

Separate Statement

of

Commissioner James H. Quello

Re: Second Memorandum Opinion and Order on the Application of Fox Television Stations, Inc. for Renewal of License of Station WNYW-TV, New York, New York

When Rupert Murdoch and News Corp. first requested that we approve the assignment of the Metromedia licenses, the Commission understood that this action would finally create the much desired fourth broadcast network. In the ten years that have passed, Fox's efforts and willingness to assume financial risks have cultivated this vision. American viewers enjoying more diverse programming, independent station operators realizing revived economic fortunes, and programming producers serving new markets have reaped the benefits. In fact, Fox arguably planted the seeds for the continuing emergence of still more broadcast television networks. In short, Fox's efforts provide a working definition of the public interest.

Our decision today focuses on the significant equitable factors which demand that we waive Section 310(b)'s foreign ownership limitation, and with which I wholeheartedly agree. From the outset, I have believed that Fox's ownership structure was based on its good faith reliance on our rather fluid Commission precedent. I also feel strongly that fairness to Fox's investors and the presence of Rupert Murdoch, an American citizen who maintains *de jure* and *de facto* control over Fox and News Corp., should weigh heavily in our determination.

Still, while these equitable factors provide firm justification for our decision, they fail to properly credit the significant public interest factors that support a waiver; namely, Fox's contributions to the formation of a fourth network and to the financial health of both independent and affiliated television stations across the country. The fourth network has provided a source of competition to the three established national broadcast networks and their affiliates. At the same time, Fox has provided economic, programming, and marketing support to enable many independent UHF stations to achieve stability and profitability. Fox affiliates have become a significant source for children's, minority-oriented, and news programming. As an important side benefit, Fox has provided a national platform for minority producers, writers, actors and other members of the creative community. As the recent plethora of station affiliation realignments illustrates, Fox's presence also has enhanced the value and bargaining power of other networks' local affiliates in many markets.

While other equitable factors independently justify our decision, we must not forget Fox's public interest contributions in bringing about these positive market effects. These are the same effects which lay at the core of the Commission's long-term vision of creating a fourth national broadcast network. Keeping this in mind, I found it easy to reach my decision in this much contested matter.



For these reasons, I am pleased that today we conclude this proceeding. Fox may now move ahead with business in a new age -- one of increasing competition, new technologies, and unlimited new services for consumers. Most of all, I am confident that we have served the public interest, and that Fox will continue to make a similar contribution to the American people.