don't talk, that goes on  
5 behind the scenes. You take, you get people that now  
6 start to use their resources to literally bully  
7 everybody from advertisers, to community  
8 organizations, to local artists.

9 Case in point - up in San Francisco, you  
10 now have another radio station that gives competition  
11 to the dominant station that's owned by Clear Channel.  
12 Now when I talk to the artists, and you heard this in  
13 Seattle at the hearing, what has happened is that  
14 these artists are afraid to even go do interviews on  
15 the new station because they've been threatened with  
16 being boycotted from the other 1,200 stations and the  
17 concert venues, and all the other resources that are  
18 held by Clear Channel stations. So this is what  
19 happens.

20 So, now you have people who have an  
21 opportunity to maybe expand their business in their  
22 reach who are afraid to do so. And the question that

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1 I ask these artists, I go well, look - they're telling  
2 you to be committed and loyal to this one outlet under  
3 the guise of doing good business. But I asked them -  
4 I said have they made a promise not to play any artist  
5 from Los Angeles, or any artist from another part of  
6 the country? No, they haven't, so they want you not  
7 to go anywhere else, but they play artists from all  
8 around, and then are very limited and very selective  
9 about who they put on.

10 That also translates over to community  
11 groups, so God help you if you speak out. Like I  
12 said, you've got Media Alliance, you've got Youth  
13 Media Council - I can go on and on about the list of  
14 people who are very key in organizing and bringing  
15 awareness about the issue of media consolidation and  
16 the importance of local access.

17 Now that there's competition and now that  
18 we have this concern, and media is responding by  
19 saying we're going to do local coverage, ask Media  
20 Alliance - say when is the last time you all been on  
21 any radio station in the Bay, or any TV station.  
22 When is the last time that happened? It hasn't

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1 happened. Ask any of the artists who put together  
2 that report if they've been on any TV station or  
3 even the radio station now that they play a lot of  
4 local groups.

5 Now keep in mind some of these people who  
6 were part of this have gotten national attention and  
7 acclaim for their craft.

8 One guy, he was featured on the front  
9 cover of the *Oakland Post*. He was headlining or  
10 touring Europe for six weeks, and he was voted by  
11 Pepsi to be one of their top artists, but he ain't  
12 played on the radio station because he was one of the  
13 few to speak out. And it's important to underscore  
14 that, because we heard the same thing in Seattle.  
15 They pointed out - they said since this consolidation,  
16 you don't have the Nirvanas and the Pearl Jams, and  
17 all these local groups just blowing up.

18 And you heard the same thing in Detroit,  
19 and all these other places. And it's always the same  
20 thing. It's not just the thing of sour grapes. It's  
21 really a systemic problem that has to be changed. And  
22 right now, these big companies, they smile, they paint

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1 the picture, and then they're bullying people behind  
2 the scenes. And really it's just insidious what goes  
3 on.

4 COMMISSIONER ADELSTEIN: Thank you, Davey.

5 DAVEY D: The last thing I just want to  
6 point out too, and I'll leave it at that because I've  
7 got to bounce. If you start to look, at least in the  
8 urban reign of radio stations, there may be three or  
9 four stations in the entire country that have public  
10 affair shows that come on at any decent hour. Most of  
11 them come on at five in the morning, six in the  
12 morning on a Sunday. KMEL, for example, had Jesse  
13 Jackson. We have Jesse Jackson advertising, but he's  
14 on Sunday mornings at 5 a.m. Go around, check the  
15 websites, check the community affairs stations. This  
16 might be one of the only markets where you have a  
17 prime time public affairs show, but around the  
18 country, it's 6 and 7 in the morning, which means that  
19 you don't have that sincere commitment to public  
20 discourse, because who's up on a Sunday morning at 6.

21 COMMISSIONER ABERNATHY: Those of us with  
22 very small children, but other than that, not many

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1 people. I want to just quickly thank all of our  
2 panelists. As I said, we are going to stay for and  
3 expand the time frame and make sure that we hear from  
4 as many of you as possible. I hope you learned as  
5 much by letting these folks talk as we did. There's a  
6 lot that we need to take back to D.C. It was very,  
7 very helpful, so thank you for your patience. We will  
8 take a very quick like eight to ten minute break, and  
9 then we will be back here. All right? Can we at  
10 least go to the bathroom? All right. Like three to  
11 four minute break. Okay? And then we'll be back.  
12 Thank you.

13 (Brief Recess Taken.)

14 COMMISSIONER ABERNATHY: OK, let's go  
15 ahead and start the open mic presentation. You guys  
16 have been patient enough. My colleague, Commissioner  
17 Adelstein, said he may be a few minutes late, but I  
18 don't want to hold anyone up. I want to remind the  
19 audience that anyone needing Spanish translation of  
20 tonight's proceedings may get a headset in the lobby  
21 for that purpose. You can get simultaneous  
22 translation. And at this point, what I would like to

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1 do is go ahead and introduce Belva Davis, who will  
2 handle the next part of this proceeding as we listen  
3 to all of you. (Speaking to audience member) No,  
4 first I'm supposed to go . . . yeah, I did that. The  
5 Spanish Interpreter is right there.

6 AUDIENCE MEMBER: But say what you said.

7 COMMISSIONER ABERNATHY: I'm sorry. It's  
8 2 a.m. - go ahead. Please go ahead and translate for  
9 me about the availability of headsets. I apologize.

10 (Spanish translation.)

11 COMMISSIONER ABERNATHY: Okay. Thank you  
12 very much. I'd now like to turn the proceeding - now,  
13 can I turn over the proceeding over to Ms. Davis? I'd  
14 like to turn the proceeding over to Ms. Davis who's  
15 going to host the open mic portion, and we're looking  
16 forward to hearing from all of you. Thank you for your  
17 patience.

18 MS. DAVIS: Thank you, Commissioner  
19 Abernathy. We finally get to the star moment. Good  
20 evening, everybody, and welcome once again. I'm Belva  
21 Davis, as you know, and I have the privilege of  
22 appearing weekly at KQED on their program "This Week

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1 in Northern California." I have been asked to  
2 moderate this public participation segment of these  
3 hearings. I'm honored to do it.

4 During this segment, we will hear from you  
5 directly about how broadcasters serve you. The FCC  
6 has devoted substantial time to the open mic session  
7 because your views are critically important to this  
8 whole debate.

9 The format and procedures for the open mic  
10 session tonight are as follows, and I will read them  
11 so that we can get through it. Upon entering the  
12 hearing room, everyone who wished to speak should have  
13 drawn an orange card with a group number on it. If  
14 you did not do so, and you wish to speak, please speak  
15 to the FCC staff at the table just outside the hearing  
16 door. They will assist you.

17 There are 10 orange cards associated with  
18 each group number. For example, there are 10 orange  
19 cards for Group 25 printed on them. Throughout the  
20 remainder of the hearing, group numbers will be chosen  
21 at random, and displayed on the screens here in the  
22 front of the hearing room. When your group number is

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1 displayed, just move to the check-in area at the table  
2 in the lobby, just outside the hearing room. This is  
3 where the public information packets were made  
4 available to you before the hearing.

5 For example, when Group number 25 is  
6 displayed on the screen, the ten people holding those  
7 cards should proceed to the check-in table in the  
8 common area just outside of this room. An FCC staff  
9 member will then direct you to a microphone at the  
10 appropriate time, and we will alternate between the  
11 two mics: mic one and mic two. That's to ensure that  
12 there is minimum delay and to maximize the number of  
13 people, which is what this is all about.

14 In order to hear from as many people as  
15 possible we ask all speakers to limit their remarks to  
16 no more than two minutes. We will use the time  
17 machine, as you know, to keep track of time in order  
18 to maximize the number of people who will have the  
19 opportunity to speak. Surely, there may be someone in  
20 line that has not said what you had planned to say.

21 We greatly appreciate your cooperation. As  
22 a reminder, a yellow light will be displayed when a

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1 speaker has one minute remaining. That's to give you  
2 time to gather your thoughts and to have a great  
3 close. A red light will be displayed when a speaker's  
4 time has expired, and each speaker should then  
5 conclude their remarks and leave the microphone. We  
6 would remind the speakers who continue after the red  
7 light has been displayed that their time has elapsed,  
8 and we will move on.

9 Again, the goal behind the time limit is  
10 to hear from as many people as possible. I know I can  
11 count on each of you to help make this segment run as  
12 smoothly as possible, because the whole idea is to  
13 hear as many ideas and suggestions as possible.

14 I should note, however, that this open mic  
15 session is only one of the ways that you can share  
16 your views with the FCC. You can send comments  
17 directly to the Localism Task Force by e-mail or  
18 regular mail. Therefore, the Localism Task Force  
19 invites those who do not have an opportunity to speak  
20 or wish to provide more details to their comments, to  
21 submit them in writing following the instructions on  
22 the Localism Task Force website, [WWW.FCC.gov/localism](http://WWW.FCC.gov/localism).

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1 I know that the Commission is anxious to  
2 hear from you, so I'm going to stop right now and ask  
3 the first speaker with the magic numbers if they would  
4 come up to the podiums, one at mic one, and one at mic  
5 two. And let me remind you that your time that you  
6 use to associate yourself with organizations is being  
7 deducted from your two minutes, so you might keep that  
8 in mind as you go. Allright. We will start with mic  
9 one.

10 MR. POLASKI: Thank you. Art Polaski from  
11 the California Labor Federation representing some two  
12 million workers in the State of California, many from  
13 Los Angeles, San Diego, Oakland, San Francisco, Fresno  
14 unable to speak to you tonight, and we ask you to  
15 expand these hearings so they too can share their  
16 concerns to you.

17 (Applause.)

18 I understand that Commissioner Capps  
19 indicated earlier a concern about the question about  
20 whether or not we allow the market forces to dictate  
21 how local programming happens. We're from California.  
22 Welcome to California, where the FERC, your fellow

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1 commission, said let's let the market forces allow  
2 energy prices to dictate. And what happened in  
3 California was the bankruptcy of this state, was the  
4 bankruptcy of our budget and our homes, and many of  
5 our businesses. Don't allow this to happen again. We  
6 must regulate local accountability.

7 I want to give you one expression of  
8 concern, and that is the issue of health care. We  
9 have on the ballot Prop 72 this November, which is  
10 revolutionary in a sense. It will be the first time  
11 voters get a chance to vote for health care for  
12 working families. But corporations will invest some  
13 15 and 20 million dollars in advertisements to  
14 dissuade voters from supporting this important health  
15 care legislation. They will, in fact, lie to voters.  
16 We know what they'll say. They'll lie to voters about  
17 this, and there's nothing that we can do to match  
18 their money contributions to advertising on  
19 broadcasting, because we won't be able to keep up.  
20 And there won't be any regulation of the  
21 misinformation they give to voters, but yet we'll ask  
22 voters to try to make a sensible choice on this. And

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1 it will be impossible unless we have some regulation  
2 of information to voters through local broadcasting.  
3 And we ask you to be sure that we're allowed to do  
4 that. Thank you very much.

5 MS. DAVIS: Microphone number two.

6 MS. PARENTI: Good evening. My name is  
7 Orionna Parenti. I wish to address the consolidation  
8 of media as the co-opting of democracy by corporate  
9 interests. Democracy is what corporations want people  
10 to believe it is. They define it for us in the news.  
11 For-profit interests want us to believe that freedom  
12 is the ability to consume as we choose. News stories  
13 are measured on the scale of corporate profit, and do  
14 not serve the people's interest.

15 The news consistently reports positive for  
16 corporations as positives for the people. This  
17 corrupting of perspectives to serve corporate rather  
18 than community interests characterizes the examples  
19 that I will now give.

20 First, the jobs reported are paying an  
21 increasingly lower living wage than in the past. This  
22 trend is not reported. Low wage temporary jobs, which

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1 deny benefits, may be good for corporations, but they  
2 are not good for people or for families. This is not  
3 reported when job rates are painted rosy.

4 Next, we commonly hear that there are not  
5 enough teachers. Why do we not hear then that  
6 corporations are paying less and less of the federal  
7 tax burden from which schools are largely funded?  
8 Why do we not hear that the families who are working  
9 harder for less are contributing a greater and greater  
10 proportion of the federal tax burden, yet receiving  
11 fewer and fewer public services? Where is that story?

12 There are many other stories that I would  
13 like to share, and I have submitted this in writing.  
14 I'd like to conclude by saying that the FCC right now  
15 is in a dangerous position of being identified as a  
16 captured organization. Thank you very much.

17 MR. DAVIS: Thank you. We appreciate it.  
18 Can I please ask the speakers if they would identify  
19 the community where they're from, as well as their  
20 names. Thank you.

21 MR. JOHNSON: My name is Tyler Johnson,  
22 and I'm from Pacific Grove. And I'd like to start

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1 with a bit of a public confession. I've just learned  
2 that the FCC only has five members. Is that true?

3 COMMISSIONER ABERNATHY: Yes.

4 MR. JOHNSON: I know there's been a lot of  
5 critique tonight about large media outlets, and I'm  
6 just wondering about a critique of a system that tries  
7 to vote on behalf of millions of people in this  
8 country that only has five members. I mean, if we're  
9 consistently saying the opposite of what the FCC is  
10 voting for, what's the possibility of restructuring,  
11 for example not just our media outlets, but the FCC  
12 itself? That's a question.

13 MS. DAVIS: But your time is going. Would  
14 you finish your time, please.

15 MR. JOHNSON: Yes. That's a question.

16 MS. DAVIS: You're done?

17 MR. JOHNSON: Yes.

18 MS. DAVIS: Okay. Thank you very much.  
19 Would anyone on the panel like to address that.

20 COMMISSIONER ADELSTEIN: That would be up  
21 to Congress. We obviously can't restructure  
22 ourselves. We exist pursuant to laws and statutes, so

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1 if Congress wanted to restructure us, and they have -  
2 there used to be 7 members and they cut it down to 5 -  
3 they could make it 20 or 100, or whatever they want.  
4 It's up to Congress, not us.

5 MS. DAVIS: Thank you very much.

6 Microphone number two.

7 MR. GALLAGHER: Hello.

8 MS. DAVIS: Hello.

9 MR. GALLAGHER: Thank you, Commissioners.

10 My name is Colin Gallagher. I'm Board Representative  
11 for Service Employees International Union, Local 817.  
12 I have submitted an extensive technical comment to the  
13 FCC Commissioners in writing, and by e-mail today.  
14 Instead of repeating it here, allow me to provide a  
15 general perspective, if I may, which I will call the  
16 two feet of social change. One foot is charity, the  
17 other foot is the means for preventing the need for  
18 charity.

19 A brief story. A man sees a body floating  
20 down a river. He buries it. He sees another body.  
21 He also buries that body, but he doesn't look where  
22 are these bodies coming from. How did they get there?

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1 You cannot make localism real. You cannot achieve the  
2 social change that accompanies localism without  
3 walking forward. And you cannot walk forward without  
4 two feet, those two feet of social change.

5 I ask you, the Commissioners and members  
6 of the public, to consider the need for both of these  
7 feet in social change. I thank you for the  
8 opportunity to speak before you, and to provide  
9 comment. Thank you.

10 MS. DAVIS: Thank you. Microphone number  
11 one.

12 MS. FINELAND: Thank you for having this  
13 public session. My name is Marcia Fineland, and I'm  
14 the Peace and Freedom Party candidate for U.S. Senate  
15 in California in November. Now I didn't come here to  
16 complain about the fact that you'll probably never see  
17 me on the media, because I probably have just as much  
18 right as any other candidate to spend millions of  
19 dollars on 10-second sound bites. I came here to ask  
20 you to give us some real news, so that voters can make  
21 some intelligent decisions, and so that as citizens we  
22 can act in our own interest in this country, and in

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1 this state.

2 Now one of the problems is that there's  
3 not enough local coverage, but there isn't even  
4 coverage of things that happen in California, except  
5 for the comings and goings of our celebrity governor.  
6 You know, in November, there are going to be 14  
7 propositions on the ballot. And you are not  
8 going to hear much about any of them except the ones  
9 that you hear of because of advertising.

10 You heard from Mr. Pulaski, and I think it  
11 bears repeating. Now, proposition 72 is perfect. It  
12 doesn't provide for universal health care. But the  
13 state legislature actually passed a bill which would  
14 provide health care for employees of companies that  
15 have more than 20 employees.

16 Now, the biggest campaign contributors for  
17 this referendum, which means we have to pass it again  
18 at the ballot box, the biggest campaign contributors  
19 for no 172; that is, no health care for employees, are  
20 the fast food industry.

21 You would think the global fast food chain  
22 is going to say on the radio and on the television

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1 "Vote against this because we don't want to give our  
2 employees health care."

3 They're not going to say that. They're  
4 going to say, "We're citizens for something good" or  
5 "We're citizens against something bad. And we don't  
6 want to put your corner flower seller out of  
7 business."

8 That's what you're going to hear. We're  
9 not going to get real news. We're not going to get  
10 real discussion. We're not going to get real analysis  
11 because our public airwaves that belong to us are  
12 bought and paid for, bought and sold to the highest  
13 bidder. It's time for us to own our airwaves.

14 (Applause.)

15 MS. DAVIS: Thank you.

16 Microphone number two, please. Yes,  
17 please?

18 MR. PAPPAS: I appreciate the passion that  
19 I have heard here, but I think that all of us do want  
20 a discourse here where we truly try to shed light on  
21 things, instead of heat. (Audience shouting.) Isn't  
22 that interesting?

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1                   And I think -- that's all right. What I  
2 love about this country is that you're entitled to  
3 speak that way. But what I also love about this  
4 country is that we believe that the truth should fall  
5 where it may. And the truth is that most broadcasters  
6 here and in this date and -- (Audience shouting.)

