

[US] FCC Reevaluates Mass Media

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In early October, 2002, the Federal Communications Commission (FCC) released twelve studies as part of its review of media ownership rules. The studies suggested that current media ownership rules are outdated.

FCC Chairman Michael Powell believes that modifications are necessary if the rules are to survive the judicial process, since courts have struck down several rules on the grounds that they lacked adequate justification. These studies are supposedly a foundational basis to justify rule changes, and may indicate that the FCC is prepared to ease ownership limits. According to Chairman Powell, "as the courts have made clear, it is critical that the FCC have a solid factual base to support its media ownership rules. Collectively, these studies represent an unprecedented data-gathering effort to better understand market and consumer issues so that we may develop sound public policy."

Supporters of liberalizing the ownership limits claim that the sweeping changes in the media landscape over the past 30 years have made certain rules unnecessary. Earlier this year, a federal appeals court found serious problems with the FCC's national broadcast cap, which bars any one company from reaching more than 35% of the national audience (case of Fox Television Stations, Inc. v. Federal Communications Commission). The studies indicate that there may be little need for the cap, considering the rise of other outlets, whether cable or satcasting.

Critics of the studies include the Center for Digital Democracy and the Caucus for Television Producers, Writers and Directors. The Center for Digital Democracy questions whether the studies offer an unbiased view of the media rules. According to Jeff Chester, the Center's Executive Director, "the studies released today reveal a deeply flawed perspective, that while ratifying the Chairman's view fails to adequately assess the realities of the news and entertainment media marketplace."

The Commission's media ownership working groups insist, however, that the studies are not a final product but a "critical first step in evaluating" the rules. The studies should figure significantly in the Commission's recently launched biennial review of the rules mandated by the 1996 Telecommunications Act.

Comments on the studies are due in early December, 2002, although some, including FCC Commissioner Copps believe the Commission's 90-day comment cycle may not be long enough here. Copps has said that he was "less interested in getting the proceeding done by spring," than in "getting it done right."

The FCC expects to complete its review early next year when it is anticipated that the agency will unveil a new set of ownership rules.

Fox Television Stations, Inc. v. Federal Communications Commission, 280 F. 3d 1027 (D.C. Cir. 2002), 19 February 2002

<http://www.fcc.gov/ogc/documents/opinions/2002/00-1222.html>

In the Matter of Cross-Ownership of Broadcast Stations and Newspapers, 20 September 2001, FCC 01-262

