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If I Were Chairman or "In My Opinion"

James H. Quello

I am volunteering a few brief bottom line opinions on several communications issues from the perspective of former longtime FCC Commissioner and an active one year chairman.

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I would currently maintain the UHF discount until the many VHF stations are assigned UHF channels in the transition to digital. That would eventually require considerable modification. We should remember that Congress approved the 39% cap (a sensible compromise) without changing the 50% UHF discount in determining reach. However, the FCC or Congress if necessary, must modify the rules after the digital transition to maintain the congressionally approved 39% reach.

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My personal respect for Chairman Michael Powell would not prevent my questioning and probably opposing the Chairman's proposal to count cable customers who receive TV digital signals converted to cable analogue toward the 85% household penetration figure. I'm afraid the proposal would further disenfranchise the 15% already disenfranchised citizens who can't afford cable or set top boxes or who have other basic priorities for their limited income. After all, 15% of 290 million people could be over 43 million who still depend on free over the air programming.

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On the controversial "Must-carry" issue, I would consider the overall capacity and the additional channels of cable in the digital conversion. In the multi-channel, multi-faceted communications world of cable, satellite and Internet, broadcasting faces increased intense competition for program product. Yet, broadcasting today remains the principal source of local

and national news, timely information, emergency bulletins and big name current programming. It is also the media that is solely advertising supported and which faces government regulatory burdens and content control not applied to competing cable and satellite companies who have the financial advantage of three sources of income – subscriber fees, advertising and pay per view.

Key question: Can broadcasting as it exists today with only one source of revenue and only one channel survive in a competing 500 channel digital world? All factors and pleadings would have to be fully considered for a final determination. But at this writing, it seems that must-carry of approximately a regulated five TV broadcast signals would serve the public and assure the continued maintenance of the popular TV service of news emergencies, local information and entertainment programming.

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I would publicly continue raising hell and levying fines against excessive broadcast indecency and violence. I would probably increase some charges to obscenity aware of the upcoming legal First Amendment challenges. I might be tempted to threaten license challenges for egregious cases, but I would reserve license revocations for serious criminal violations.

Nextel is a reputable, successful company. However, I believe Nextel faces the burden of proof for its “Consensus Plan” before the FCC. I would be open to all comments but the plan as I currently understand it would be a questionable windfall and probably a multi-billion-dollar loss to the U.S. Treasury. It appears to be based on a private Nextel negotiation with the FCC that by passes the congressionally mandated auction process.

Public safety plan with the use of 800 MHz appears more equitable and less likely to be legally challenged. It could solve the interference problem by re-channeling or rebanding the 800 MHz spectrum. It could also meet the legal requirements of relocation refunding and Nextel

could receive improved spectrum without receiving a legal challenge. Important: It is estimated that the auction revenues of 5.2 billion dollars could be reserved for the U.S. Treasury. I would be open to different views but with my present information, Nextel would face the burden of proof.

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