7                   MS. DAVIS: Mr. Pappas, if I  
8 might?

9                   MR. PAPPAS: The fact -- I'm going to try  
10 and finish.

11                  MS. DAVIS: They have waited about three  
12 hours.

13                  MR. PAPPAS: Well, the fact is that the  
14 broadcasters do carry news about the proposition and  
15 about the candidate.

16                  MS. DAVIS: Thank you, Mr. Pappas.  
17 We'll move back to the public mics now, if we might.

18                  (Applause.)

19                  MS. DAVIS: Microphone number two.

20                  MR. HIGGINS: You know, I brought a book  
21 with me just in case it got boring, and I have not  
22 cracked it in the past four hours. So thanks for a

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1 very interesting evening.

2 (Laughter.)

3 MR. HIGGINS: I'm John Higgins. I teach  
4 at Menlo College in Atherton, California, media  
5 studies. I am also president of the board of  
6 directors of the San Francisco Community Television  
7 Corporation that is a nonprofit organization that  
8 operates public access channels and facilities in San  
9 Francisco. We are a volunteer group on the board  
10 there.

11 I am just thinking personally 30 years ago  
12 I was working at a commercial radio station and I was  
13 volunteering at a community-based grass roots radio  
14 station. It was real easy then to see one as evil,  
15 but I had to earn a paycheck. And the other one was  
16 good and light.

17 It was actually the general manager of  
18 that commercial radio station that helped me see it  
19 not as "either/or" but as "and/but" and that there was  
20 room and, in fact, need for both of them on those  
21 radio dials.

22 It was hard to see then, but this

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1 "and/also" is something I think that we're missing in  
2 a lot of our public policy and some the allocation  
3 space.

4 He said we need them both, but he also  
5 believed in localism and local identities. He was one  
6 of those people, radio was in his blood from birth.  
7 He believed in things like the fairness doctrine  
8 because he said that it helped even the playing field  
9 for those broadcasters that really wanted to serve  
10 their community.

11 And he said there were an awful lot of  
12 scurrilous broadcasters who weren't in it for that.  
13 And as soon as that was dropped, he was a little  
14 saddened by all of that, the loss of local news and  
15 information.

16 Recently I saw him. And he was getting  
17 out of radio because the recent corporatization had  
18 stolen the soul of radio in his mind: no localism, no  
19 local news. Hell, you couldn't even get the local  
20 time. You knew how many minutes after the hour, but  
21 what hour is it?

22 (Laughter.)

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1 MR. HIGGINS: So that's part one in a  
2 26-second. Part one is please restore these basic  
3 regulations of localism and community needs and public  
4 interest, which actually means public good and not  
5 what the public might be interested in that particular  
6 day.

7 And the add more part of that, which he  
8 gave to me is that -- let's add more. Let's take that  
9 model of local franchising that public access gives  
10 and apply it to ten percent of every media, broadband,  
11 satellite, everything, and add more.

12 Thank you very much.

13 MS. DAVIS: Thank you.

14 (Applause.)

15 MS. DAVIS: Thank you.

16 Microphone one.

17 MR. PERLSTEIN: Good evening, panel. My  
18 name is Jeff Perlstein. I'm the Executive Director of  
19 Media Alliance.

20 (Applause.)

21 MR. PERLSTEIN: We work in concert with a  
22 host of organizations here in California. We have

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1           been doing this for 28 years now. And we have been  
2           working in a variety of ways for a more diverse, just,  
3           and accountable media system that is responsive to the  
4           needs and concerns of local communities.

5                       We have been very involved in this issue  
6           for the last several years. I am very proud to say  
7           that we were one of the lead plaintiffs in the court  
8           case that rejected Chairman Powell's awful rules from  
9           last year and sent them back to you, the FCC, to  
10          rewrite them.

11                       (Applause.)

12                      MR. PERLSTEIN: I'm also proud to say that  
13          we convened a really unprecedented and packed hearing  
14          last year on those rules where over 650 people,  
15          unfortunately -- in some ways it was unfortunate -- it  
16          was an unofficial hearing because the three  
17          Republicans and the chairman refused to come and make  
18          it an official hearing.

19                      So we do want to thank you all for having  
20          an official hearing, although we think this is  
21          completely inadequate since it's the only one on the  
22          entire West Coast. We want to thank you for coming

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1 today to hear what we have to say.

2 I actually want to address the rest of my  
3 comments to the audience and the people listening at  
4 home. And, of course, I hope that you all will  
5 listen.

6 (Laughter.)

7 MR. PERLSTEIN: Since the FCC is charged  
8 with regulating the public airwaves, the ones that we  
9 all own, in our interest, we hope that you will really  
10 act more significantly to do that job.

11 But we are not going to wait for you to do  
12 that, see. It is really up to all of us, the people  
13 here in this room, who are listening on the air, the  
14 millions of people who weighed in last year and helped  
15 to overturn those rules, to make the significant  
16 change that we need in our media system. It is the  
17 only way that significant change has ever happened in  
18 our society or any other society. We really look  
19 forward to working with all of you in the future on  
20 that.

21 Let me rattle off some quickly. We need  
22 more teeth in the license renewal process so there is

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1 more accountability to local communities. We need the  
2 fairness doctrine reinstated so that there is equal  
3 response time for controversial opinions, whether you  
4 like them or not, in public space.

5 (Applause.)

6 MR. PERLSTEIN: We need more public  
7 affairs in prime time. And we need rent for these  
8 airwaves that are ours that they're using to make  
9 billions of dollars.

10 (Applause.)

11 MS. DAVIS: Thank you. Microphone number  
12 two.

13 MS. KELLEHER: My name is Lindsay  
14 Kelleher. I have been working in both the radio and  
15 television industries for over ten years now. And I  
16 think it is important to remember that the main goal  
17 of the major media is that control of most of the  
18 airwaves are in the goal to stay in business, and that  
19 means that they're in the goal to make money.

20 That money comes from corporate  
21 advertising. Those corporate interests lobby the  
22 government. The government also spends money on

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1 advertising. How do we get local information, freedom  
2 of information, free local ideas on our airwaves?  
3 Localism requires accountability.

4 I feel as though I'm a bit preaching to  
5 the choir here. I wish I was addressing Chairman  
6 Powell because many of the ideas that we have heard  
7 tonight already express what we are already thinking.

8 The important thing is that the FCC needs  
9 to both create and uphold regulations, not just create  
10 them but also uphold them, to make sure that there is  
11 freedom of access to the airwaves for the local and  
12 prime time, for local ideas, for political ideas that  
13 may not have the money to purchase this type of  
14 advertising.

15 No more media by the rich for the rich.

16 Thank you.

17 MS. DAVIS: Thank you.

18 (Applause.)

19 Microphone one.

20 MR. O'DONOGHUE: My name is Liam

21 O'Donoghue.

22 One of the questions that you want us to

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1 ask on this card is, are the segments of the local  
2 communities being served by the media today? I am  
3 part of an organization called Indy Media.

4 (Applause.)

5 MR. O'DONOGHUE: We have Indy Media  
6 centers all over the world right now. And we're not  
7 asking how media can serve the people. We want the  
8 people to serve themselves. We want the people to  
9 become the media.

10 We are trying to encourage people to get  
11 involved with that by publishing their own news  
12 because the localism is more than just local coverage.  
13 It is about local ownership.

14 You know, the local owners are going to  
15 have a lot more devotion and passion in covering local  
16 news than some corporation that is just fulfilling a  
17 mandatory minimum five minutes a night, you know,  
18 public service requirements so they can keep their  
19 monopoly on the airwaves.

20 Local owners will cover more than just the  
21 crime and violence. They will get ratings. They will  
22 get people involved with labor, environment issues

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1 that really affect people in the local community.

2 And by doing that, you know, people say,  
3 "Oh, people don't watch the news enough." It's  
4 because we've been condition not to because it doesn't  
5 discuss a lot of the issues that people are passionate  
6 about.

7 Local coverage would cover the battles  
8 that people are involved in every day. And as people  
9 see their friends and neighbors on the news talking  
10 about their struggles on more public access channels  
11 that should be much more supported by the federal  
12 government, people would be a lot more excited about  
13 the news. They would be willing to get more involved.  
14 And the quality would reflect that.

15 And the news wouldn't be a chore. The  
16 people have to like sift through to find what they  
17 need. It would be right there for us. And that's why  
18 Independent Media supports local ownership.

19 (Applause.)

20 MS. DAVIS: Thank you very much.

21 We continue.

22 MR. LIN: Good evening. My name is Tran

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1 Lin. I am representing the Vietnamese associations in  
2 Monterey County.

3 After the Vietnamese War ended in 1975,  
4 thousands of Vietnamese came to Monterey in order to  
5 find a better life, the life of freedom, in which they  
6 are able to share and to learn one culture to another.

7 It is very sad to see that hundreds of  
8 Vietnamese families have moved out of Monterey County  
9 to the other places because they feel they are being  
10 left out here. They think no network media is  
11 interested in covering their cultural language  
12 customs, traditions, and religions.

13 Absolutely, the network media does not  
14 help them to understand about the value from the other  
15 groups. It is there to improve their lives. The  
16 Vietnamese community begins worrying about the  
17 miscommunication, misunderstanding, and losing their  
18 identity.

19 Until recently, the staff of the public  
20 broadcasting television channel 24 protested the  
21 Vietnamese Buddhist ceremony and Vietnamese Student  
22 Association culture. So the people in Vietnamese

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1 Monterey County called me and expressed, the activity  
2 was finally broadcast on the television.

3 In order to educate the people in our  
4 community and have them to learn more about American  
5 values and bring them closely to American society, I  
6 am asking the network media to seriously listen to the  
7 people views and incorporate that \* along with the  
8 language so they don't feel to be left out. Doing  
9 this is where Vietnamese and other communities are  
10 very proud to be the part of the big county.

11 I finally would like to say no majority  
12 group should be left out of our local media. Thank  
13 you.

14 MS. DAVIS: Thank you.

15 (Applause.)

16 Thank you. Microphone one.

17 MR. BOZZO: Sam Bozzo, 26-year volunteer  
18 for the world-famous Gilroy Garlic Festival.

19 (Applause.)

20 MR. BOZZO: As the past president of the  
21 Garlic Festival, we survive and thrive on behalf of  
22 150 nonprofit organizations who depend on a

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1 well-attended garlic festival.

2 The sponsorship of KSBW Channel 8 has  
3 assisted in raising \$6.5 million dollars. This is a  
4 station that opens itself to weekly community interest  
5 programs, numerous public service announcements, and  
6 on-site coverage of our local event.

7 KSBW is supportive of the Gilroy Garlic  
8 Festival. We are very appreciative of that support  
9 because it supports those 150 nonprofit organizations.  
10 Those nonprofit organizations have institutionalized  
11 their budget because of the success of this festival.  
12 And without them, it would be difficult to support  
13 them.

14 KSBW has reached out to the Gilroy Garlic  
15 Festival. And on behalf of our board of directors, we  
16 want to once again express our appreciation because it  
17 has tremendously benefitted the Gilroy community.

18 KSBW serves Santa Clara County, Monterey  
19 County, San Benito County, and Santa Cruz County. The  
20 staff at KSBW not only work at the station but are  
21 also committed to what goes on in their community.  
22 And for that, we are grateful.

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1 Thank you.

2 MS. DAVIS: Thank you for your comments.

3 (Applause.)

4 Microphone two.

5 MS. DIEHL: Good evening. I am Martha  
6 Diehl. And I don't represent anyone. I do, however,  
7 care a good deal about my community. And instead of  
8 giving you my prepared remarks, I would like to  
9 respond to some of the things that were said in the  
10 panel tonight and by the commissioners because I think  
11 that is a valuable opportunity, almost a dialogue.

12 (Laughter.)

13 MS. DIEHL: Number one, I heard people  
14 talk about cable, satellite, and internet sources as  
15 if they assumed that they might be equivalent to  
16 broadcast. I know the commissioners are well aware  
17 that they are not. You have to pay for them.

18 I live in an area which is never going to  
19 rise to the level of being a market. I live in Big  
20 Sur. There are people there. There are challenging  
21 geographic problems. Mr. Robbins can attest to that.

22 I do not get any television reception via

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1 broadcast. I can get one AM station in Spanish, one  
2 in English, and one public radio station, which  
3 generates from Santa Cruz. That's the closest one I  
4 get. So just keep that in mind. There are some  
5 physical concerns with broadcast access that you might  
6 want to consider.

7           Number two, coverage of local matters that  
8 I need would include items about which there is  
9 controversy. While I very much appreciate the local  
10 support of our broadcasters for charity, I am  
11 interested in knowing if we have crimes, I love  
12 hearing about our heroic personalities, and the PSAs  
13 are important, I understand we need prenatal care, I  
14 understand that concerned parents can help kids, those  
15 things are not what I need the most information on.  
16 I need civic discourse.

17           (Applause.)

18           MS. DIEHL: And 30 seconds in the local  
19 news isn't going to do it, no matter how well-informed  
20 the broadcasters are.

21           I would like to ask you as my agent,  
22 supposing you were a Hollywood agent, to get me what

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1 I think is a fair shake. I want ten percent.

2 (Laughter.)

3 (Applause.)

4 MS. DIEHL: I want ten percent of my air  
5 time allotted during prime time. That's 18 minutes a  
6 day. We got an award for some people who are good  
7 enough to do five minutes a day. I want those 18  
8 minutes a day in prime time allocated for civil  
9 discourse about areas about which there are  
10 differences of opinion.

11 Thank you.

12 MS. DAVIS: Thank you.

13 (Applause.)

14 I will stop for a minute and see if there  
15 is a commissioner who would like to comment on her  
16 comments or anyone at the table. If not, we'll move  
17 on.

18 (No response.)

19 MS. DAVIS: Okay. Thank you very much.  
20 We'll go back to the microphone line.

21 MR. GREER: Hi. My name is Kim Greer.  
22 I'm the CEO of the National Steinbeck Center, a museum

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1 dedicated to the legacy of Salinas' native son and  
2 Nobel Prize winner John Steinbeck.

3           Since opening 6 years ago, we have had  
4 over 500,000 people visit the museum, including over  
5 100,000 students. We have launched curriculums  
6 throughout the school system. We have had all levels  
7 of public programs in English and in Spanish. And we  
8 have developed a writing literacy program that will be  
9 in all schools in the county by the end of next year.

10           In addition to being a museum, we are a  
11 cultural center which has hosted over 1,000 local  
12 community and business events in the past 6 years.

13           Starting a new museum is a daunting task.  
14 There simply is not enough money to go around to pay  
15 all the bills. I know how it is to struggle to make  
16 payroll every month.

17           Local media has been a champion in  
18 providing us broad support and media access. They  
19 have, they got together six months before we opened  
20 and agreed to give us one year of free local media to  
21 advertise our pre-opening and our opening events. And  
22 that was eight local radio stations and three local TV

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1 stations.

2 They have covered all of our community  
3 events. They have put together PSAs for all our  
4 major events and fundraisers. Sometimes they run the  
5 PSAs so much that even I get tired of them.

6 (Laughter.)

7 MR. GREER: They have covered so many  
8 nonprofit events at the center that every week when I  
9 show up or leave work, there is some radio or TV  
10 station covering some other community event that is  
11 occurring at the center. They have continued to cover  
12 the political debates that have occurred at the  
13 center, including broadcasting them live on radio.

14 I sat down this morning and added up the  
15 amount of the media coverage, the value of the media  
16 coverage that we have received. And it exceeded over  
17 \$1.1 million dollars in the last 6 years.

18 I think that we have localism here in  
19 Monterey County alive and well. And I think it is a  
20 model for what should be at every other place.

21 Thank you.

22 MS. DAVIS: Thank you.

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1 (Applause.)

2 Microphone two.

3 DR. HAFFA: Hi. I'm Dr. Alan Haffa from  
4 Monterey and a professor at a local community college.  
5 As an educator, I am evaluated by my students, by my  
6 peers, and by my administrators, as I should be. My  
7 college is evaluated by peer institutions as part of  
8 our regular accreditation process.

9 Accountability is the norm in education.  
10 Why, one might ask, is accountability anathema to  
11 broadcasters who are using our public airwaves?

12 (Applause.)

13 DR. HAFFA: Our president has pushed  
14 accountability in education as part of his No Child  
15 Left Behind program, which requires assessment of  
16 school performance, requires improvement, and provides  
17 serious consequences if there is not demonstrated  
18 performance improvement.

19 Is it too much for the public to demand  
20 local accountability of our well-funded media outlets?  
21 I urge you to pursue the very fine recommendations of  
22 Martin Kaplan. And I also would say that our local

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1 educational outlets should be part of the media plan.  
2 We need to have our voices heard as well.

3 Thank you.

4 MS. DAVIS: Thank you.

5 (Applause.)

6 Microphone one.

7 MR. SHULL: Good evening. My name is  
8 Leslie Shull. Thank you for this opportunity.

9 For more than 19 years, I was a volunteer  
10 programmer at the local community station KEZU. And  
11 at one point, the license --

12 (Applause.)

13 MR. SHULL: Thank you.

14 -- the license for the station was taken  
15 over by the foundation of the university. It is a  
16 strange situation to have a state-owned organization  
17 taking over the license that belongs to all of us.  
18 But, in any event, all of the music disappeared from  
19 KEZU or virtually all of it. And I want to make a  
20 plea for the music.

21 A lot of people have said very eloquent  
22 things about politics and about democracy and health

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1 care. I'm not going to even pretend to be that  
2 eloquent. All I am going to say is that without real  
3 community radio and without the support from the FCC  
4 of community radio, we are going to lose music. And  
5 music is very, very important to all kinds of people.

6 Thank you.

7 MS. DAVIS: Thank you.

8 (Applause.)

