

# James Quello: The Broadcasters' Chairman

By Joe Flint

**W**HEN battling for his first FCC appointment in 1974, James Quello, longtime general manager of Capcities' WJR-AM/FM Detroit, faced charges of a pro-broadcast bias. "They say because I know broadcasting, I'm not qualified to regulate it," complained Quello at the time.

Some 19 years later, Quello still has not shaken the perception that he is the broadcasters' best friend at the commission. He also has not really tried to.

"I still believe that the preservation and enhancement of the all-important free, universal broadcast service for all Americans should remain and will remain the underlying bedrock of American mass communications for at least the next five years. I still adhere to the principle of universal free TV."

Today, with audience reach of network television in prime time down to 63% and with 58% of the radio industry in the red, broadcasters appear to need all the help they can get.

Evidence of the help Quello has provided is easy to find. He has been pushing for more freedom for broadcasters in the timetable for implementing high-definition television.

He has opposed satellite-delivered digital audio broadcasting because it threatens local over-the-air radio service. He took heat from Congress for supporting the repeal of the fairness doctrine in 1987 and has stood by the networks in their battle against Hollywood over fin-syn. He blocked the proposal to reallocate UHF spectrum for land mobile use.

He has resisted review of the prime time access rule, which endears him to independents, as does his partial dissent in



ADCRAFTER Jim Quello was appointed interim chairman of the Federal Communications Commission last February by President Bill Clinton. He has served longer than any other member of the current FCC. Above is the cover of the April 5 issue of Broadcasting magazine, which featured his picture on its cover.

the commission's decision to allow networks to acquire cable systems last June. "I'm a bleeding heart for independents," Quello told *Broadcasting*.

Quello is currently such a favorite of Capitol Hill that some question the closeness of his relationship with House Energy and Commerce Committee and fellow Detroitier Chairman John Dingell (D-Michigan) and Senators Ernest Hollings (D-South Carolina) and Daniel Inouye (D-Hawaii). All endorsed him for interim chairman, and Quello acknowledged in an interview with *Broadcasting* that he will keep the Hill fully informed on the FCC agenda.

"My appointment was strongly supported by Dingell and Hollings. I use the commonsense approach to everything. Cable is not opposing me." The public interest groups have also softened.

"The thing I respect the most about Quello is his gut-level political horse sense," says Andy Schwartzman, executive director, Media Access Project. "He is temperamentally very well suited for what could be a very awkward situation. He is not worried about what this is going to do for his career," he says, adding that Quello has managed to attain wide respect and not alienate a large number of people. "I expect to disagree with some of the positions he takes, but he understands the importance of collegiality," Schwartzman

says. Added Dingell aide David Leach: "He is a good, level-headed thinker with a good visceral sense of where public interest is. And he is one of the hardest workers there. Quello keeps long hours." Quello's hours will only get longer, and he knows it.

While that will keep him and the rest of what he calls an understaffed and underfunded FCC busy, Quello also knows that he is not there to put his own agendas in place.

"Our main objective is to keep a stable course until a permanent chairman is installed." There is still no word on when that will be, though, and in the meantime Quello not only has to worry about the commission's agenda but also the management of the FCC. That being the case, don't look for anything dramatic from Chairman Quello.

Quello was born in Detroit on April 21, 1914, and lived there until joining the FCC in 1974.

During his long career in the Fifth Estate, Quello has essentially worked at two places. In 1947 he joined WJR-AM as promotion manager and remained at the station until 1974, when he retired as station manager and a Capital Cities vice president. From there it was on to the FCC, where he intends to remain until his term expires in 1996.

Quello has also seen his share of violence outside FCC meetings. During World War II, Quello went from the rank of lieutenant to lieutenant colonel and saw combat with the Ninth and 45th Infantry Division in Africa and Europe. He was also decorated with seven campaign stars, the Bronze Star with cluster and the Croix de Guerre. After that, regulating the communications industry probably does not look so hard.

"This has been the most important productive job I've had. I just feel that in a nutshell what we have to do here is foster competition but at the same time appreciate that more is not always better."

