

SPEECH BY COMMISSIONER JAMES H. QUELLO BEFORE THE AMERICAN COUNCIL FOR BETTER BROADCASTS Madison, Wisconsin April 8, 1976

I'd like to begin my remarks this afternoon by applauding your attendance at this conference signifying your interest in improving our broadcasting system. We thus stand upon common ground since I, as a regulator and a former broadcaster, also have an interest in better broadcasting. I'm not sure of the extent to which we agree on just how that is to be accomplished. I would like to share with you some of my views on the subject and I would hope that you will give me the benefit of your views later.

A Commissioner's role has several facets including those of legislator, judge and administrator. I'd like to concentrate on the quasi-legislative role, today, and talk about some of the policy questions before us and also some of the policy decisions we have made which directly bear upon the quality of the broadcasting service we can expect to enjoy over the months and years just ahead.

This policy-making role was, perhaps, best described--in a somewhat different context--by Thomas Fuller, a prominent English clergyman in the 17th century. He concluded that "Policy consists in serving God in such a manner as not to offend the devil." That would seem to imply that there is an element of compromise in most policy decisions and--after serving nearly two years on the FCC--I can assure you that is, indeed, the case insofar as the nation's communications policies are concerned.

Now, I certainly don't want to imply that the spirit of compromise is harmful to the policy-making process. As a matter of fact, the process of public participation, licensee participation and robust debate within the Commission, itself, is a healthy process calculated to produce sound and durable public policy. Its effectiveness, I suspect, is often directly proportional to the <u>breadth</u> of public participation and the <u>range</u> of public comment we receive on the various issues before us.

As you may know, I have been critical of the approach taken by certain citizens' groups who promote their own private version of public

interest and who, in my view, sometimes abuse the Commission's processes in order to reach their own goals. I am particularly concerned when such groups take it upon themselves to represent the public at large in attempting to extract special concessions from broadcast licensees. I am equally concerned when such special groups purport to represent various minorities in our society.

I am perfectly willing to concede that the squeaking wheel may get the oil, so to speak. In a democracy, public policy is responsive, to some extent, to the demands of groups who are concerned and who participate in the policy-making process. I'd like to suggest, however, that the squeaking wheel is not the only one supporting the wagon of overall community interest.

There may well be good reason for a licensee to heed suggestions of various community organizations in determining operational and programming policy. But, each licensee is ultimately held accountable to the Commission for making his own decisions based upon ascertainment of the needs and interests of all of the community he is licensed to serve.

In recent years, the Commission's policy of encouraging local dialogue between broadcasters and the public has often resulted in negotiations between the licensee and a specific group or individual claiming to represent the public or some significant sector of it. As a result of these negotiations, agreements have sometimes been reached outlining a course of conduct the licensee is expected to follow in carrying out his public service responsibilities. These agreements, when filed as a part of the licensee renewal application, then become more or less binding upon the licensee as his representation to the FCC.

In a policy statement issued last December, the Commission reminded licensees that they, and they alone, remain responsible for determining how to serve the public interest and that they could not delegate that responsibility even if they wished to do so. The policy statement did not encourage or discourage written agreements between licensees and local groups. But, a rules change required that, where written agreements had been reached, they must be placed in the station's public file available for inspection.

I concurred in that policy statement although my personal preference was to officially act upon agreements only when it could be domonstrated that a licensee had improperly attempted to delegate his responsibility. I remain unconvinced that it serves any useful public purpose to file with the Commission an agreement specifying that the licensee has, using his own

best judgment, concluded that certain practices are to be adhered to in furtherance of his obligation to serve the public. If, in fact, those decisions reflect the licensee's judgment--and are not reached under some kind of duress--there is no reason to suppose that he would not follow his own judgment. On the other hand, if the agreements resulted from some kind of threat--such as opposition at renewal time--they should not be accepted by the Commission since they would represent an abrogation--albeit an unwilling one--of his licensee responsibility.

I'd like to turn now to the issues most often raised in negotiations between broadcasters and citizens' groups. These usually involve allegations relating to employment and personnel promotion, ascertainment of community needs and programming. In many petitions to deny license renewal—with the exception of some equal employment opportunity complaints—these allegations are generally of an unspecified and unsupported nature so as to be virtually meaningless in terms of pointing out violations of rules or policies upon which the Commission can take action. Some equal opportunity complaints have raised sufficiently substantial questions to prompt Commission inquiry of the licensees involved and the Commission has acted vigorously in such instances to prescribe corrective measures to improve performance.

Far too many allegations of faulty ascertainment or inadequate programming lack the required specificity. Absent real substance, the Commission must reject the allegations. Unfortunately, the consideration of even unfounded allegations takes time, manpower and money---all of which could be spent in more productive ways.

I want to applaud the generally constructive, positive approach taken by your organization to improve the quality of broadcasting. I believe that most broadcasters are anxious to improve the quality of their public service---even without their concerns relating to license renewal. There are a few who need encouragement, from time to time, but the vast majority, in my opinion, want to be good broadcasters and good citizens.

The FCC has encouraged the positive approach to public service by its ascertainment policy which required the licensee to, first, make a real effort to ascertain his community's needs and interests, and second, to conduct his operations and programming to meet those needs and interests. Our ascertainment policy has been criticized as being too ritualistic in its application insofar as it prescribes the manner in which licensees are to survey community leaders and the public at large. That crticicism may be warranted, at least to some extent, but it begs the question of how the Commission is to enforce its policy without

establishing certain procedures and guidelines. The Commission is moving toward reducing the paperwork burden on licensees in smaller communities by merely requiring ascertainment without prescribing the method by which it is accomplished. We're moving in that direction on the assumption that broadcasters in the smaller communities can't help being aware of the needs and interests of the community---in fact it seems that formal ascertainment would be awkward without any real contribution toward their understanding.