9 Microphone two.

10 MR. McMANUS: Good evening. My name is  
11 Michael McManus. I am here representing KSPB-FM. I  
12 am 17, and I am the public relations and public  
13 service director for the station. I am here with my  
14 friend Reed Caviner. He's also 17.

15 (Applause.)

16 MR. McMANUS: We are doing our best to  
17 develop programming that serves the needs of the  
18 community. But we need to hear from you.  
19 Serviceatkspb.org. That's where you need to help us  
20 out.

21 Secondly, commissioners, Commissioner  
22 Copps, Commissioner Abernathy, Commissioner Adelstein,

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1 there is a youth generation in this country that is  
2 being manipulated by the large media right now.

3 (Applause.)

4 MR. McMANUS: This is my question for  
5 you, what is going to happen in 15 or 20 years when  
6 the present generation, youth generation, right now  
7 comes into being the people who are at the heads of  
8 these corporations, these companies? And when they  
9 are the ones who are making the decisions, what  
10 happens in this media?

11 This is the model that they have to work  
12 off of right now. They are being manipulated. We are  
13 treated as dollar signs to be manipulated.

14 We are smart, thinking people. And we  
15 need to be given the opportunity. We need to be  
16 recognized that we can do something. And I need your  
17 help from doing that. We need help from the  
18 communities.

19 But please carry this message on to the  
20 other commissioners, who couldn't be here, especially  
21 the chairman. I got a chance to see him speak in Las  
22 Vegas. I didn't get to speak with him.

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1                   But there is a clear lack of recognition  
2 of who we are. And we are a huge part of this  
3 country, and we cannot be neglected. We cannot be  
4 denied. You need to help us out, please.

5                   And I am here to work with you. I have  
6 given you my information. Please contact me. I want  
7 to do everything I can to help. We need the community  
8 to do everything we can, everything that you can to  
9 help. Contact us. Work with us.

10                   We're here to fight, and we're not  
11 leaving. I'm 17. That's my friend. He's also 17.  
12 We're here.

13                   (Applause.)

14                   MS. DAVIS: Thank you.

15                   Microphone one.

16                   MR. BARBER: Yes. My name is David  
17 Barber. I come from Richmond, California. And I am  
18 not associated with a group.

19                   More stations and more diversity are  
20 absolutely necessary to our democracy. It has taken  
21 many serious blows lately. Recently the U.S. Senate  
22 Intelligence Committee has analyzed the stories we

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1 were told leading us to war. They showed us that what  
2 Colin Powell stated before the U.N. was crafted and  
3 fabricated to lead us to war. For the first time,  
4 most people in the U.S. learned what the rest of the  
5 world has known since February 2003, long before the  
6 war started.

7 Yesterday I re-read an article from *The*  
8 *Guardian*, the London newspaper, dated February 6,  
9 2003, one day after Colin Powell spoke. It analyzed  
10 each point, showing it was unsurprising, misleading,  
11 and just plain wrong.

12 Where was this data in the U.S. media?  
13 Our TV networks were continually giving the message of  
14 war. The New York Times' front pages were filled with  
15 unchallenged government propaganda under the byline of  
16 Judith Miller.

17 Of the four major TV news programs in the  
18 week before and the week after Colin Powell's speech  
19 before the U.N., of the 393 pundits and analysts,  
20 exactly 3 were anti-war, and the rest were pro-war.

21 This was at a time when the majority of  
22 U.S. was polled as against the war. The

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1 administration was put into power by the media. And  
2 they were trying to keep him in power.

3 I demand that Michael Powell recuse  
4 himself from this decision --

5 (Applause.)

6 MR. BARBER: -- since he has shown himself  
7 as biased and has a clear conflict of interest. For  
8 the rest of the commissioners, the media must be owned  
9 by many and varied sources, I think no more than 25  
10 stations by one corporation.

11 Thank you, Commissioner Abernathy, for  
12 being here. I hope you are listening. You did, after  
13 all, vote for the consolidation the last time.

14 MS. DAVIS: Thank you, sir. Thank you.

15 (Applause.)

16 Microphone two, please.

17 MR. OLSEN: Okay. I am Hebrard Olsen,  
18 producer of 800 unpaid-for local programs, about 200  
19 local groups in 4 years.

20 (Applause.)

21 MR. OLSEN: This resulted in the transfer  
22 of about \$70,000 per year to this community. This is

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1 a value which the local media is not paying for.  
2 And that is more than all the other media combined,  
3 excluding council meetings and studio shows.

4 Local media should arrive . . . be ashamed  
5 in my mind and arrive with their heads covered to hide  
6 from the shame for not serving this community. And I  
7 feel this community needs about ten times -- and I am  
8 now including Salinas because they recently joined us  
9 -- of the service that I provided.

10 Members of this community have been  
11 brainwashed to believe they do not deserve to be the  
12 subject of media. The cost of radio and TV content in  
13 our culture is the only criteria used by the media,  
14 rather than benefiting our local community.

15 Local Vietnamese culture ignored by the  
16 community media for 20 years was explained in English  
17 by Vietnamese point of view to the community and with  
18 great respect, which stunned the Vietnamese community,  
19 by exposing that on public access by me. This is one  
20 of ten instances. The Vietnamese community was really  
21 impressed.

22 What I would like you to do is please

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1 revoke the licenses of stations which cover fewest of  
2 1,000 groups that need to be covered and who have the  
3 greatest number of non-viewers.

4 We never survey non-viewers. We just have  
5 a little competition between different large groups.  
6 Those stations which have monocultures should also be,  
7 licenses should be considered for pulling. And if one  
8 person can do it, like myself, they should be able to  
9 do it.

10 MS. DAVIS: Thank you so much.

11 (Applause.)

12 Microphone one.

13 MS. GANGADHARAN: My name is Seeta  
14 Gangadharan. I am a Ph.D. student at Stanford  
15 University. I have been asked to read the testimony  
16 of Patti Miller, who you know was unable to give her  
17 official statement tonight. And I am paraphrasing.

18 Five points. As the FCC evaluates how  
19 broadcasters are responding to the needs of local  
20 communities, they should consider, first and foremost,  
21 how children's needs are being served.

22 Under the FCC guidelines, stations are

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1 expected to air a minimum of three hours per week of  
2 children's educational and information, EI,  
3 programming, at times when children are likely to be  
4 watching.

5 To assess how commercial television  
6 stations are serving the child audience, Children Now  
7 and the Institute for Public Representation at  
8 Georgetown University analyzed the children's  
9 television reports for the last quarter of 2003  
10 prepared by the four full-powered television stations  
11 in the Monterey-Salinas Designated Market Area.

12 First, our analysis found that many of the  
13 shows still do not have educating or informing  
14 children as a significant purpose of the program as  
15 required by the FCC rules.

16 Here is one example of how broadcasters  
17 have inappropriately characterized programs as serving  
18 children's educational and informational needs.

19 The educational objective for KSBW's  
20 "Kenny the Shark" is as follows: Kenny the Shark is  
21 about a tiger shark that has made the transition from  
22 sea to land, but it's very hard to adapt to new

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1 conditions. He lives with Cat, a middle school  
2 student, and her family. In the process of watching  
3 Kenny deal with his situation, we learn real world  
4 facts about shark behavior, habits, and biology.

5 I don't know about you, but I am not aware  
6 of any real-world sharks that live on land.

7 (Laughter.)

8 MS. GANGADHARAN: There are four other  
9 statements that come with Patti Miller's testimony.  
10 I believe it will be submitted into the public record.  
11 I encourage the commissioners to take a close look at  
12 it.

13 Thank you.

14 (Applause.)

15 MS. DAVIS: Thank you very much.

16 Microphone two.

17 MS. FARMINGTON: My name is Ann  
18 Farmington. And I have been a media activist and  
19 educator for 24 years.

20 (Applause.)

21 MS. FARMINGTON: I founded Media Watch to  
22 challenge racism, sexism, and violence in the media

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1 through education and action. Our goal is to bring  
2 about social change to improve life, especially for  
3 the disenfranchised.

4 Local television has a history of covering  
5 our protest marches, street theatre with a snicker.  
6 We're the teaser or the joke at the end of the news  
7 hour. The overt trivialization of feminist concerns  
8 is blatant in commercial media.

9 (Applause.)

10 MS. FARMINGTON: I personally committed  
11 civil disobedience to attract media coverage in order  
12 to begin vital discussions about the epidemic of  
13 violence against women. Rape, intimate partner  
14 battering, and child sexual abuse are epidemic.

15 While the exact connections between  
16 violence and the media is disputed, we are all surely  
17 guinea pigs in this vast commercial media experiment.

18 Having local media access for every  
19 community member is our right. This is not a polite  
20 request. For many of us wanting to make informed  
21 choices, it could be a matter of life or death. We  
22 need a media that invests in compassion. We need to

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1 see and hear untold stories, the real life  
2 consequences of hate.

3 Where are the stories of the 200 U.S.  
4 women soldiers who sought assistance from a rape  
5 crisis center since the Iraq war started who were  
6 assaulted by fellow troops?

7 (Applause.)

8 MS. FARMINGTON: Where are the in-depth  
9 stories of harm and abuse caused by prostitution and  
10 pornography? Where is the relationship between the  
11 boards of directors of media giants and the energy,  
12 banking, and defense industries?

13 (Applause.)

14 MS. FARMINGTON: These topics are treated  
15 with the media's most effective tool: silence.

16 I hear shock jocks spewing hatred 24/7.  
17 It's hip to hate. My 13-year-old son was with me when  
18 I heard a DJ on a Santa Cruz ex-radio instruct women  
19 to put cottage cheese in their crotches to get rid of  
20 unwanted boyfriends. These attitudes are impossible  
21 to counter without equal access.

22 A truly diverse public media information

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1 system would stimulate community participation and  
2 expose the results of greed, violence, and racism and  
3 woman-hating. The FCC must hold stations accountable  
4 to local communities through a stronger license  
5 process.

6 Can I just finish this sentence?

7 MS. DAVIS: No.

8 (Applause.)

9 Microphone one.

10 MR. MELENDEZ: My name is Bill Melendez,  
11 representing the League of United Latin American  
12 Citizens of a Central Coast in California.

13 My comments are brief. No -- to  
14 deregulation, no -- to corporate consolidation, no --  
15 to the outdated classification and the allocation of  
16 rules and regulations, and no to shock vocabulary and  
17 vulgarity.

18 Now let me just briefly go over the first  
19 "no" on deregulation because before deregulation, our  
20 organization, LULAC, NAACP, Phil Lamp (phonetic)  
21 Councils participated in local quarterly assessment  
22 meetings regarding the broadcasters' employee

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1 affirmative action plans, -- this was with KSBW -- how  
2 people of color were being negatively portrayed in  
3 news service and media, methods that could be used to  
4 portray positive role models in the community of  
5 color, and programming that would be of interest to  
6 our communities. This all stopped with deregulation.  
7 We no longer engaged broadcasters with our views  
8 because they truly don't care.

9           This area has a large Latino population.  
10 And I just heard a man say who works for emergency  
11 services that he doesn't have a person who speaks  
12 Spanish on emergency services. How could this be in  
13 a county where there is such a large Latino  
14 population? So you could see that we've got major  
15 problems.

16           I would say "yes" to the localization or  
17 the opportunities that should be provided to the  
18 diverse populations that live in this community, but  
19 wages at most broadcasting facilities pay less than  
20 some fast food outlets.

21           The recruitment of Latinos -- thank you  
22 very much.

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1 (Laughter.)

2 MS. DAVIS: Thank you very much.

3 (Applause.)

4 I appreciate it. Thank you.

5 MR. ZWERLING: Hi. My name is Michael  
6 Zwerling. I was born and raised in Santa Cruz, just  
7 across the Bay from here, where I now reside.

8 For the last 13 and a half years, my  
9 family and I have owned and operated KSCO News Talk AM  
10 1080, a 10,000-watt commercial radio station which  
11 serves the Monterey Bay area with news, traffic, and  
12 discussion of issues, both local and national, and  
13 proudly the only commercial radio station broadcasting  
14 this entire hearing live.

15 (Applause.)

16 MR. ZWERLING: I feel very strongly that  
17 what the Commission did in 1996 by relaxing broadcast  
18 ownership limits has been contrary to the public  
19 interest as well as destructive to the radio industry.  
20 It has spawned a very disturbing government-induced  
21 and protected anti-competitive and predatory  
22 environment in the radio industry that is making it

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1 increasingly difficult for independent broadcasters  
2 like me to survive.

3 I was going to give you a very juicy  
4 illustration of Clear Channel trying to squish us like  
5 a bug, but there's no time because of the two minutes.

6 I think you can see and recognize the  
7 problem here. Regardless of what they say, large  
8 conglomerates will always do what is in their  
9 interest, not the public interest. That's why we have  
10 you, the FCC, to look out for the public interest, not  
11 sandbag it.

12 I am here to make two simple suggestions  
13 of what you should do to fix the problem and create an  
14 environment that promotes, rather than prevents,  
15 localism, diversity, and competition.

16 First, change the ownership rules not to  
17 raise the limits but to roll back the limits to what  
18 they were back in 1991, when I got into this business,  
19 --

20 (Applause.)

21 MR. ZWERLING: -- no more than one AM  
22 station and one FM station per owner per market, and

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1 require divestiture immediately.

2 (Applause.)

3 MR. ZWERLING: And second, make it  
4 absolutely illegal for a company that controls much of  
5 the hardware or radio station licenses, a company such  
6 as Clear Channel, to also own the dominant software or  
7 radio programming in the broadcast industry. I  
8 believe this falls under the antitrust rules already  
9 supposedly in force in the United States of America.

10 We have no communications. Do you want  
11 diversity? Do you want --

12 MS. DAVIS: You do have 15 more seconds.

13 MR. ZWERLING: -- localism? Do you want  
14 competition? Do it. Do it now.

15 MS. DAVIS: I gave --

16 (Applause.)

17 MS. DAVIS: I had spoken with that  
18 gentleman. And he had an extra 15 seconds. I'm  
19 sorry you didn't see my signal. Okay.

20 We can go to the mic, next mic. I think  
21 he made his point. His comments are being sent in.  
22 Take your 15 seconds.

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1 MR. ZWERLING: Okay. And, second, make it  
2 illegal for a company that controls much of the  
3 hardware or radio station licenses, a company such as  
4 Clear Channel, to also own the dominant software or  
5 radio programming, such as the Rush Limbaugh Show, the  
6 Dr. Laura Show, et cetera, in the broadcast industry.  
7 I believe this falls under the antitrust rules already  
8 supposedly in force in this country.

9 You want diversity. You want localism.  
10 You want competition. Then do what I said, those two  
11 simple things. You will be amazed at what happens.

12 (Applause.)

13 MS. DAVIS: Thank you for keeping your  
14 word. Microphone one.

15 MR. OSMER: My name is Dennis Osmer. I am  
16 a former mayor of the City of Watsonville, also open  
17 for your tourist dollars just 30 miles north.

18 (Laughter.)

19 MR. OSMER: I currently represent the  
20 Pajaro Valley on the Santa Cruz County Planning  
21 Commission. We are fortunate to have a radio station  
22 here that in its format, operation, and management

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1 epitomizes the best of service to the public trust and  
2 whose history exemplifies the difficulties of  
3 achieving such service in the face of unresponsive  
4 legislation and regulation. That station is KPIG  
5 107.5 FM, --

6 (Applause.)

7 MR. OSMER: -- currently licensed to  
8 Mapleton Communications, led by President Adam  
9 Nathanson. Their playlist is not set by a finance  
10 manager who has been promoted to program director --

11 (Laughter.)

12 MR. OSMER: -- but by a long-time  
13 professional dedicated to diverse entertainment and to  
14 promoting the art and enjoyment of music in many  
15 forms.

16 Local artists and those on the fringes of  
17 the mainstream music industry are featured, mostly  
18 live, and promoted. The DJs broadcast live and are  
19 involved in community events throughout the region.

20 Diverse commentaries are encouraged and  
21 played regularly. It is a local station run by local  
22 people who belong to an endangered species:

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1 independent broadcasters.

2 While this station has been helped to  
3 survive by Mapleton Communications, there is a  
4 constant threat from market forces and absent  
5 regulation. In the history of the station -- and by  
6 "station," I mean the people dedicated to the local  
7 format and their local audience -- the buyer of  
8 consolidation fueled by the FCC has burned them again  
9 and again. It is almost impossible to operate a truly  
10 responsive local station in the face of the trend  
11 toward market monopolization.

12 Please consider all of the options you  
13 have for increasing local influence in broadcasting.

14 MS. DAVIS: Thank you.

15 (Applause.)

16 Microphone two.

17 MS. MUELLER: Hi. My name is Mary Ann  
18 Mueller. I'm from Palo Alto. And it's really awful  
19 that us in California are so shy.

20 (Laughter.)

21 MS. MUELLER: I am not a high school  
22 teacher of AP communication studies, but if I were, I

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1 would put this essay question to my students: Murdoch  
2 and localism, is there a connection? Does the FCC  
3 care? So I would like to put that, actually, as an  
4 honest, serious question to you. I know it comes  
5 across as a little bit antagonistic, but okay.

6 That's it.

7 (Applause.)

8 MS. DAVIS: You would like a reply to  
9 that? Is there anyone here who wants to reply to  
10 that?

11 COMMISSIONER COPPS: This commissioner  
12 cares.

13 (Applause.)

14 MS. MUELLER: Well, thank you very much  
15 for having the courage to say that you care. I think  
16 it is notable that people don't even have the courage  
17 to say anything when Murdoch's name is brought up.

18 (Applause.)