Commissioners, he says, must remember that they are paid with public funds. "Whenever private interests conflict with public interests, the public interests must prevail." As for government working with industry. Quello would like both to "save the adversaries for after the offenses are committed. Let's go together in the spirit of cooperation and see what the hell we can get done."

Don't let Quello's age fool you. At 78, he still plays tennis twice a week, and his office is filled with athletic trophies. "I've been blessed with great vitality for my age," said Quello.

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# Editorials

## Moving on

**T**his page has mixed emotions about the departure of Jim Mooney from the presidency of the National Cable Television Association. We can understand his desire to get on with a third career. And surely nine years is long enough in such a personally and professionally demanding role. But both we and the cable industry will miss the intelligence, the savvy and the class he brought to the battle.

Not that Mooney was all that easy to deal with. He came with a short fuse and an impatience for suffering fools; winning friends was for him not so important as influencing people. His tenure at the NCTA was surely shortened by the one vote cable fell shy of sustaining President Bush's veto of the Cable Act. But if he was to be the fall guy for that legislative disaster, it was a bum rap. The cable industry itself was primarily guilty of the excesses that brought on so drastic a retribution; Mooney was stuck with a bad hand in a high-stakes game.

But that was only the final act in a long and distinguished career that saw him acknowledged as one of the finest politicians and lobbyists in Washington. If the Cable Act of 1992 was his Waterloo, the Cable Act of 1984 was just as clearly his triumph. *Sic transit gloria mundi.*

Now, having opted for change, the NCTA must decide what it wants instead. The search committee will have its work cut out for it, challenged by John Dingell's admonition that "many in the cable industry are going to be sorry that he left."

## The battle joined

**T**he television industry last week announced a concerted effort to advise viewers about the violence content of network programming (see story, page 7). Did the move come in response to government pressure? Yes, at least in part. Does it necessarily represent second-hand censorship, to be assailed as such and rejected out of hand? We don't think so (although broadcasters can be forgiven for keeping an eye peeled for Trojan horses).

While there are legitimate concerns about the logistics and fallout of this new early warning system for violence, there are also legitimate concerns about the level of violence in our society, concerns that the industry would be foolish to ignore. Is this new policy the responsible editorial decision to make, given the television medium's influence in our society and irrespective of whatever political pressures were brought to bear? It may be, or at least part of it. It is certainly far from draconian and appears to be an extension of an advisory policy already in effect. Each network will decide when to issue such advisories, according to broad guidelines.

Nothing has shaken our resolve that broadcasters seek, and be extended, the full protections of the Constitution, or that the First Amendment shield be brandished in the battle against government dictation of content. But the First should not be a shell into which we withdraw to avoid facing tough questions or even tougher answers. It may give journalists the license to act irresponsibly, but they would be foolish to assert that as their charter, and we would be foolish to counsel it.

We were, in fact, impressed with the charter for this new initiative, taken from the four-network release announcing the plan:

"Somewhere in between lackluster drama and the insertion of gratuitous violence lies the tone of story-telling we seek: drama, suspense, the clash of opposite values—without an overlay of unnecessary violent content. We will strive to do that, hoping that the government will remain respectful of creativity and not intrude on the freedom of voices to be heard."

We can all live with that.

## Hard act to follow

**J**im Quello's tenure as chairman of the FCC is far from over, and we don't want to be premature in welcoming him back to the commissioner ranks. But the urge is irresistible to note once again the sterling performance he's turned in at the top, and commend to his heir presumptive the same esprit that distinguished the Quello chairmanship. It's been years since the eighth floor and the staff pulled together so harmoniously, and in doing so produced such an effective agenda.

The good news is that the vigor and judgment Jim Quello brought to the chairmanship will still be in play after Reed Hundt takes over. As will those of Ervin Duggan and Andrew Barrett, who pulled such strong oars these past months. The new chairman should be off to a running start.



Drawn for BROADCASTING & CABLE by Jack Schmidt

"This is not 'another vicious attack' on the media. I'm your boss."