The FCC recently received a request from Senators Warren Magnuson and Frank Moss for information concerning each of the 25 most significant steps the Commission has taken during the past ten years to enhance the lot of the consumer. Senator Magnuson is chairman of the Commerce Committee and Senator Moss is chairman of the Subcommittee for Consumers.

In responding to that request, the staff compiled some facts and figures which I thought you might find of interest. For example, the amount of broadcast service has continued to grow over the past ten years. There are 361 more AM radio stations on the air in 1976 than were operating in 1966, 152 more television stations and 1,726 more FM radio stations. The Commission has reopened the long-dormant clear-channel proceeding hoping to further expand AM radio service to those parts of the country which may be underserved.

Many of our regulatory actions over the past decade have been aimed at qualitative, rather than quantitative, improvements in the broadcasting service. In addition to encouraging dialogue with citizens through the ascertainment process, we have required that broadcasters maintain a public file containing documents pertinent to the operation of their stations in the public interest. We also require that stations actively solicit public comment on the extent to which viewers or listeners believe stations have satisfied their public interest responsibilities. And, we have adopted a document entitled, "The Public and Broadcasting—A Procedure Manual," aimed at encouraging and assisting members of the public to take an active interest in promoting a quality broadcasting service. Each station is required to keep a copy of that manual in its public file where it is available for inspection during normal business hours.

Another important area in which the FCC has been active over the past ten years is promoting equal employment opportunities in the broadcasting industry. The Commission decided, in 1968, that discrimination in employment by broadcasters was incompatible with operation in the public interest. Rules were adopted in 1969 prohibiting discrimination on the basis of race, color, religion or national origin and requiring each licensee to develop equal employment opportunity programs consisting of "positive, continuing... and specific practices" designed to affirmatively work toward ending discrimination in employment and promotion. Women were added to the classes of protected groups in 1970. And, in 1973, we established an Industry Equal Employment Opportunity Unit to review the effectiveness of our rules and policies in this important area.

In 1974, the Commission turned its full attention to television for children and, in November of that year, we issued a comprehensive report and policy statement on Children's Television Programs. We put broadcasters on notice that we expected them to develop and present programs designed to serve the unique needs of the child audience. We also emphasized that particular care should be taken to insure that children not be exposed to an excessive amount of advertising. The industry revised its standards to reduce the number of commercials in children's programming subsequent to that report. Children's television is currently receiving continuing attention from the Commission through a special task force composed of eight professionals. That task force has played a key role in arranging for three panel discussions, to be held next month, to consider the state and the adequacy of existing research in the field and the directions future research might profitably take.

We have recently opened periodic en banc Commission meetings to the public to provide an opportunity for interested citizens to present their views to the full Commission. And, we have just opened a new Consumer Assistance Office at Commission headquarters in Washington to help citizens get the information they need to effectively participate in the activities of the Commission.

Those are some of the positive actions we have taken in an effort to improve broadcasting service. And, there will be more in the future. There is an effective limit, however, to what the FCC can do to improve the quality of what you watch on television and hear on the radio. Ultimately, of course, the American people will demand and receive the kind of service from broadcasters they want. The positive efforts of interested citizens can and do reflect themselves in improvements.

All of us--including the broadcasters, themselves--share the common goal of providing the best possible broadcasting service. I believe that we have a good service, now, in many respects.

Michael Arlen, a perceptive and critical observer of the media, recently wrote:

"This is probably a good time in which to be wary of blaming television for too much. For sometimes in recent years it has become a kind of badge of embattled individualism to blame commercial television—or the 'mass media'— for the flaws and errors and imperfections of our society. If it weren't for television—so various arguments run—our children would be more responsible; our minorities would be less demanding; our middle class would be more serious; our politicians would pay more attention to issues; our popular values would be somehow higher; and, as a nation, we would not have been so sadly and unsuccessfully involved in Indochina."

All of that is not to say that television is blameless and that it has achieved perfection. I see it merely as an appeal to consider television in the proper perspective. We need to go on improving it, of course. And, we need to approach that task in a spirit of cooperation.

I want to encourage each of you to continue your interest and your involvement in broadcasting. Urge others, outside your organization, to also get involved. Participation in broadcasting is not the special province of only a few special interest groups. This important service belongs to all the public; to all of us---and everyone should be involved in shaping its future.

And a final message to broadcasters in the audience---remember that public service is the very basis for your existence as a business or industry. In this era of super-emphasis on sales, the broadcaster must keep in mind that public service makes it possible for him to get into business and to renew his license so he can stay in business. I think service is a many aspect thing. It includes service to listeners and consumers by conscientious programming and scrupulous policing of advertising--establishing a personality as a good neighbor with a highly developed civic consciousness---supporting civic, educational and welfare campaigns---performing many vital services everyday--impartially educating the public on current social, economic and political problems---promoting better human relations.

All this is not only worthwhile, but essential. There is no doubt that public service pays in increased community and audience acceptance, in prestige and stature. Remember that civic leaders active in service and civic projects are invariably your business and industrial leaders, too. We don't think it is mere coincidence that commercial stations known for outstanding public service are invariably successful operations leading in dollar volume, too.

So, public service is good business. Even more important, it can give the broadcaster the inward satisfaction of fulfilling a worthwhile purpose in life---and the gratifying experience of being proud of your industry--of your company and the part you play in it.