19 MS. DAVIS: Thank you. Microphone one.

20 MR. QUICK: Thank you. I am Peter Quick.  
21 I live in Salinas, California. I am on the executive  
22 board of Local 817 of the Service Employees

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1 International Union.

2 We are 7,000 janitors, clerks, nurses,  
3 doctors, teachers, child care workers, home health  
4 care workers, technicians, scientists, cooks,  
5 housekeepers; in short, mainstream working Americans.  
6 We don't see or hear ourselves very often on TV or  
7 radio.

8 A year ago, 4,000 workers marched in  
9 Salinas for universal health care, 4,000 in Salinas.  
10 You know, Salinas is not exactly a hotbed of political  
11 activism.

12 (Laughter.)

13 MR. QUICK: So you would think the local  
14 TV and radio stations would maybe trim the daily  
15 ten minute crime report or one of the three weather  
16 reports. But no. Despite the incredible efforts of  
17 the citizens of this county, we received the usual  
18 scant, superficial sound bite coverage with absolutely  
19 no opportunity to meaningfully present our point of  
20 view.

21 And when unions are covered, we get the  
22 business perspective. We hear about labor costs,

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1 labor unrest, and wage pressure, as if we are by  
2 definition nothing but a burden on business.

3 There are plenty of regular programs about  
4 the 10 percent of the population who own 90 percent of  
5 all stocks. Why can't we have shows about the issues  
6 facing the 95 percent of the population that works for  
7 a living?

8 (Applause.)

9 MR. QUICK: Finally, finally, it's often  
10 said of our media that yes, it's tawdry,  
11 sensationalistic, trivial, disgusting. But, alas,  
12 it's that way because that's what the people want.

13 But wait a minute. When I am driving on  
14 the highway and I can't keep myself from looking at a  
15 gruesome crash scene with blood and guts and wreckage,  
16 does that mean I really wanted to see it?

17 And that's what our media too often does.  
18 It shocks us. It insults us. It mocks us. It  
19 employs the best and brightest that psychology and  
20 science have to offer to exploit our deepest fears,  
21 prey on our vulnerabilities, and sooth our  
22 manufactured cravings.

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1 (Applause.)

2 MR. QUICK: Why is that? Because in a  
3 system in which the profit motive trumps the public  
4 service motive, the name of the game for broadcasters  
5 is, whatever you do, make sure the viewer doesn't  
6 change the channel.

7 MS. DAVIS: And your time is up. Thank  
8 you.

9 (Applause.)

10 Microphone two.

11 MR. JOHNSTON: Good evening. My name is  
12 Paul Johnston. I am here to speak for the Monterey  
13 Bay Central Labor Council, a union of about 60 unions  
14 here in the communities on California's Central Coast,  
15 to express our concerns about corporate bias in the  
16 media and how it affects localism and, I should also  
17 say, I suppose, to express our unqualified support for  
18 every recommendation that has been put before you by  
19 the Media Alliance and also, to my surprise, by KSCO  
20 as well.

21 (Applause.)

22 MR. JOHNSTON: Let me just say that, at

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1 least for the moment, thanks to the federal court, the  
2 majority's agenda here at the FCC has been sidelined.

3 Excuse me. Now I think, even here in  
4 Monterey, in the most affluent, least accessible,  
5 isolated corner of our county and perhaps one of the  
6 most isolated places you could have picked to hold  
7 your only hearing --

8 (Laughter.)

9 MR. JOHNSTON: -- even here in Monterey,  
10 it seems that the movement from media to democracy is  
11 ready to turn a corner. And we're here to say, I  
12 believe, that slowing down this anti-localism agenda  
13 is not enough. Now we want to move forward.

14 And I'll just tell you a story to tell you  
15 why we in the labor movement feel this way. Recently  
16 another little town nearby here, Gilroy, the city  
17 council, indeed the whole community, was arguing over  
18 Wal-Mart's proposal for a super store.

19 And then our local Hearst TV outlet ran an  
20 editorial campaign in favor of Wal-Mart, ridiculing  
21 and really undermining and not accurately stating the  
22 arguments of its critics, which helped to push the

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1 city council into giving Wal-Mart the go-ahead.

2 So in hearing complaints and calls and so  
3 on, we at the Central Labor Council called and wrote  
4 and faxed and e-mailed the station, asking to record  
5 a rebuttal.

6 Eventually, we did get the general manager  
7 of the station on the phone and explaining that  
8 according to their methodology for measuring community  
9 controversy, the issue was not significant enough to  
10 merit a rebuttal. And so there was none. (Audience  
11 shouting.)

12 MS. DAVIS: I'm sorry. Your time is up.

13 MR. JOHNSTON: Thank you.

14 (Applause.)

15 MS. DAVIS: Microphone one.

16 MS. LOPEZ: Good evening. My name is  
17 Eliva Lopez. I live in Monterey, California. And I  
18 am with Democracy for America, Democrats in Monterey  
19 County.

20 As a Hispanic, a young Hispanic, living in  
21 this area, I want to call to your attention the  
22 domination that Clear Channel has on the Hispanic

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1 market in Monterey.

2 I agree with everything Delia and Blanca  
3 talked about tonight. Clear Channel through one of  
4 their affiliates, Entravision, dominates the Hispanic  
5 market here in Monterey. That is 41 percent of the  
6 population of Monterey County that is only served by  
7 one station, and the one that Delia manages.

8 They have seven radio stations, and they  
9 also have a television station. And one of these  
10 radio stations, 107.1, caters to a demographic of  
11 people my age. They claim to be the number one in the  
12 demographic of people who are 12 and over. This is  
13 the only radio station that tries to play pop music or  
14 rock. The other ones just play different kinds of  
15 Mexican music. They are the only station that caters  
16 to this demographic.

17 I think this is wrong. Not only do they  
18 get to choose and limit the options of music that  
19 young people our age can listen to but also what kind  
20 of products we will consume. And they also limit the  
21 access that we have to news.

22 They have zero news content in their

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1 programs, they have one sorry attempt in the morning  
2 at informing and entertaining. And all they do is  
3 promote negative stereotypes of Hispanics. We can do  
4 better than this.

5 So I will cede the rest of my time to  
6 Mark. Thank you for attention.

7 (Applause.)

8 MS. DAVIS: Mark, you have 23 seconds,  
9 whoever Mark is.

10 MS. LOPEZ: I'm sorry. I wanted my friend  
11 Mark to have more time to present his point. That's  
12 why I'm giving away my time.

13 MS. DAVIS: No. You cannot do that. You  
14 have two minutes. You had 23 seconds when you  
15 finished.

16 MS. LOPEZ: Well, you know what? Let me  
17 just point out this radio station, I think, as one of  
18 the only stations that caters to people my age, you  
19 would never have known that we had a primary election  
20 back in March. I think this is wrong. We need more  
21 coverage.

22 (Applause.)

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1 MS. DAVIS: Thank you for making your  
2 points. Microphone two.

3 UNIDENTIFIED OPEN MIC PARTICIPANT: I will  
4 address the audience because out of five  
5 commissioners, two are AWOL and two seem to agree, at  
6 least in part, with our grievances.

7 We are not fooled by this facade of a  
8 democratic process. We are surrounded by police. We  
9 are relegated to police with tazers, for that matter.

10 We are relegated to the end of the night,  
11 after corporate media has gone. They are gone. They  
12 have left. Independent media remains.

13 We are forced to jump through ticketing  
14 hoops, lines, wait, and then patiently sit and wait  
15 for our turn in line to beg and plead for changes  
16 before people who do not have the power or desire to  
17 grant our wishes. This is pseudo accountability.

18 So go back to D.C. and make your rules.  
19 We will continue to break them.

20 (Applause.)

21 MS. DAVIS: Microphone one.

22 MR. POINTER: I am Mark Pointer from

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1 Monterey, father of three preteen children. I teach  
2 elementary school children.

3 Like three million other Colombians, I  
4 live in exile from the country where I was reared.  
5 The U.S. and Colombian governments are waging war  
6 there.

7 My children ask me, "Poppy, when can we go  
8 to your farm?" I try to explain that the guerrillas  
9 mined it with U.S.-made explosives and that American  
10 paramilitaries contracted by Dyncorp here in Monterey  
11 work with the Army and the paramilitaries to keep out  
12 human rights advocates, like me.

13 Like thousands of South Americans in the  
14 greater Salinas-Monterey Bay area, I never see my  
15 nation and cultures positively represented on TV or  
16 radio.

17 Half of my Colombian friends tell me that  
18 they hide the fact that they are Colombians due to the  
19 villainous caricature that the media portray of our 47  
20 million people, including Telemundo, sir.

21 (Applause.)

22 MR. POINTER: From my own research, here

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1 is a local story. Part of the 3.5 billion tax dollars  
2 vested on plant Colombia is spent in Monterey on  
3 mercenary contractors. Local media neglects to cover  
4 this story while it is debated in Congress this week.

5 Maybe they don't want to uncover their  
6 advertisers' claws to the public. Instead, Fox and  
7 KION propaganda is about the deficiencies of public  
8 education, which is a partisan agenda, averting  
9 investigation of the tax and property politics that  
10 created and exacerbate the economics that has  
11 shattered the future of my students.

12 (Applause.)

13 MR. POINTER: These Machiavellian  
14 corporations advocate school and teacher  
15 accountability. It's time for media accountability.

16 (Applause.)

17 MR. POINTER: I am compelled to teach  
18 students to read between the lines.

19 MS. DAVIS: Mark, your time is up.

20 MR. POINTER: Would someone tell us how  
21 many kids of mine are now in Iraq before they get  
22 killed? Create a media report card to be filled out

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1 by a minimum number of market --

2 MS. DAVIS: Mark. We're moving on to  
3 microphone two, Mark. Mark, if you want us to  
4 sympathize with your point of view, then let us  
5 hear others, please. Thank you.

6 (Applause.)

7 MS. DAVIS: Microphone two, please.

8 DILLON: Hello. My name is Dillon. I  
9 grew up in the Napa Valley. I'm third generation  
10 Californian.

11 And I would first like to thank all of the  
12 very educated and well-qualified people that came to  
13 this meeting with studies and facts that show what I  
14 know already.

15 (Laughter.)

16 DILLON: I am the son of a Vietnam  
17 veteran. And I inherited his disillusionment. I just  
18 think you should know that at age 15 or 16, I walked  
19 away from all local mass media.

20 (Applause.)

21 DILLON: It is only through the internet  
22 and through alternative print that I get what I

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1 consider useable information. And this leads to the  
2 inability, I believe, for the population to elect  
3 anyone who would choose the right panel for this  
4 commission.

5 My friends don't even know what the  
6 Federal Communications Commission is. Nobody . . . I  
7 told people I was coming to this meeting, some  
8 acquaintances of mine. They were like, "What's that?"  
9 So it's such a complete failure. I look at all of  
10 this.

11 If it wasn't for my girlfriend, who is in  
12 a nonprofit organization, I would have no idea this  
13 event happened. And I just see this as a ship of  
14 fools, and I am really sorry that it is really a shame  
15 that this nation holds life and death decisions for so  
16 many people in the world and it is in such a pitiful  
17 state.

18 Save us, Mr. Copps. You are our only  
19 hope.

20 (Applause.)

21 MS. DAVIS: Thank you.

22 Microphone one.

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1 MR. CARBONARO: Thank you.

2 My name is Mark Carbonaro. I am a local  
3 broadcaster. I will get the biggest boo of the night  
4 because I work for Clear Channel.

5 (Whereupon, there was a chorus of  
6 "boos.")

7 MR. CARBONARO: Go ahead.

8 MS. DAVIS: Didn't make it. . .

9 MR. CARBONARO: But I want to say that our  
10 stations do serve this community. And let me have my  
11 floor. You have had your floor. Let me have my  
12 floor. I have got less than two minutes. Thank you  
13 very much.

14 Public hearings like this our news talk  
15 station has broadcast over the last three years on a  
16 regular basis, tax forums, debates with the sheriff's  
17 office, the mayor's races, and so forth. Our stations  
18 have worked to serve this community.

19 One other thing I want to mention to this  
20 Commission -- and it doesn't have to do with that  
21 service, but it has to do with enough radio voices in  
22 the community -- and this is to the three

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1 commissioners that are on the dais. Do not approve  
2 IBOC for AM broadcasting.

3 It is typically flawed. It will lead to  
4 the turning off of a great number of AM radio stations  
5 in this country. The technology has not been proven.  
6 You are not allowing it to be used at night because of  
7 the interference that it causes on the AM band.

8 And if IBOC is approved as pending, the  
9 only AM radio stations left on the air will be  
10 50,000-watt flamethrowers in big markets. Small AM  
11 stations, like Mr. Zwerling's KSCO in Santa Cruz, our  
12 stations here in King City, will leave the air because  
13 the signals as they are, are not strong enough to  
14 compete against the interference caused by this  
15 proposed service, which would move AM from an analog  
16 band into a digital band.

17 I know this is way out there for people.  
18 There's only one guy in the audience who is a  
19 broadcast engineer who understands any of this, but  
20 everything -- when you're talking about localism, if  
21 we lose more radio stations, then you're not going to  
22 have localism. Thank you.

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1 MS. DAVIS: Thank you.

2 (Applause.)

3 The speaker at microphone two.

4 MR. COUSINS: My name is Michael Cousins.

5 I am a communications attorney in Oakland. I thank  
6 the commissioners for having this meeting. I  
7 specifically want to compliment Commissioner Abernathy  
8 for being gracious and gutsy coming out here and  
9 chairing this thing.

10 (Applause.)

11 MR. COUSINS: Now, the commissioners as a  
12 whole, on the other hand, when they get together, they  
13 can do some terrible things.

14 (Laughter.)

15 MR. COUSINS: Specifically, I want to  
16 mention that since 1987, there's been no generalized  
17 opportunity to file for a full-service TV station. A  
18 freeze was put on at that time. That's very  
19 important: nearly a whole generation with no  
20 opportunities for new entry to full-service  
21 television.

22 More recently, we've seen the Commission

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1 adopt at the suggestion of industry a transition plan  
2 for radio to digital radio, that involves no new entry  
3 at all. Only incumbent radio operators are going to  
4 be able to make the transition to digital. And then  
5 much, much later perhaps, if ever, new entry will be  
6 permitted.

7           These policies are wrong. I'm concerned  
8 that television broadcasting itself may be dying  
9 because it doesn't have fresh voices, new entry, more  
10 stations. It's down to, what, 20 percent of the  
11 audience now is receiving television directly over the  
12 air? And I think the industry may be in trouble.

13           The fate of radio could be even worse.  
14 Radio if it doesn't expand and get new voices and  
15 diverse voices could be hammered by new technologies  
16 until we don't have an effective on-the-ground  
17 broadcast radio service anymore.

18           So these are things to think about and to  
19 take back to Washington that we need to expand these  
20 services. We need to create new entry. Diversity is  
21 going to come from new entry and not from pushing  
22 around the folks that are already there because they

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1 have shown that they push back very effectively or  
2 they will outfox you every time.

3 (Laughter.)

4 (Applause.)

5 MS. DAVIS: Thank you.

6 Microphone one.

7 MR. GUSTASON: Good evening. My name is  
8 Howard Gustason. I live in the City of Marina.

9 You know, I am not really worried about  
10 consolidation of the media as long as you are there to  
11 regulate them, honestly. In the 1980s, I was  
12 concerned about CNN and Headline News taking over  
13 because we already had the same thing with CBS, NBC,  
14 and ABC. I really was concerned about the  
15 homogenization of the news then.

16 It's hard to believe news from any source  
17 if you disagree with one's fundamental philosophies,  
18 political philosophies. And independent news is just  
19 as untrustworthy easily.

20 News was beginning to come around with the  
21 advent of independent broadcasters, believe it or not,  
22 like Rush Limbaugh, in 1989 and 1990, which I believe

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1 helped to create the need for Fox News. My news of  
2 America, fair and balanced, finally came along with  
3 Rupert Murdoch, who isn't even an American, finally.

4 And if you really want control of what you  
5 watch, then why don't you come up with a great *a la*  
6 *carte* menu system from the cable companies so we can  
7 pick and choose what we want?

8 If I only want three TV stations, then  
9 that's all I want. And give me a decent rate, you  
10 know, really. And I don't want to pay tax dollars for  
11 public television, to listen to somebody's political  
12 diatribe that I don't agree with. I don't want to  
13 hear them at all.

14 Another thing, you need to stop the  
15 channel blocking. The channel blocking, isn't that  
16 another way for us if we don't like what is being  
17 shown at prime time to just move over and watch a  
18 channel on an independent station who airs the same TV  
19 programs?

20 KSBW is guilty of it. Fox News or the Fox  
21 local channel is very guilty of it. I mean, they are  
22 ornery about blocking TV channels.

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1                   Reruns. How could it hurt? If they can't  
2 make it through their advertising dollar by blocking  
3 channels, I mean, that is the most ridiculous thing  
4 there is.

5                   Anyway, thank you very much.

6                   MS. DAVIS: Thank you.

7                   (Applause.)

8                   Microphone two.

9                   MS. WEAKS: Hello. My name is India  
10 Weaks. I want to thank you for coming to my hometown  
11 of Monterey. I would like to give you an example of  
12 some of the local Clear Channel content that can be  
13 heard on local KSJO here in Monterey. This is July  
14 16th, 2002, The Mikey Show.

15                   (Whereupon, an audio tape was played.)

16                   MS. WEAKS: That's four-year-old Katie.  
17 She was a regular feature on The Mikey Show. She  
18 called in often and told dirty jokes, usually the  
19 words too dirty to bleep.

20                   That was "What are the two most important  
21 holes on a woman's body?

22                   "Her nostrils so she can breathe while she

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1 is giving you a blow job."