# Editorials

## Patience is a virtue

Congress, whose inability to act on a new budget perennially pushes the government to the edge of insolvency, has gotten itself into something of a self-righteous huff over the FCC's decision not to rush into cable rate regulation without the requisite personpower. FCC Chairman James Quello, refusing to bow to political pressure, pushed for a deadline extension to Oct. 1, which some in Congress want to push to Sept. 1.

For us, at least, the charges of "stalling" that have echoed from the House gym and sauna ring somewhat hollow. The chairman, who has been wrestling with communications policy and implementation for well over two decades, is in a slightly better position to gauge the strength and battle readiness of the troops than is the Hill's profusion of armchair generals.

While the soundbite potential of get-tough cable rhetoric on the local news back home is irresistible to legislators, the chairman of the FCC has no such distractions. We trust the perspective from 1919 M Street.

## Losing number

The Supreme Court dealt a blow to commercial speech two weeks ago, overturning a lower court finding that would have—and should have—allowed a North Carolina TV station to broadcast ads for a lottery in neighboring Virginia. The high court has made a mistake, as two of the justices—Stevens and Blackmun—recognized and spelled out in their dissent. Those justices disagreed, as do we, with the majority's conclusion that the ban on speech is proportionate to the federal government's asserted interest, which is to protect the anti-lottery policy of North Carolina. As Stevens writes in his dissent, the U.S. has no general interest in restricting state lotteries, allowing, as it does, state lotteries and advertising for such lotteries in the majority of states. The government interest is simply in assisting the states.

That help has come in the form of a ban, a course that is hardly narrowly tailored, as Stevens points out: "In seeking to assist nonlottery states in their efforts to shield their citizens from the perceived dangers emanating from a neighboring state's lottery, the Federal Government has not regulated the content of such advertisements, to insure that they are not misleading, nor has it provided for the distribution of more speech, such as warnings or educational information about gambling. Rather, the United States has selected the most intrusive, and dangerous, form of regulation possible—a ban on truthful information regarding a lawful activity imposed for the purpose of manipulating, through ignorance, the consumer choices of

some of its citizens."

Absent a substantial government interest, Stevens argues, that policy falls apart under First Amendment scrutiny, as it does under Stevens's persuasive dissent.

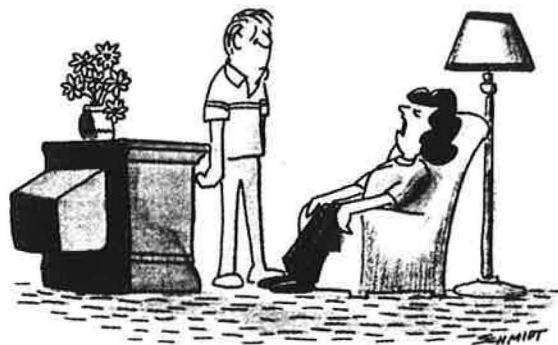
Ignorance of the law is no excuse. But there is no excuse for ignorance *in* the law, either, which is what the majority has opted for.

## Wireless win

The cable industry lost in court last week. The Michigan Supreme Court upheld a lower court finding that the state's mandatory cable access law was unconstitutional, representing a taking of private property, primarily for private use.

The rationale for such laws, in effect in approximately 12 states (according to communications law firm Winston & Strawn, whose wireless cable specialist Deborah Costlow was the winning attorney in the case), has been that the public interest in access to cable was the principal goal served by such a taking of property. In the case, in which a landlord wanted to deny access to Continental Cablevision and opt for a private cable system, the court found that "universal service requirement is primarily a restraint on the franchised cable operator, precluding the company from refusing service to poorer communities. It is not an enabling provision authorizing the cable operator to demand access to every dwelling despite the owner's desire for such service."

While the ruling applies to Michigan alone, and other states may well conclude that the public, rather than private, interest is the primary one served by mandatory access to cable systems (as did the single dissenting voice in the 6-1 decision), we expect cable's competitors elsewhere are already on the phones to their lawyers. Stay tuned.



Drawn for BROADCASTING & CABLE by Jack Schmidt

"Well, this is my ADI. And when you get the garage cleaned out you can watch baseball."