2 Mikey no longer featured Katie as a caller  
3 after the Dallas Police Department investigated. And  
4 you might ask, "Why Dallas?" Well, it turns out that  
5 though it was being heard locally here in Monterey,  
6 the show is produced in Dallas and being  
7 voice-streamed here into our little community.

8 The Sexual Exploitation Unit in Dallas,  
9 Texas looked into the issue, contacted the station.  
10 The station said it was an adult woman who was an  
11 actress but refused to cooperate with any further  
12 investigation or provide any proof.

13 This is Mikey a week later, when he made  
14 international headlines when he gave tips to  
15 kidnappers on how best to dispose of children's  
16 bodies, "He recommends nylon rope because Jessica  
17 Pratt was able to chew through the duct tape. He  
18 recommends lye to dissolve the body and tarps."

19 I would also like to conclude by playing  
20 for you his statutory rape song, which has been heard  
21 on dozens of Clear channel stations.

22 MS. DAVIS: I hope it's quick.

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1 (Whereupon, an audio tape was played.)

2 MS. WEAKS: There's an entire song that  
3 goes after that. For those of you who missed the  
4 beginning because of the cheering and all of that, he  
5 said, "Look at that little girl over there. Is she 9  
6 or is she 12? Ain't got no pubic hair. I like them  
7 bald and bare."

8 The song goes on to talk about the  
9 international sex trade of children, "I'm such a bad  
10 boy. I like little girls from Hanoi," "I'm into  
11 videotape. I like statutory rape."

12 On June 9th, the FCC voted --

13 MS. DAVIS: I'm sorry. I'm sorry. Thank  
14 you.

15 MS. WEAKS: I was censored on June 9th,  
16 when they dismissed my complaint with no  
17 investigation.

18 MS. DAVIS: Do you want to apologize to  
19 the people who are in line and hoping to be heard?

20 UNIDENTIFIED OPEN MIC PARTICIPANT: I  
21 would actually love to hear more, but --

22 MS. DAVIS: Can we --

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1 COMMISSIONER ABERNATHY: Let me go ahead  
2 and respond. This was not voted on by the commission.  
3 This was done at the bureau.

4 MS. DAVIS: Do you want to hear her answer  
5 or not? Would you like to hear her answer?

6 UNIDENTIFIED OPEN MIC PARTICIPANT: Yes.

7 COMMISSIONER ABERNATHY: Everything I  
8 heard is completely inappropriate, rises to the level  
9 of indecency. And we have got to go after them. This  
10 is the first I know about it. Yes.

11 MS. DAVIS: Thank you very much.

12 Please?

13 MR. SHILLER: Good evening. My name is  
14 Zack Shiller. I'm a graduate student in sociology at  
15 the University of California at Davis. For the last  
16 about two years, I have been studying low-power FM,  
17 specifically Radio Bird Street, KRBS-LP in Oraville,  
18 California.

19 In recent years, political scientists and  
20 sociologists as well as national editorialists have  
21 lamented the decline in civic participation and  
22 engagement in our society. Theories explaining this

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1 trend center on the pervasive cynicism present  
2 throughout many sectors of society because of people's  
3 voices not being heard or their votes not counting.

4 In my two years researching at KRBS and in  
5 scores of interviews with folks in LPFMs across the  
6 country, I found quite the opposite. Through their  
7 participation in community-oriented radio stations,  
8 LPFM participants overwhelmingly report a feeling of  
9 connectivity, both to each other and to wider social  
10 forces, that they had never experienced before. This,  
11 in turn, has resulted in an increase in civic  
12 engagement in many communities.

13 The lesson here is that LPFM has actually  
14 renewed civic engagement and participation. Being  
15 connected to one's community should not be limited to  
16 the opportunity for a new LPFM license window to open,  
17 though I should strongly encourage you all to do that.

18 But the larger lesson is that existing for  
19 profit stations with much more extensive reach should  
20 be mandated to open a portion of their daily or weekly  
21 program grid to community-oriented and  
22 community-produced programming as part of their

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1 obligation to serve the public interest.

2 (Applause.)

3 MR. SHILLER: Whether it is showcasing  
4 local artistic talent or opening a space for debate on  
5 important local issues, creating community time on  
6 existing full-powered stations and enforcing this  
7 public interest obligation should be a central focus  
8 of this task force.

9 Airing canned public service announcements  
10 at 3:00 A.M. is one thing, but inspiring entire  
11 communities to become more involved, more connected,  
12 and more aware should be a primary goal of meeting  
13 public interest obligations.

14 So yes, let's open filing windows for more  
15 LPFMs in urban areas, but let's also open existing  
16 stations' airwaves to local community voices on a  
17 regular basis. And let's let that count as serving  
18 the public interest, which supposedly broadcast  
19 licensees are required to do.

20 Thank you.

21 (Applause.)

22 MS. DAVIS: Thank you.

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1 Microphone two.

2 UNIDENTIFIED OPEN MIC PARTICIPANT: Hello.  
3 I'm from Oakland, California. Thank you, Monterey, for  
4 having us. Much respect for Davey D coming down here.

5 I want to speak on two things really  
6 quickly. The first up is personal experience. I  
7 thought this was probably the most important part of  
8 this Commission, for you to hear what is really going  
9 on, not on Clear Channel's Web site.

10 My colleague up there, Eli Taylor, is a  
11 promoter of hip hop events in the Bay area. He chose  
12 to do an urban entertainment convention that was  
13 designed to network local business people. And we  
14 brought in a lot of corporate sponsors, a lot of  
15 different media outlets.

16 Basically what happened is we chose to use  
17 their competitor, 92.7, the new hip hop station, as a  
18 sponsor. And the day before the event, KMEL Clear  
19 Channel station called the artist's label and demanded  
20 that they pull the radio ads off or that they would  
21 stop spinning their record on KMEL. After that  
22 happened, they called again and canceled on us the day

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1 of the event because they had called the label and  
2 said it was too much pressure. So the label canceled  
3 on us, actually.

4 What ended up happening is the artist  
5 performed anyway, came from New York to perform, not  
6 despite the fact that KMEL's vans were circling our  
7 event the night of, telling all of our fans that the  
8 artist was not coming. So they are actively trying to  
9 shut down local business people.

10 Unfortunately, none of that is important.  
11 I want to put everything into context. There is a  
12 flyer floating around the room right now. There's  
13 probably also some agents in the room. There is  
14 probably a lot of different stuff in the room.

15 The election in 2000 was stolen, folks.  
16 The election in 2000 was stolen. And there's no  
17 reason to believe that they're not gearing up for the  
18 same thing, not in a year, in a couple of months.

19 I remember as a student watching films  
20 from Nazi Germany. We have no Nazis in power here.  
21 That is not what I am saying. But we know the role  
22 that media played and what happened in the '40s. We

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1 know the role that media plays in preventing that. We  
2 know what's going on right now.

3 I personally am speaking as somebody who  
4 has been removed from voter rolls. I voted in  
5 November. I went back in March, and I wasn't on that  
6 roll. So there is stuff going on. And the media is  
7 important. It's not just about music and art.

8 (Applause.)

9 MS. DAVIS: Thank you.

10 Microphone one.

11 MR. ELIACH: Good evening. My name is  
12 Nick Eliach. I am from Watsonville. I want to thank  
13 you for being here and allowing us to speak here.

14 I am going to go for your stomachs first  
15 and then your thought process. There was earlier  
16 mention of eating in the Monterey restaurants. I want  
17 you to imagine there was only one chain of restaurants  
18 and it served bland food.

19 (Laughter.)

20 MR. ELIACH: That's what you have going on  
21 here. You're having the entire media that's going to  
22 be controlled by one chain. It's going to serve bland

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1 programming.

2 I have a power in my hands, and it's the  
3 Constitution. I think of the freedom of the press.  
4 The press was something different 228 years ago  
5 because there wasn't television. There wasn't radio.  
6 And there wasn't internet. But the founding fathers,  
7 if they were around today, they would incorporate  
8 that.

9 Just because they said the word "press" is  
10 because they were pressing the newspaper. But by  
11 having . . . but, what you're doing, we're going to  
12 lose our freedom of the press. You're abridging the  
13 freedom of the press by letting one institution, one  
14 corporation control it all.

15 KSCO 1080 AM owned by the Zwerling family,  
16 independently owned station, allowed me the  
17 opportunity to have a noontime show one day a week.  
18 Every Monday I'm on, I host the "Nick at Noon Show."  
19 They allowed me to have that opportunity to represent  
20 local issues in Watsonville.

21 I am a carpenter by trade. They allowed  
22 me to have that opportunity. Can you imagine a

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1 corporation allowing a carpenter to represent local  
2 issues? I know the local issues. I have been in town  
3 my entire life. KSCO, which is an independent owned  
4 radio station, gave me that opportunity. So I commend  
5 them for that.

6 The answer is more independent owned radio  
7 stations. And one of your questions, how to promote  
8 more localism in broadcasting is by having more  
9 locally owned stations.

10 Our system was built upon people speaking  
11 out and standing up for a cause. Today we are  
12 standing up and speaking out to you to create more  
13 local stations.

14 Thank you very much.

15 (Applause.)

16 MS. DAVIS: Thank you.

17 Microphone two.

18 MR. ACOSTA: Thank you for allowing me to  
19 speak.

20 My name is Tony Acosta. I am a longtime  
21 resident of the County of Monterey. I have been very  
22 active in my community at the grass roots level most

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1 of my life. At the present time I am the chairman of  
2 the Housing Authority of the City of Salinas.

3 For the last nine years, I have been  
4 working for the Citizenship Project. It's a nonprofit  
5 agency. What we do there is to help people to become  
6 citizens, to apply to become citizens. We have helped  
7 over 20,000 people in this county to become citizens.

8 (Applause.)

9 MR. ACOSTA: Also we help people to become  
10 legal permanent residents. And also we empower people  
11 of all colors to defend themselves with labor and  
12 civil rights violations.

13 (Applause.)

14 MR. ACOSTA: We depend on the local media  
15 to maintain a community well-informed as to their  
16 rights, health care issues, local activities that are  
17 free to them.

18 TV and radio are essentially requirements  
19 to serve the communities. They often give us full  
20 coverage of local elections, ignore important issues,  
21 discriminate against minority communities. We can't  
22 let profit motives control the need for quality local

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1 programming.

2 The current license renewal process is a  
3 shame. Broadcasters have no incentives to serve their  
4 local communities' needs. We need a better process  
5 for holding TV and radio stations accountable.

6 Of the broadcast stations that we have,  
7 only two locals have been helping us 1,000 percent.  
8 One is KHDC, Bilingue Radio - thank you Delia -- and  
9 also KFMS, who we see on 67.

10 Thank you very much.

11 MS. DAVIS: Thank you.

12 (Applause.)

13 Back to microphone one.

14 MS. BISSI: Hi. My name is Kathy Bissi.

15 I work for a small business in the tech industry  
16 across the Bay in Santa Cruz. I have a background in  
17 broadcast journalism, and I produce a community access  
18 educational show for my business.

19 I'm grateful for the opportunity to speak  
20 tonight, but I know that there are many others who  
21 would have liked to have joined us in some of these  
22 empty seats that have been here since the beginning of

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1 the evening.

2 I really urge the FCC to cast a much  
3 broader net, to truly listen to the local community,  
4 and to add more hearings to your agenda this summer.

5 (Applause.)

6 MS. BISSI: I would like to see stations  
7 be held accountable and be required to provide more  
8 hours of public affairs programming and at prime time  
9 hours, as has been said, not at 4:00 o'clock in the  
10 morning.

11 My husband and I watch the local nightly  
12 news. There's two corporate nightly news viewpoints  
13 given in our media area. And what we usually watch is  
14 about a 60-second corporate logo introduction to the  
15 news story followed by a 2-sentence story pulled from  
16 a newspaper story about an hour before the broadcast.  
17 I think we deserve more.

18 The few corporate owners of our media are  
19 making millions off the public trust. Perhaps it's  
20 time that we as their landlords start collecting the  
21 rent.

22 As someone who purchases thousands of

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1 dollars in advertising every year in this local  
2 market, I'd pay a half a million dollars if I had  
3 it for 60 seconds during prime time for an ad.

4 What's the public dividend on this  
5 valuable commodity? Collecting the rent from big  
6 media would support local viewpoints, funding for  
7 non-commercial and PEG access stations, and create  
8 local accountability.

9 Just one more quick note. As a marketing  
10 professional, I know as well as you do that it is good  
11 business to make donations and to support your local  
12 charities. Don't let anyone fool you that cause  
13 marketing is in any way to secure the public interest  
14 in regards to access and control of local media. It's  
15 noble, but it's not. It's in their interest.

16 Thank you.

17 (Applause.)

18 MS. DAVIS: Microphone two.

19 MR. McMANUS: Good evening. I am John  
20 McManus. I direct a project at Stanford University  
21 called gradethenews.org.

22 (Applause.)

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1 MR. McMANUS: If there is a single  
2 indicator of quality of localism, it's this. How  
3 well do area broadcasters prepare citizens to vote on  
4 state and local issues, races that are usually covered  
5 only by the local journalists? The answer for four of  
6 the San Francisco Bay Area's five most watched  
7 stations is not very well.

8 Grade the News analyzed coverage in the  
9 weeks before the March 2nd election. We found only  
10 one station broadcast more than a minute per day on  
11 its premier evening newscast that voters could use to  
12 decide local races for Congress, the state  
13 legislature, city, and county offices, and 65 state  
14 and regional ballot issues.

15 KNTV Channel 11, the NBC-owned and  
16 operated station in San Jose, broadcast a minute and  
17 40 seconds of local political issues per evening on  
18 its hour-long newscast, less than weather or sports or  
19 crime. But consider that channel 7, KGO, the ABC  
20 station; and KPIX Channel 5, the CBS station, devoted  
21 an average of just 10 seconds of their prime evening  
22 newscast to the substance of all state and local races

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1 and propositions combined.

2 KTVU Channel 2, the Fox affiliate in  
3 Oakland, broadcast just under a minute of news voters  
4 could use to decide local races. KRON Channel 4, an  
5 independent, ran half a minute a night.

6 We surveyed newscasts during the week  
7 immediately before the spring election and the third  
8 week before the election. By news voters can use, we  
9 mean everything but horse race coverage of politics.

10 One minute or less on the longest newscast  
11 of the evening in the weeks just before an election  
12 for all local and state races and propositions  
13 combined represents a serious failure to take  
14 journalism's most important duty seriously.

15 Thanks for your patience.

16 MS. DAVIS: Thank you.

17 (Applause.)

18 Microphone one.

19 MS. MESSENGER: My name is Joy Messenger.  
20 I work in the California Office of the National Center  
21 for Missing and Exploited Children.

22 It is an honor to be here tonight to

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1 express our strong support for our California  
2 broadcasters and share how they serve our communities.

3 Ever since our doors opened in 1984, our  
4 goal has been to help find missing children and  
5 protect them from exploitation. In our business, time  
6 is the enemy.

7 We believe there is no other industry that  
8 can galvanize a community to action like our local  
9 radio and TV stations. Twenty percent of America's  
10 missing children come from California. But with  
11 broadcasters' help, we are able to fight these  
12 horrible crimes. It is a partnership that shows  
13 results.

14 Our statistics show one out of six kids  
15 featured in our photo distribution network are  
16 recovered as a direct result of a child's photo. And  
17 the number one source of photo-related recoveries is  
18 television.

19 Radio also plays a very vital role in  
20 recovering missing kids, especially through the Amber  
21 Alert program. In California, we've had 12  
22 recoveries so far, and more than 135 kids have been

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1 returned safely nationwide because someone saw or  
2 heard the Amber Alert and contacted officials.

3 The Amber Alert program has revolutionized  
4 the way we fight child abductions in our country. No  
5 longer are we waiting for the 5:00 o'clock news to get  
6 details about the case. Broadcasters now break into  
7 programming with information so that no time is lost.

8 Broadcasters' ability to engage and  
9 empower entire communities to search is second to  
10 none. We believe their efforts are commendable,  
11 especially since they are not mandated to do so.

12 We have seen time and time again the power  
13 of broadcasters in helping to resolve these cases.  
14 Today more missing children come home safely than at  
15 any time in the nation's history and families are more  
16 alert and aware than ever before.

17 And that is because local broadcasters are  
18 focusing more on this important issue. They run our  
19 public service announcements and produce stories on  
20 child safety tips and prevention. They educate their  
21 communities on how to keep their kids safer.

22 Thank you.

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1 MS. DAVIS: Thank you very much.

2 (Applause.)

3 Thank you, sir. Microphone two.

4 MR. STEPHENS: Good evening. My name is  
5 Ron Stephens. I am General Manager with People's  
6 Radio. We are a commercial radio group here on the  
7 Monterey Peninsula.

8 We have stations KYA; recently changing  
9 KSRK to KMEO-KMEX, which is Spanish Talk; and if you  
10 don't know about the station, you have seen it. We  
11 are the heritage station KNRV, which has the tower on  
12 Cannery Row.

13 KNRV has been a long-time station offering  
14 the ability to present not only local individuals who  
15 wish to propone their facts over the airwaves but also  
16 trying to broadcast talk radio for not only Monterey  
17 but covering wider areas of reach.

18 We are a minority-owned local ownership.  
19 We're probably the only radio group represented  
20 tonight with our owner, Joe Rosen, sitting in the  
21 audience.

22 It is very difficult in this day and age

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1 for local radio groups of our type to be able to exist  
2 in a market such as this. However, there's a place  
3 for everyone to be and to work out throughout the  
4 media direction.

5 We as a local radio station group attempt  
6 to do everything possible to propone the local  
7 community efforts. We broadcast localized basketball  
8 by Cal State-Monterey Bay.

9 We have adopted CASA, which is the local  
10 organization for advocates for children in the court  
11 systems. We also promote all of the local events. We  
12 also give the public a chance to speak on our  
13 stations.

14 Localism is very important, but we are a  
15 dying breed. We are almost extinct, the local  
16 ownerships are. So we ask that as everything is  
17 looked at, find the place to keep local ownership. If  
18 not, that animal will disappear. And there will not  
19 be the local ownership radio stations and owners such  
20 as Joe Rosen sitting in the audience and people like  
21 myself speaking as general managers for these  
22 stations.

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1 I thank you for your time. I thank the  
2 Commission. I thank the community. Let's keep local  
3 ownership alive. Thank you.

4 (Applause.)

5 MS. DAVIS: Good evening, microphone one.

6 MS. ADAMS: Good evening, Commissioners  
7 Abernathy, Copps, and Adelstein. I welcome you to our  
8 small, remote Monterey County. My name is Mary Adams.  
9 And I am the President of United Way for Monterey  
10 County.

11 I have lived here in the community for  
12 almost 40 years and have been active in the  
13 not-for-profit sector for just about all of those  
14 years. I want to thank you for choosing to hold your  
15 meeting here.

16 Like all communities, Monterey County  
17 faces unique challenges and problems. United Way of  
18 Monterey County works to tackle many of these  
19 problems. And we provide funding, support, and  
20 leadership to many nonprofit organizations that  
21 provide assistance to people in need.

22 United Way agencies tackle such problems

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1 as domestic violence, sexual abuse. We provide  
2 assistance for children who are at risk. We help the  
3 elderly. We work to address hunger and homelessness.  
4 And we also address scores of other pressing issues.

5 United Way agencies touch more than 40  
6 percent of the people who live in our county. In  
7 providing these services, we're fortunate to have  
8 strong partners in our local radio and television  
9 stations.

10 We are a small community. And we do have  
11 access that is not common in the larger markets. As  
12 an example, KSBW-TV in Salinas helped the United Way  
13 of Monterey County and United Way of Santa Cruz County  
14 launch a program called Success By 6, which works to  
15 ensure that children are prepared to learn by the age  
16 of six, when they generally enter school.

17 KSBW has aggressively promoted the  
18 program, both on air and off, airing public service  
19 announcements and vignettes covering such areas as  
20 children's health, education, nutrition, and safety,  
21 plus quality time with family and parenting skills.

22 One of the station's co-anchors, Kate

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1 Callaghan, who is an absolute delight, has shown  
2 particular dedication to this program, regularly  
3 preparing special features for Success By 6.

4 KSBW also provides local support for our  
5 annual fundraising drive. If we were to try to pay  
6 for the kind of support that we get to support our  
7 fundraising goals, we wouldn't be able to give so much  
8 money back to the community.

9 Indeed, many local TV stations and radio  
10 and on-air talent provide support for us from places  
11 like KTIG to KION.

12 Thank you.

13 MS. DAVIS: Thank you very much.

14 (Applause.)

15 Microphone two.

16 MR. DILLWORTH: Good evening,  
17 commissioners and the public. My name is David  
18 Dillworth. I represent Helping Our Peninsula's  
19 Environment. I grew up here locally.

20 Just like a corporate restaurant, we are  
21 not being served by our local TV broadcasting.  
22 One-sided, pro-business, anti-environmental local news

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1 reporting is standard here.

2 For an example, a water supply and  
3 building moratorium is facing us. It's a major  
4 current local front page controversy. All three  
5 Peninsula newspapers at least mentioned that there was  
6 public support for the moratorium. At the single  
7 hearing that was held.

8 Yet, not one of the three major local  
9 English language TV stations, KSBW, KION, or KCBA,  
10 allowed any mention of public support for the  
11 moratorium. But they all provided extensive coverage  
12 of the moratorium criticism by those who had a direct  
13 financial interest in it. This is absolutely  
14 backwards --

15 (Applause.)

16 MR. DILLWORTH: -- because newspapers have  
17 no government mandate to provide both sides of the  
18 story but broadcasters do. We have a solution.

19 According to most journalism experts, the  
20 "Letters to the Editor" page is the most read section  
21 other than the front page. Our local KSBW-TV pretends  
22 to provide viewer responses to their one-sided

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1 anti-public interest news coverage and editorials.

2 (Applause.)

3 MR. DILLWORTH: But in reality, the only  
4 thing they provide is a one-sentence summary, their  
5 summary, of our rebuttals, not in full, not on the  
6 air, not by the author, only on their Web site.

7 We need meaningful broadcast time  
8 dedicated to genuine unedited public letters to the  
9 editor. For every minute of local news, please  
10 require local TV and radio stations to provide an  
11 equal number of free minutes in adjacent time, not at  
12 3:00 A.M., for local unedited video, letters to the  
13 editor spoken by their authors or a person they  
14 choose.

15 (Applause.)

16 MR. DILLWORTH: It might even be popular.

17 (Applause.)

18 MS. DAVIS: Thank you. Thank you.

19 MR. DILLWORTH: Belva, this is a  
20 certificate of media heroism for Hebrard Olsen, the  
21 gentleman who spoke before you and has presented 800  
22 hours of public interest programming at his own

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1 expense. He doesn't know he's going to get this, but  
2 we're presenting it to him tonight.

3 (End of tape 3)

4 (Beginning of tape 4)

5 MS. DAVIS: Okay. Thank you.

6 (Applause.)

7 Microphone one.

8 MS. KIRSCHNER: Hi. Hi, Commissioners.

9 Thanks so much for being here tonight. My name is  
10 Laura Kirschner. I'm the PR Director with the  
11 Monterey County chapter of the American Red Cross here  
12 -- here in -- based in Salinas, actually.

13 As the FCC's localism task force  
14 undertakes the examination of all the ways that local  
15 broadcast stations serve local communities, I just  
16 wanted to draw your attention to the long-standing  
17 partnerships between our own broadcasters and the  
18 American Red Cross, Monterey County chapter.

19 Through the airing of disaster  
20 preparedness and response messages, promoting blood  
21 drives, and highlighting health and international  
22 services, local radio and TV stations in our community

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1 assists the American Red Cross, Monterey County  
2 chapter in saving lives.

3 The American Red Cross and Monterey County  
4 continues to rely on the media to provide information  
5 to the public in times of disaster when help can't  
6 wait. As flood waters are rising and in times of  
7 local family disasters, it's through the media that we  
8 get these critical life-saving messages to the public.  
9 Our local media support is greatly appreciated and  
10 absolutely critical to ensuring that Red Cross  
11 messages are delivered in a timely and effective way  
12 to the waiting public.

13 For example, this year our chapter worked  
14 closely with KION, KCBA, and local schools to raise  
15 funds for local disaster relief efforts here in  
16 Monterey County. Our broadcast partners sponsored  
17 this campaign, providing public service announcements  
18 and on-air talent to help raise nearly \$7,000 for  
19 chapter local disaster relief effort, thus ensuring  
20 that local families would have the means to start over  
21 when disaster interrupts their lives. It does make a  
22 big difference, and we're tremendously grateful.

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1 KION and KCBA's promotion was absolutely  
2 crucial to the success of the overall campaign. As  
3 someone who spent nearly 10 years behind the scenes in  
4 local TV, and seven years in the non-profit sector, I  
5 can tell you that our area broadcasters are doing an  
6 admirable job in covering our local nonprofit  
7 organizations.

8 However, with over 500 registered  
9 nonprofits in Monterey County alone, we simply can't  
10 expect the media to cover our organizations just  
11 because we're doing good things. We need to spend  
12 some time thinking about how we can provide the media  
13 with what they need.

14 Each one of us in the nonprofit world can  
15 play a role in our perceptions of the organization.  
16 It's up to us to learn how to think like reporters and  
17 to critically ask ourselves why our issues are  
18 important and what is it about them that's newsworthy.

19 MS. DAVIS: Thank you so much.

20 (Applause.)

21 MS. KIRSCHNER: Thank you.

22 MS. DAVIS: Microphone two.

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1 MS. CHARLTON: My name is Tammy Charlton.  
2 I have lived in Monterey for 27 years. I'm a teacher  
3 in Moss Landing north of here. During the Iraqi War,  
4 a PBS radio station gave many-sided coverage of the  
5 war twice a day, unfortunately for me at 9:00 a.m. and  
6 3:00 p.m. I could catch the 3:00 p.m. every day  
7 driving home from school. I listened to it daily on  
8 my way home.

9 The variety of viewpoints and coverage was  
10 priceless. When the war supposedly ended, this  
11 station could only afford to broadcast the program  
12 once a day, unfortunately at 9:00 a.m., given the  
13 limits of public funding by donation.

14 With the extraordinary profits of  
15 commercial media, shouldn't they be required to  
16 support unbiased public transmission with at least 10  
17 to 15 percent of their horrible profits?

18 (Applause.)

19 MS. DAVIS: Thank you.

20 Microphone one.

21 MR. GROSSMAN: My name is Arlen Grossman.  
22 I'm a media consumer.

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1 (Laughter.)

2 In theory, the FCC is the government  
3 agency regulating the media on behalf of the American  
4 public. My concern is that the people are not being  
5 served by the FCC. I wish I could say the FCC works  
6 in the public interest, but recently they seem to be  
7 more interested in the welfare of Disney, Clear  
8 Channel, Fox, and Time Warner.

9 Lowry Mays, the CEO of Clear Channel  
10 Communications, was quoted as saying -- this is a  
11 quote -- "If anyone said we were in the radio  
12 business, it wouldn't be someone from our company.  
13 We're not in the business of providing news and  
14 information. We're not in the business of providing  
15 well-researched music. We're simply in the business  
16 of selling our customers products."

17 In other words, the primary responsibility  
18 of a media corporation is to make money for its  
19 shareholders, not to serve the general public or the  
20 crucial information needs of a well-functioning  
21 democracy.

22 The number of companies who control the

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1 media has been shrinking rapidly, leaving power in the  
2 hands of a few corporate media giants. As it is,  
3 monopolies represent 98 percent of all cable TV  
4 markets, and two companies control satellite TV.  
5 Since the 1996 Telecommunications Act deregulated  
6 radio, Clear Channel grew from 43 stations to more  
7 than 1,200 today.

8 Now, why would the FCC side with the big  
9 media companies? Maybe the influence of the  
10 \$100 million plus that media corporations and their  
11 trade associations spent on lobbying the government in  
12 recent years. Or maybe the influence of the more than  
13 2,500 industry-sponsored, all-expense-paid trips  
14 provided for FCC employees since 1995. (Audience  
15 booing.)

16 So what can be done to serve the public  
17 interest? Great Britain and Canada offer examples.  
18 They have been wary of the dangers that an  
19 advertising-dependent broadcast system poses on  
20 democracy. They have -- all right.

21 MS. DAVIS: Your time is up.

22 MR. GROSSMAN: All right. Thank you.

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1 (Applause.)

2 MS. DAVIS: Thank you.

3 At microphone two.

4 MS. GOODFELLOW: I am Robin Goodfellow.

5 I came down from Oakland because I believe in  
6 alternative non-commercial, non-Republican radio is  
7 vital --

8 (Laughter.)

9 -- to the health of the world. I am also  
10 KD6OAQ, an amateur ham radio operator. Please protect  
11 our amateur frequencies from corporate greed. We  
12 provide disaster communications for fire, police, and  
13 Red Cross when the phones are down. Please don't sell  
14 our birthright airwaves to the highest bidder.

15 (Applause.)

16 MS. DAVIS: Thank you, Robin.

17 Let me take a minute here for a little bit  
18 of housekeeping. We have to be out of this building  
19 by 11:45. We have a choice. We have other speakers;  
20 I'm not sure how many, because I can't see the number  
21 of people in the hall. But those of you who are  
22 on line, if you would like to have your fellow

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1 speakers have an opportunity, you might think of  
2 cutting your time or whatever it is that would help us  
3 get everyone to the microphone. We'd appreciate it.

4 Also, I'm sure you'd like to hear at least  
5 a comment or two from the Commissioners before you  
6 leave, after saying all these things. I suppose you  
7 do. But if you do not, that's fine. We will continue  
8 on until the last minute we can, to allow enough time  
9 for you to clear the building when it's --

10 UNIDENTIFIED PARTICIPANT: (Inaudible.)

11 MS. DAVIS: We didn't take it away. On  
12 your --

13 UNIDENTIFIED PARTICIPANT: (Inaudible.)

14 MS. DAVIS: You haven't been cut short.  
15 I'm discussing it with you now. You have not been cut  
16 short. I only want you to know what's at stake. I  
17 don't know how many people are in the line. Those of  
18 you in the line should know you have 30 more minutes,  
19 no matter what. So can we start with microphone one.

20 MS. SMITH: Thank you, and --

21 UNIDENTIFIED PARTICIPANT: (Inaudible.)

22 MS. SMITH: -- thank you for this

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1 opportunity. My name is Margaret Smith. I reside in  
2 Santa Cruz County, and I subscribe to Comcast cable  
3 television. And unlike the previous speakers brought  
4 here by KSBW, I have some serious objections to KSBW.  
5 I find them both racist and classist, and that they  
6 serve their corporate masters well.

7 My first experience with them was being  
8 one of the thousands of people who were not able to  
9 see "Saturday Night Live" because KSBW did not want Al  
10 Sharpton to have that exposure. So no one who was on  
11 cable television could see "Saturday Night Live" in  
12 this whole area of three counties at least.

13 I didn't -- I complained to Comcast about  
14 that, and they said, "No, it's not us. They block the  
15 other" -- we would have had a chance to see it on  
16 another -- another NBC channel, had it not been  
17 blocked.

18 But the next experience made me even more  
19 angry. I found out that they had made an editorial  
20 commending Wal-mart -- supporting Wal-mart coming to  
21 Gilroy, and I wrote to them and I got a response back  
22 basically asking them to allow an opposing point of

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1 view on it. The response back I got basically said,  
2 "Well, the only people who care about this is labor,"  
3 meaning, I guess, working people and 95 percent of the  
4 public.

5           Anyway, they basically considered labor as  
6 totally unimportant.

7           MS. DAVIS: Thank you.

8           (Applause.)

9           Microphone two.

10           MR. BALVEY: Hi. My name is Marcello  
11 Balvey. I'm here to represent NCMU California Media.  
12 We're based in San Francisco, and also have offices in  
13 Los Angeles, and in our network we have 700 -- over  
14 700 ethnic media outlets statewide, and we're  
15 expanding nationwide. We basically work to promote  
16 the editorial and economic visibility of ethnic media  
17 in this country.

18           Just some quick statistics. One out of  
19 every -- one out of every 11 Americans is foreign born  
20 at this point. People living in this country --  
21 California, New Mexico, and Hawaii -- are majority-  
22 minority states. One out of every four Americans is

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1 an American -- one out of every four Americans is a  
2 minority at this point, and ethnic media is the  
3 mainstream media in these communities.

4 Unfortunately, what I feel has happened is  
5 that the huge demographic changes that have happened  
6 in this country in the 1990s have happened too late in  
7 order to be considered when we talk about all of these  
8 issues, when we talk about media deregulation, when we  
9 talk about localism in media, and I think that a  
10 healthy media ecosystem in pretty much any major media  
11 market, any media market really at this point in this  
12 country, has to include ethnic broadcasters.

13 Otherwise, like we heard again and again  
14 tonight, they're not really going to include the  
15 concerns of the community, and they're not going to  
16 communicate effectively with the communities the way  
17 they look today.

18 I think that one way that the FCC can help  
19 address this is by -- basically, I think it is an  
20 issue of ownership. I think that when the FCC looks  
21 at ownership changes, from now moving forward, I think  
22 they really need to think about what somebody

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1 mentioned before -- is the entry points.

2 We have a whole new generation of people  
3 in this country that don't have access to media. They  
4 have no way for their voices to be heard, especially  
5 in terms of broadcast media, which has gotten so  
6 prohibitively expensive to access for media  
7 entrepreneurs ever since the deregulations went  
8 through.

9 So if you could take these concerns into  
10 account, that would be great.

11 Thank you.

12 (Applause.)

13 MS. DAVIS: Thank you.

14 Microphone one.

15 KENDRA: Good evening. My name  
16 is Kendra. I'm a resident of Pacific Grove, and I'm  
17 also the Director for Children's Miracle Network.  
18 We're a local fund-raising arm of Salinas Sally  
19 Memorial Hospital, and the funds that we raise help  
20 children's health care needs in San Benito, Monterey,  
21 and Santa Cruz counties.

22 I come here tonight to offer kudos to our

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1 local media, because I think they do a great job for  
2 all of us in the nonprofit sector as well as viewers  
3 and citizens here in this community. For the past 10  
4 years that I've been doing this job, we've been  
5 working with the local television stations and radio  
6 stations in public fund drives for our charity.

7 And, in fact, in the last 10 years we've  
8 raised nearly a million dollars for children's health  
9 care needs through these two types of fund drives.  
10 Our current partners are KSBW on the television side  
11 and K-WAVE on the radio side. They just provide a  
12 tremendous service to this community.

13 In fact, this year for television there  
14 was a major news story that broke the afternoon that  
15 we were due to do our telecast, and KSBW had the  
16 option of moving away from the local show to pick up  
17 network programming. They chose not to. They chose  
18 to stick with the local programming, and they aired  
19 that special the next day.

20 So on behalf of all the charities -- and  
21 I know that there's lots of other issues out there,  
22 but we truly depend on the local media for our

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1 efforts. And because we do so well, then, in our  
2 efforts, we can help so many people in this community.  
3 I do think they do a great job, and, as Mayor Albert  
4 said earlier, perhaps they are unique. But then let  
5 this community serve as a role model for other markets  
6 out there, both large and small.

7 Thank you.

8 MS. DAVIS: Thank you.

9 (Applause.)

10 We turn to microphone number two.

11 MR. CAMPBELL: Good evening,  
12 Commissioners. My name is Bruce Campbell. I'm with  
13 the Department of Social Services, and I'm the  
14 Coordinator for the Central Coast Waiting Child  
15 Network. We're a bunch of social workers, and we  
16 really didn't understand marketing very well, so we  
17 joined with the local media to establish a regional  
18 network for public child welfare agencies and local  
19 media representatives.

20 The purpose of the Central Coast Waiting  
21 Child Network is to coordinate and consolidate foster  
22 care and adoption recruitment efforts in the tri-

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1 county area of Monterey, Santa Cruz, and San Benito  
2 counties. It links local and statewide recruitment  
3 efforts, sponsors press conferences and recognition  
4 events, and enjoys a broad spectrum of media support.

5 It has included KION, KCBA, KSMS, and KSBW  
6 television, as well as KFCO, KTOM, KUSP, and KEZU  
7 radio stations, and local print media. These efforts  
8 have been extremely helpful in our recruitment efforts  
9 and have more than doubled the number of Hispanic  
10 foster and adoptive homes in our county.

11 Through the years, recruitment efforts are  
12 at their peak during sponsored broadcasts which are  
13 always matched with generous portions of donated air  
14 time. In particular, I'd like to call attention to  
15 KION and KCBA. KION sponsored the "Just for Kids"  
16 program, which was a local waiting child program that  
17 featured local children waiting for adoption. It  
18 helped place some of our most difficult children, and  
19 one 14-year-old girl was adopted by a family who  
20 called us within moments of seeing her shown on the  
21 "Just for Kids" program.

22 When we needed to launch a new campaign

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1 for our Family to Family Initiative, two KION and KCBA  
2 executives spent a full day with us at a planning  
3 retreat. They have served on the Family to Family  
4 Steering Committee, and one has served as the Chair of  
5 the Marketing Committee. They have produced five-  
6 minute eye-openers featuring various segments of our  
7 Family to Family program, and we receive an average of  
8 75 minutes per month of broadcasting each month.

9 So I would just like to thank the local  
10 media for their support of our foster care and  
11 adoption recruitment efforts and this opportunity to  
12 speak to you.

13 (Applause.)

14 MS. DAVIS: Thank you.

15 Microphone one.

16 MR. RASMUSSEN: My name is Thor Rasmussen.  
17 I'm a local resident of Monterey. Thank you for the  
18 opportunity to talk this evening.

19 For the most part, I support the concept  
20 of the free marketplace. However, monopolies must not  
21 be allowed. The airwaves are a very limited resource  
22 that belong to the people. I am concerned about large

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1 companies like Clear Channel having the ability to  
2 control the majority of broadcasting stations.

3 In order to allow competition, there  
4 should be a limit to the number of stations that a  
5 single owner can have, say no more than 20 or 25  
6 percent in any given market. The majority of the  
7 stations should be locally owned and operated.  
8 KSCO, AM 1080, in Santa Cruz is a good example of  
9 this, as we heard earlier from Michael Zwerling.

10 With regard to the subject of advertising,  
11 it appears that the amount of infomercials has been  
12 increasing. While the revenue received by these paid  
13 advertising programs financially helps the stations,  
14 so that they can provide real programming, the amount  
15 of time spent on this kind of advertising should be  
16 limiting -- limited, and the airing of infomercials  
17 should be restricted, maybe limit the time you can  
18 have it in prime time hours.

19 While there's lots of new technology  
20 coming out, there's a couple things that I'm concerned  
21 about. The FCC should not approve the use of BPL,  
22 broadband internet over power lines technology. BPL

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1 produces interference, which will essentially destroy  
2 the ability of amateur radio operators and emergency  
3 officials to communicate on the shortwave frequencies  
4 in an emergency situation.

5 Other forms of internet should be utilized  
6 instead of BPL. Also, I believe, as said earlier, ham  
7 frequencies should be protected. Digital AM -- I  
8 think there's a lot of problems with that, with the  
9 regular analog AM. I think that should really be  
10 checked out before approved.

11 And, finally, I'd like to say -- it is off  
12 the subject, but beware of electronic voting. There  
13 is no way -- no way to have an independent accounting  
14 of the votes through that.

15 Thank you very much.

16 (Applause.)

17 MS. DAVIS: Thank you.

18 Microphone two.

19 MR. FULLER: Good evening. I'm George  
20 Fuller. I'm a radio broadcaster in Monterey County,  
21 and I work in a local radio station. And this station  
22 for -- it'll be nine years in October. It's a

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1 locally-owned radio station with no change in format  
2 for 20 years, and it's the only one that has done  
3 that. Everything else here has changed as often I  
4 guess as I change socks.

5 (Laughter.)

6 What I want to explain to you is how local  
7 radio is attacked in another way, and that is through  
8 Arbitron. As a broadcaster in the radio station where  
9 I am, the format where I work is what the market is  
10 here. It's jazz and blues. And when I contact  
11 clients, major clients, for instance -- well, these  
12 major grocery store chains, and I have to get in touch  
13 with their people in L.A. about advertising on our  
14 station, then what they say is, "You've got to make  
15 the ratings."

16 And the ratings go to radio stations that  
17 subscribe to Arbitron that pay \$35,000 a year. We  
18 don't have to do that. We don't have to subscribe to  
19 ratings. We know what the market is, and we are the  
20 market. But they refuse to do this.

21 So this is how local radio is attacked  
22 through Arbitron. I think the Federal Communications

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1 Commission should have a word with Arbitron and these  
2 rating services and say, "Hey, move somebody into the  
3 community, live there a while, find out what's going  
4 on," because we are what's going on.

5 (Applause.)

6 And I come from an old school. I hold a  
7 first class license. I have 21 years on the air, and  
8 I've only worked in one format, and that's jazz and  
9 blues. I'll go nowhere else.

10 Thank you.

11 MS. DAVIS: Thank you.

12 Yes, at microphone one.

13 MR. WARDWELL: Good evening. My name is  
14 Harry Wardwell. I'm a community banker from Salinas  
15 and a lifelong resident of Monterey County. And for  
16 over 30 years, I've been heavily involved in our  
17 community.

18 I'm currently a Board of Trustees of the  
19 local Salinas Valley Memorial Health Care System,  
20 Director of the California Rodeo, and Executive  
21 Director of the California International Air Show, all  
22 of which are great organizations that have done

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1 tremendous things for our community over the years and  
2 depend on the local media.

3 And, yes, over the last few years we have  
4 seen a consolidation of electronic media, TV, and  
5 radio stations into large media companies. But  
6 locally, however, I feel in my opinion that it's been  
7 transparent. The local managers for the Clear Channel  
8 TV and radio stations, the Hearst-Argyle stations, are  
9 heavily involved in the community.

10 They take leadership roles in our  
11 community. They know our community. They're involved  
12 in our community. And they are listening to our  
13 community. They are all raising their children here  
14 and know and understand local issues.

15 I think they are very responsive. I think  
16 they do an excellent job in covering local news. I  
17 think they do an excellent job in covering civic  
18 affairs, education, social issues, community events,  
19 and I think the needs of our community are being  
20 served by even the large media companies serving the  
21 local communities in our Central Coast.

22 Thank you.

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1 (Applause.)

2 MS. DAVIS: Thank you.

3 Over at microphone two.

4 MR. NEVILLE: Eric Neville from Oakland.

5 I noticed that in the packet that we were given there  
6 were two press releases regarding these meetings. I  
7 just wanted to let you know that, interestingly  
8 enough, I heard absolutely nothing about this on my  
9 local television news broadcast.

10 (Laughter, followed by applause.)

11 I regularly watch morning and evening  
12 news, and despite the handful of news vans outside I  
13 literally saw nothing on localism at all, let alone  
14 specifics of when and where this meeting would be,  
15 even though I -- I receive four stations with evening  
16 and morning news broadcasts.

17 I think this single fact speaks to just  
18 how poor the service of the community's news needs are  
19 being met by the existing situation.

20 (Applause.)

21 Furthermore, adding to the comments about  
22 the location of this meeting, and its relative

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1 distance from a major metropolitan center, it seems  
2 that a citizen of this country couldn't help but  
3 wonder how much greater public participation would  
4 have been if this meeting had been properly notified  
5 -- pardon me -- if the public were properly informed  
6 of this hearing and, furthermore, if there were  
7 hearings such as this in a major metropolitan area,  
8 maybe even near a public transportation system.

9 (Applause.)

10 Finally, in closing, I just wanted to  
11 mention a particular thing that is a big frustration  
12 to me, and I think a major shame. KCSM, which is  
13 nominally a public television station, has dropped  
14 their analog signal. The only way I found out about  
15 this is because they had a little, you know, thing on  
16 the screen, you know, for a week after they shut off  
17 saying what had gone on.

18 So anybody who is watching cable or  
19 satellite wouldn't know about this. But I think that  
20 this is a travesty of broadcasting in service of a  
21 democracy.

22 (Applause.)

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1 MS. DAVIS: Thank you.

2 May I have the Commissioners speak to  
3 that, first, please?

4 COMMISSIONER COPPS: I just want to say  
5 that I was out in Phoenix -- we had a hearing like  
6 this about a year and a half ago, kind of a  
7 consolidated meeting. We had a good turnout there, 4-  
8 or 500 people. So I asked one of the guys in the  
9 audience, I said, "Where did you hear about this?"  
10 Because there's a lot of consolidation in the media  
11 here. He said, "Oh, I heard about it on the BBC."

12 (Laughter.)

13 MS. DAVIS: Mr. Heston, yes, go ahead.

14 MR. HESTON: I apologize that the  
15 gentleman who just spoke is not watching our  
16 television station. But the fact of the matter is we  
17 are very fortunate that about -- on a regular  
18 circulation, about 190,000 households are. And the  
19 FCC, on the day that it was announced that they were  
20 coming, was on our television station, on all  
21 newscasts, was on our website. In fact, the FCC  
22 called to say, "Why is our press release on your

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1 website?"

2 And Commissioner Adelstein was live last  
3 night for an extended period of time from Washington,  
4 D.C., from our Hearst-Argyle Washington News Bureau  
5 where our anchor, Dan Green, interviewed him. So I am  
6 incredulous when I hear something like that, but I  
7 invite you to watch and we'll try to do even better  
8 for you.

9 MS. DAVIS: Thank you, Mr. Heston.

10 (Applause.)

11 Microphone one.

12 MR. BURNS: Yeah. I'm Jim Burns, and I'm  
13 from Monterey, California. And I really wanted to  
14 thank Commissioner Abernathy for promising to  
15 investigate that KSJO DJ. I mean, it has weighed  
16 heavy on us for these years.

17 And what happened was June 9th, a month  
18 ago, there was a consent decree that was signed that  
19 fined Clear Channel \$1.75 million dollars, and all of  
20 the cases of indecency that had ever been filed  
21 against them were to be wiped clean from the slate and  
22 never used in re-licensing hearings. And here we've

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1           been going for two years with this thing, waiting for  
2           the process to work. And all we need is three  
3           Commissioners, you know, to make this happen.

4                        So we got really worried. That was during  
5           the Reagan funeral when there was a media blackout.  
6           I thought, you know, what's really going on? It was  
7           my --

8                        (Laughter.)

9                        -- thing was going on, you know? But the  
10          thing is that Clear Channel is the largest  
11          broadcaster of indecency in the country. I mean, they  
12          are. And the CEO of Clear Channel is Lowry Mays, and  
13          he built the Presidential Library for George Bush,  
14          Sr. on the Lowry Mays School of Business on the Texas  
15          A&M campus.

16                       And the Vice Chair of Clear Channel is a  
17          man named Tom Hicks. He's Vice Chair. He made the  
18          President a multi-millionaire by buying the Texas  
19          Rangers in 1998.

20                        (Applause.)

21                        Okay? So the largest broadcasters of  
22          indecency in the country are George Bush's friends.

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1 (Laughter.)

2 I mean, quoted over and over in the papers  
3 that they're lifelong friends with the Bush family.  
4 So I'm just going, you know, oh, my God. You know,  
5 George Bush's friends wouldn't harm us in California.  
6 You know? Not -- they would play fair, by the rules,  
7 in the stock market, you know? But, I mean, nobody  
8 monopolizes indecency. Right?

9 So how is the religious right and the  
10 corporate libertarians finding common ground in the  
11 Republican party when the corporate libertarians  
12 believe anything they broadcast to make money?

13 (Applause.)

14 MS. DAVIS: Thank you.

15 Microphone two.

16 MR. FRISH: Good evening. My name is Bill  
17 Frish. I've been involved with public access TV for  
18 a number of years, both here in Monterey and in New  
19 York. I'm mad as hell, and I'm not going to take it  
20 anymore.

21 (Applause.)

22 Peter Finch shouted those words out an

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1 open window to the streets below in the movie  
2 "Network." After 11 years as a news anchor, TV news  
3 anchor, he began ranting about the true nature of the  
4 media's power and its focus on earning bigger profits.  
5 It's scary to see that this 1976 Hollywood film has  
6 become an example of life imitating art.

7           When I moved to this area, I wondered  
8 about the shared resources of local TV stations KCBA  
9 and KION, which is owned by the corporate juggernaut  
10 Clear Channel. The same stories are being shared as  
11 well as the same physical environment. On numerous  
12 occasions, the same news anchor appeared on newscasts  
13 for both of the stations. This is diversity of ideas  
14 in a democracy?

15           With Clear Channel's radio dominance,  
16 recent cross-country drives have resulted in hearing  
17 homogenous sounds across the 3,000 miles traveled from  
18 coast to coast. This is diversity of ideas in a  
19 democracy?

20           I also wondered about Clear Channel's  
21 decision to ban certain songs from airplay on its  
22 radio stations after the 9/11 attacks. John Lennon's

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1 "Imagine" and "Peace Train" by Cat Stevens are  
2 idealistic songs that were tabooed in our war monger  
3 and industrial corporate society we have.

4 (Applause.)

5 Where was the FCC during this outright  
6 assault on our First Amendment rights -- were first  
7 heard on other media. This is diversity of ideas in  
8 a democracy?

9 It is time for the FCC to monitor a return  
10 to the balanced, objective, and fair standards that  
11 were set forth in the fairness doctrine. It's time  
12 for a return for more diversity of ideas over the  
13 airwaves that belong to the public. It's time to  
14 promote local interest. The communities that you are  
15 supposed to serve are mad as hell. Listen to the  
16 citizens now before the shouting gets too loud.

17 Thank you.

18 (Applause.)

19 MS. DAVIS: Microphone one.

20 MS. NEELAN: Hi. Thank you for staying so  
21 late. I know you're tired; so am I. My name is  
22 Kimber Neelan. I'm an educator by profession, but,

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1 more importantly, for this forum I am a military  
2 family member as well as an ex-soldier myself.

3 My husband and I just got back from three  
4 years overseas in Germany. We were in the  
5 Katzerslautern (phonetic) military community, which is  
6 -- you may have heard of Landstuhl Hospital where they  
7 bring the wounded soldiers.

8 I would drive home every evening from my  
9 job in the Department of Defense Schools, and the only  
10 thing that I could hear between the hours of 1600 and  
11 1800 -- or 2000 were -- well, 1600 ASM Evening News  
12 Watch, which was basically a mouthpiece for the Bush  
13 administration, Sports Byline, Rush Limbaugh at 1800,  
14 Dr. Laura Schlessinger at 1900, 1945 was Paul Harvey  
15 news and commentary.

16 (Laughter.)

17 And finally, around 8:00 when I was  
18 getting ready for bed, making dinner, eating my  
19 dinner, I heard something that was a little more to my  
20 ideology -- NPR Talk to the Nation. But it was only  
21 on for --

22 (Applause.)

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1                   -- a few hours, and they would often talk  
2 -- cut the broadcast in the middle of a show or an  
3 interview.

4                   I was very heartened to read in *The Army*  
5 *Times* this week that there is language in the 2005  
6 Defense Authorization Bill ordering Armed Forces Radio  
7 and Television Service to provide politically balanced  
8 commentary.

9                   (Applause.)

10                  However, of course, there is a  
11 representative -- Sam Johnson -- a Republican from  
12 Texas, is fighting that, saying that he is not worried  
13 about having an ideological balance, that it's more  
14 important that military members overseas be afforded  
15 to -- be afforded the opportunity to listen to the  
16 same programs that they can listen to here.

17                  That's a concern --

18                  (Applause.)

19                  -- from my --

20                  (Applause.)

21                  MS. DAVIS: Thank you.

22                  Microphone two.

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1 MR. SHANKS: Good evening. Thank you very  
2 much for staying so late. My name is Pete Shanks. I  
3 represent the local Santa Cruz/Monterey chapter of the  
4 National Writers Union. We passed a resolution which  
5 I've given to the staff outside, and I hope you'll  
6 read it. I won't take up your time by reading it out.  
7 It's in favor of localism and diversity of expression.

8 I thought I'd point out a couple of other  
9 things, though. I said the local Santa Cruz/Monterey  
10 chapter. I'm also actually speaking for the San Diego  
11 chapter, the Los Angeles chapter, the San Francisco  
12 chapter, San Francisco Bay area, the Seattle chapter,  
13 the Oregon chapter, the New Mexico chapter.

14 My point is: this is one meeting for the  
15 entire western states, which is an enormous area.

16 (Applause.)

17 Which has very, very varied communities  
18 with different issues, different takes. I suspect  
19 you'll hear the same message, because the message I've  
20 been hearing all night is basically we all want local,  
21 diverse media ownership.

22 (Applause.)

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1                   There are a number of charitable  
2 organizations saying thank you to people who have done  
3 nice things for them, and that's fine. That's really  
4 polite. But I'm not sure they wouldn't want more  
5 local, diverse ownership, too.

6                   (Applause.)

7                   That's what we're calling for. You're  
8 getting a really consistent message here. Please take  
9 you -- take these meetings further around the country.  
10 I think you'll get the same message. And please take  
11 that back to D.C. and craft new rules that will  
12 implement this message.

13                   Thank you very much.

14                   (Applause.)

15                   MS. DAVIS: Thank you.

16                   Microphone one.

17                   MR. VARGAS: Hello. My name is Carlos  
18 Vargas, and I am a Program Coordinator for Barrios  
19 Unidas (phonetic), a gang intervention prevention  
20 counseling agency in eastside Salinas, California.  
21 Tonight, I'm a messenger for the youth of eastside  
22 Salinas.

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1           The message I deliver this evening is one  
2 of gang violence, drug addiction, illiteracy, pregnant  
3 kids, overpopulation, and, in some cases, death. In  
4 a community where these issues dominate our children,  
5 we, as a community, need to find common ground and  
6 search for the answers within.

7           That's when I had an idea. Why not apply  
8 for a low-powered radio station? Why not let the  
9 youth of the community talk about the problems that  
10 are affecting them directly?

11                   (Applause.)

12           What a positive impact to let young people  
13 address young people through radio airwaves. What a  
14 positive thing to have youth run and operate the radio  
15 station. What a positive impact if you let the youth  
16 facilitate discussions, because kids will influence  
17 kids. Me, as a 37-year-old, it's hard to reach  
18 sometimes -- it's very difficult to reach a 16-year-  
19 old. But a 16-year-old has a better chance of  
20 reaching a 16-year-old.

21           You go to almost any home in eastside  
22 Salinas and you will hear a radio being played, but it

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1 is not the radio our youths can truly call their own,  
2 or radio that truly addresses their needs. If our  
3 local radio giants want to continue to market to our  
4 youth, instead of interacting with them, be my guest.

5 The time has come for us as a local  
6 community to provide a forum for communication,  
7 understanding, and discussion for our kids and our  
8 community as a whole. So I am here this evening --

9 (Applause.)

10 -- asking for a low-power radio station  
11 license, so I can do this.

12 (Applause.)

13 I've heard all the reasons why I can't do  
14 it. But I am here to explain why I need it.

15 (Applause.)

16 MS. DAVIS: Thank you very much.

17 At microphone two.

18 MR. LEVY: Hi. My name is Sidney Levy.

19 I'm from San Francisco. I am an immigrant, a human  
20 rights activist, and a media democracy activist. I  
21 was one of the coordinators of the hearing in San  
22 Francisco on media ownership attended in the spring of

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1 last year by Commissioner Adelstein.

2 This was one of 13 regional hearings the  
3 communities put together, not the FCC. That was last  
4 year. That day in San Francisco we had over 650  
5 people come giving over seven hours of public comment,  
6 representing every region, every color, every age,  
7 every opinion, in the larger Bay Area. This was an  
8 unprecedented civic event in our community.

9 KORM TV, which is unaffiliated, covered  
10 the event. KPSA and (inaudible) radio, which are  
11 independent, broadcasted it live. We asked the  
12 commercial TV stations to come not only to cover it  
13 but to be in the panel. We got no for an answer. The  
14 local ABC, no; local CBS, zero; local NBC, zip; local  
15 folks, zilch.

16 (Applause.)

17 We asked them to cover it, not only to be  
18 on the panel. Nothing. All we got from them was  
19 rumors from people that worked inside that said that  
20 from high above they were told not to touch the issue.  
21 I'm asking you why. Why wouldn't they touch the  
22 issue? Maybe because commercial media has an interest

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1 on not touching the issue, because they were talking  
2 about themselves, about media ownership, about media  
3 monopoly, about media (inaudible).

4 We didn't get it. What kind of democracy  
5 can we fashion when the airwaves are supposed to be  
6 known to the public? We have all of the commercial  
7 stations in the Bay Area -- not one came.

8 I'm not saying it is sour grapes.  
9 I'll be very brief. This is not a charity. I'm not  
10 talking about like a children's charity. I'm talking  
11 about an issue that is as important, but it is a  
12 little bit more controversial, and it's vital for a  
13 democracy.

14 Thank you.

15 (Applause.)

16 MS. DAVIS: Thank you.

17 At podium one.

18 MR. HEARST: A different perspective, I  
19 believe, from what I've heard. My name is Howell  
20 Hearst. I am a graduate of the Defense Language  
21 Institute. I'm a former Captain of United States Army  
22 Intelligence. I'm a longtime marketing consultant and

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1 a published freelance writer of 30 years.

2 Being allowed only two minutes to speak,  
3 I cannot present a substantive statement. Your rule  
4 effectively blocks this. Some of us in America have  
5 developed a suspicion, which we state neither as  
6 opinion nor fact, that it is possible, at least  
7 conceptually, that some of our Presidents, Senators,  
8 Representatives, and federal civil servants could be  
9 construed to have been or to be in financial, or at  
10 least in philosophical, collusion --

11 (Laughter.)

12 -- with the highest multi-national  
13 American corporate interests a major portion of whose  
14 holdings are the military industrial complex, the oil  
15 industry, and the controlling media of the country.

16 (Applause.)

17 Our media, which legally belongs to us,  
18 the citizens of the United States. This suspicion  
19 indicates only our frame of mind as we observe  
20 American corporate presidents taking multi-million  
21 dollar salaries while financing most political  
22 campaigns, whether Democrat or Republican, while

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1 exporting our jobs out of the country, while massively  
2 profiting from various worldwide wars, while  
3 controlling the mining, manufacturing, distribution,  
4 wholesale, and retail sales in advertising of nearly  
5 all products and services sold to us on their --  
6 pardon me -- our media.

7 Last paragraph. Should proof of such  
8 suspicions -- listen. Listen closely. Should proof  
9 of such suspicions be unearthed, we citizens, as the  
10 sole legal source of legitimate government authority,  
11 have a sacred obligation to deal with such  
12 constitutional violations of contract between our  
13 government and ourselves. When it is clear we are  
14 being taken for fools, we arise, we organize, and we  
15 fight for what is legally ours and --

16 MS. DAVIS: That was your last paragraph,  
17 you said.

18 MR. HEARST: And we --

19 MS. DAVIS: That, you said --

20 MR. HEARST: -- we --

21 MS. DAVIS: -- was your last  
22 paragraph.

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1 MR. HEARST: And we always win.

2 MS. DAVIS: Thank you.

3 MR. HEARST: We are here to remind you of  
4 this.

5 MS. DAVIS: Thank you very much.

6 MR. HEARST: I'm finishing.

7 MS. DAVIS: Okay. All right. Okay. Your  
8 last sentence?

9 MR. HEARST: Listen to the words. You  
10 work for us on the panel. We -- you do not work for  
11 the corporations. If you do not bring this insidious  
12 media monopoly under control, we American citizens  
13 will find a way to bring it under control.

14 Edward R. Murrow said a citizen of a  
15 republic --

16 MS. DAVIS: You're not good for your word.  
17 Okay. Thank you very much.

18 (Applause.)

19 Microphone two.

20 MR. KENNEDY: I just have to ask: how  
21 many of us are wondering who can type that fast up  
22 there?

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1 (Laughter.)

2 My goodness.

3 Good evening. My name is Mark Kennedy. I  
4 was born and raised here in this beautiful area. I am  
5 the father of three very influential young boys under  
6 the age of 10, and in the last couple of years I've  
7 had the opportunity to give back to this community and  
8 serve on some boards. Most notably, I am serving on  
9 the National Steinbeck Center, the YMCA, and the  
10 American Cancer Society Relay for Life.

11 What I want to take issue with tonight is  
12 there seems to be this notion that local management of  
13 our media are a bunch of corporate robots, and I don't  
14 think that's the case. You know, there are  
15 individuals in this room that serve our community, and  
16 they do a great job.

17 On these boards, what I find is that they  
18 very seldom say no. They usually are saying, "What  
19 else can we do to help?" Most of the time they seem  
20 just completely consumed with their jobs in the local  
21 issues that are going on and are finding ways to help  
22 out. I think the thing that's most notable is the

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1 time that they give. They're not only members of the  
2 community, but they're serving on all the boards.

3 On all the boards that I have served on in  
4 the last three years, there has always been a  
5 representative of local media, whether it be radio or  
6 TV. They're giving up their time, not just because  
7 they have to.

8 So those are my brief comments. I just  
9 want to say that I don't believe they are corporate  
10 robots. They're people that are here to serve. And,  
11 yes, there is corporate management out there, but I  
12 don't ever hear them say to me, "I'd better check with  
13 corporate on that one." I don't get that.

14 Thank you.

15 (Applause.)

16 MS. DAVIS: Okay. A warning. We are down  
17 to 10 minutes for those on line who have friends they  
18 want to share their time with. Microphone one.

19 MR. CARVEY: Great. Thank you. My name  
20 is Tom Carvey. Good evening, Commissioners. I am the  
21 Executive Director of Common Ground, Monterey County,  
22 and a 40-year resident of Monterey County myself,

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1 raised four children here, and lived for 10 years in  
2 Big Sur of all places -- no power, no electricity, no  
3 TV, and it was beautiful.

4 (Laughter.)

5 Well, welcome to the big world, and Common  
6 Ground, Monterey County, is a group composed of  
7 some labor folks, affordable housing advocates, AG  
8 business people, educators, hospitality, minority  
9 groups and we advocate for issues such as affordable  
10 housing, land use policies that are approaching sanity  
11 so that the 12% of people that can buy homes here in  
12 Monterey County currently may be increased to a  
13 greater proportion, maybe 15%, maybe more.  
14 These are controversial issues here in Monterey  
15 County. And we're very thankful for some of our local  
16 radio stations who have given us time -- ample time --  
17 to discuss issues with the community, issues that are  
18 controversial.

19 And I have been very fortunate. For 15  
20 minutes every Monday morning, at 8:30 on Radio KION,  
21 AM 1460, Common Ground has been able to bring in a  
22 guest, an expert from the community -- could be the

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1 Superintendent of Schools, could be the Mayor of  
2 Salinas, it could be an expert on water. And we've  
3 been able to discuss issues such as affordable  
4 housing, which in our county of Monterey is a very  
5 controversial topic.

6 We have been able to discuss that, not  
7 only to discuss it and have back and forth dialogue  
8 about this controversial topic, but to receive call-in  
9 telephone calls from people around the county, all the  
10 way from Santa Cruz to San Ardo, calling in and  
11 wanting to express their opinions, and wanting to tell  
12 us what they think about issues such as affordable  
13 housing, education, the environment, health care,  
14 citizenship, water supply, agricultural viability.

15 We've been able to do this in Spanish also  
16 on the sister station, La Pressioso 100.7, and it has  
17 been a great opportunity. We're thankful for our  
18 local radio stations.

19 Thank you.

20 (Applause.)

21 MS. DAVIS: Thank you.

22 Microphone two.

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1 MS. CAMERON: Hello. Good evening,  
2 Commissioners. And thank you so much for sticking out  
3 this late. My name is Laura Cameron. I'm also with  
4 the National Writers Union. I'm on the Steering  
5 Committee of the local chapter. I also serve as a  
6 national trustee. I live here in Seaside, and I edit  
7 *Monterey Magazine*.

8 When I lived in Britain for 16 years, I  
9 didn't watch a lot of television, because you had to  
10 pay for it. And when I came back to the U.S., I  
11 didn't watch a lot of television because it was awful.  
12 So I survive on the BBC and NPR, and I'm very, very  
13 grateful for them.

14 (Applause.)

15 I'd like to address the idea of freedom of  
16 thought, by which I mean the independent thinking I  
17 would love to see the FCC demonstrate in these  
18 matters. I suppose given the political leadership who  
19 appointed this particular Commission, I shouldn't be  
20 surprised that some of the decisions we've heard about  
21 reflect what I would call bias, and bias towards big  
22 business and big media.

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1 I am here to urge the Commissioners to act  
2 in the ideal mode of the Supreme Court, and place  
3 themselves beyond efforts to sway their decisions,  
4 whether financially or by cronyism or political  
5 pressure. I urge you to remember who you serve -- the  
6 people.

7 The vast majority of us don't live  
8 anywhere near New York City or Los Angeles, the big  
9 acknowledged media centers. Locally owned, locally  
10 programmed radio and television are essential to  
11 serving and informing the American people. Maybe  
12 someone who appoints people doesn't want us to be that  
13 informed. I don't like to think that, but --

14 (Laughter.)

15 -- we deserve better than biased, ignorant  
16 reporting, bias towards big business, and ignorance of  
17 our local issues.

18 (Applause.)

19 We really deserve better than that.

20 (Applause.)

21 As a writer, as a consumer of media, and  
22 as a taxpayer, I urge the FCC to encourage local media

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1 in every way you can and discourage media monopoly  
2 wherever it rears its head.

3 Thank you.

4 (Applause.)

5 MS. DAVIS: Thank you.

6 Okay. Microphone one.

7 UNIDENTIFIED OPEN MIC PARTICIPANT: Okay.

8 Good morning, and welcome to the Monterey Peninsula,  
9 where citizens must be able to receive signals from  
10 PBS, Pacifica, a few NPR station programs, and BBC in  
11 order to get firsthand information from investigative  
12 reporters on issues and actions vital to our survival.

13 I speak of such crucial concerns as access  
14 to health care, affordable housing, care of the  
15 homeless, care of the elderly, the state of the  
16 physical and political infrastructure, changes in  
17 educational procedures, protection of the environment,  
18 our civil rights, i.e., what is being done in our name  
19 with our tax dollars, our national resources, and our  
20 very lives. We only get sound bites locally, if we  
21 get them.

22 We implore you to take extra care in

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1 protecting these valuable resources, so that we truly  
2 have access to immediate news, alternatives to the  
3 limited party lines. We can make our own decisions as  
4 to what is good for us and our world, only if we are  
5 allowed access to all sides of issues -- indeed,  
6 access to the issues themselves.

7 Thank you for your consideration.

8 (Applause.)

9 MS. DAVIS: Thank you.

10 And I would like to say thank you for  
11 passionate, spirited, intellectually sound, most  
12 times, comments.

13 (Laughter.)

14 Tonight has been fun, and I hope you get  
15 get the joke at the end. Everyone who spoke tonight  
16 obviously has deep feelings or you wouldn't be here  
17 at nearly midnight. But most of all, I want to thank  
18 the Commissioners who have sat here --

19 (Applause.)

20 -- listened, taken notes, heard you.

21 (Applause.)

22 There are two minutes left before they

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1 march us out of this building. I don't know if  
2 anybody on the panel has a comment, but I'm certainly  
3 going to turn it back to the Chair for that word.

4 COMMISSIONER ABERNATHY: Commissioner  
5 Copps, do you have some closing words?

6 COMMISSIONER COPPS: I just want to thank  
7 everybody for their heartfelt input for the facts, for  
8 the data, for the new things we learned. I agree with  
9 these calls for more hearings. Commissioner Adelstein  
10 and I have specifically asked Chairman Powell to hold  
11 a series of Commission meetings around the country on  
12 ownership, specifically on ownership, as we plunge  
13 into rewriting the rules, and we're looking at the  
14 rules that the court sent to us. I hope we'll be back  
15 out here.

16 We also urge, though, community activists  
17 to hold their own hearings and groups to hold their  
18 own hearings. We can do a few. If Chairman Powell is  
19 reluctant to have full Commission meetings, I think  
20 others of us will hit the road ourselves and do them  
21 like we did last year.

22 But I would also urge communities around

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1 the country to hold their own hearings. And speaking  
2 for myself, I'll be at as many of them as I can  
3 possibly be at and I would encourage people to do  
4 that.

5 Thank you again for your hospitality and  
6 for your input.

7 (Applause.)

8 COMMISSIONER ABERNATHY: Thank you,  
9 Commissioner Copps. Commissioner Adelstein?

10 COMMISSIONER ADELSTEIN: Just real quick  
11 before we get booted out of here. I think that we  
12 heard a lot of eloquence tonight from the people of  
13 California. I'm used to that, because I heard it when  
14 I was here in San Francisco a while back. But I found  
15 that I think people are even more educated than they  
16 were last year. They are even more articulate,  
17 incredibly clear, incredibly thoughtful, and very  
18 concise, I might add.

19 But there is a clear message we're going  
20 to take back. I mean, we really heard it loud and  
21 clear. I don't think that you're going to let us get  
22 away with this again.

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1 (Laughter, followed by applause.)

2 And we're ready to go on the road. I'm  
3 ready to hear from all of the different communities  
4 here in California, large and small, and all across  
5 the country. We'll go to as many as we can. We can't  
6 go to as many as we should, because there just is not  
7 enough time. But we will go everywhere we can, and we  
8 will hear this message and whatever other messages  
9 people have to deliver. And we will take it back and  
10 really try to integrate this into the rules.

11 So thank you so much for your eloquence  
12 and for taking the time to share with us your views.  
13 It's your airwaves.

14 (Applause.)

15 COMMISSIONER ABERNATHY: And, in closing,  
16 I just want to say thanks to everyone for sticking  
17 with us tonight, for educating us, for providing me  
18 with new information about what we should be looking  
19 at, what we should be thinking about when it comes to  
20 localism, for giving respect to your fellow speakers,  
21 whether you agreed or disagreed with them. That, I  
22 think, reflects what is best about who we are as

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1 Americans.

2 And we and I will continue to work on  
3 these issues. As I said, I don't think anyone has a  
4 monopoly on the truth. I need to keep learning and  
5 listening, and that's what we'll keep doing.

6 So thank you very much.

7 This meeting is adjourned.

8 (Whereupon, the proceedings in the  
9 foregoing matter were adjourned.)

10  
11 #####

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