

**Summary and Statement of
James H. Quello, Commissioner
Federal Communications Commission
Before the
Subcommittee on Telecommunications and Finance
May 28, 1987**

In 1982, the Commission eliminated its three-year holding rule for broadcast stations that was acquired through the transfer process. While I voted for repeal of the rule, I now believe the Commission erred in striking down this regulation. A bill, H.R. 1187, has been introduced by several members of this subcommittee which proposes to reinstate the three year holding rule. I wholeheartedly endorse this proposal.

Without question there has been unprecedented churn in the broadcast industry. In the last two years we have seen a significant number of stations sold and in some cases resold for quick profits. There are several reasons for the increased churn in broadcasting.

Commission actions fostering the easy sale, merger or takeover climate encompassed a variety of actions including the following. The new trustee concept which facilitates hostile takeovers, elimination of the three year holding rule, simplification of financial qualification requirements by only requiring a simple personal certification, increasing the limits on station ownership, more liberal ownership attribution rules, and the easing of license renewal and license transfer requirements.

Other factors that caused the gold rush of entrepreneurs to stake a claim in broadcast properties were (1) the increased awareness two years ago that broadcast properties were great cash flow vehicles and relatively underpriced; and, (2) the incentives of an attractive depreciation allowance for new owners.

I have expressed concern about the turmoil and disruption caused by the unprecedented number of station sales, takeovers and mergers the past two years. I don't believe the recent instability serves overall public interest. Broadcasters are licensed to serve the public interest. When a broadcast property is challenged by a takeover or when a license is required to service heavy debt burden as a result of rapid station trading, programming, including the most vital news and public affairs programming receive less commitment and time from key management.

I believe broadcasting more than other industries requires stability and long-range planning capability to maximize service to the public. Unfortunately, the FCC has contributed to this destabilizing takeover and merger mania the past two years.

While elimination of the three year rule was not the sole cause of the current churn in broadcasting, reimposition of the rule would reduce the potential for station flipping. The rule would force investors to view broadcasting as a long run investment rather than a vehicle for quick profits.

Reestablishment of the rule would also reduce the potential for broadcasters to be the object of corporate takeovers. Because broadcasting operates under a statutorily imposed public interest standard, it should not be treated like any other industry. By reinstituting our trafficking rules and revising our hostile takeover policies, broadcasters would be able to devote more resources to meeting the needs of their communities instead of concentrating on fighting takeovers or on financing heavy debt burdens.

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Mr. Chairman, members of the Subcommittee, thank you for the opportunity to speak with you this morning on current telecommunications issues. While I agree with most of the views expressed by my colleagues, I must chart my own path with respect to one issue concerning the broadcasting industry. In 1982, I voted to repeal the Commission's three-year holding rule. In retrospect, I believe the Commission made a mistake. I understand that Congressman Swift, on behalf of himself, Mr. Dingell, Mr. Markey, Mr. Leland, Mr. Bryant, and Mrs. Collins introduced H.R. 1187, which would reinstitute the Commission's regulations prohibiting the trafficking in station licenses. The bill would require the Federal Communications Commission to repromulgate its rules requiring broadcast licenses to be held for at least three years. In effect, the bill would reestablish the three-year rule as the it was in effect on December 13, 1982. I fully support this proposal.

The Commission first established its antitrafficking rules in 1962. Responding to what it saw as an accelerated trend in the sale of broadcast stations, compounded by the appreciable number of short-term sales of stations in numerous communities,

the Commission adopted procedures that required a hearing prior to transfer, where the station was held less than three years. These two considerations, trafficking and disruptive churn in the industry, justified the remedial action taken by the Commission at that time. Because the three-year period coincided with a station's license term, the rule in effect required licensees to hold on to their stations during their first license term. Transfers within the three-year period were never banned per se. Rather, a broadcaster attempting to transfer a station during this period was required to make a "compelling affirmative showing of changed circumstances more or less beyond the control of licensee in order to transfer the station without a hearing." Over the course of time, the Commission granted waivers to this policy. What is important, however, is that the Commission had the authority and ability to oversee such transfers to prevent unbridled turnover and speculation in the marketplace. Unfortunately, the Commission has withdrawn its oversight from this important area.

In 1982, the Commission eliminated the three-year holding rule for stations acquired through the transfer process. Stations obtained through the comparative process were required to be held for one year. On reconsideration, the Commission extended its one year holding period to stations obtained through our minority ownership policies. The Commission proffered several reasons for eliminating the three-year rule for stations obtained through the transfer process.

First, compared with 1962, the broadcast industry was considered mature and successful, given its overall growth and increased competition from new technologies, such as cable. The Commission concluded that marketplace forces would be a superior regulatory mechanism to the three-year rule. In reaching this conclusion, the Commission found that the three-year rule may cause deterioration of service by preventing a station from going to its "higher value use."

Second, the Commission dismissed its previous concerns regarding trafficking; that were based on a fear that speculation in licenses would increase the station prices, thereby, excluding all but the wealthy from station ownership. The Commission argued it was inappropriate to retain the rule merely to deflate station prices. It noted that the rule may increase station prices by artificially limiting the number of properties available for sale. In sum, the Commission found that the rule had not facilitated entry into broadcasting of those with "lesser means."

A third rationale for eliminating the three-year rule was that it would have no adverse impact on programming. The Commission rejected its previous fears that station trafficking would increase station prices, thereby, requiring new owners to engage in excessive advertising sales in order to recover the substantial amount of money required to buy the station.

In rejecting this analysis, the Commission relied upon the findings in its Radio Deregulation proceeding which stated that marketplace forces would regulate commercial excesses effectively and ensure there would be no decrease in news and informational programming. In any case, the Commission concluded licensees would retain their responsibility for programming that responds to the issues confronting their communities.

The most significant conclusion of the Commission's decision, however, was the finding that the purchase and rapid resale of broadcast properties is not contrary to public interest per se. The Commission stated that a speculator may be considered as a "station doctor," who infuses new capital into a failing station making it more responsive to its audience and, thus, serving the public interest. Even where the speculator does not cure the ailing station it provides a ready market for entrepreneurs desiring to acquire a station. The speculator profits financially by providing a "caretaker service" until a more permanent licensee is ready, willing, or able to buy.

At the time of its decision in 1982, the Commission could make the predictive judgment that eliminating the three-year rule would have no adverse impact on broadcasting. Since that time, however, substantial changes have taken place in the industry. The Commission has revised its seven station rules,

allowing broadcast licensees to own up to 12 AM, 12 FM, and 12 TV stations nationwide. New procedures have been adopted like authorizing appointment of a trustee to expedite hostile takeovers of broadcast companies. In 1985, the Commission adopted more liberal ownership attribution rules, thereby attracting greater equity investment into broadcasting. The Commission has also reduced its oversight of financial qualifications, requiring licensees to simply personally certify that they have the financial ability to own and operate a station. Other factors causing the unprecedented gold rush of entrepreneurs to stake a claim in the broadcast properties are: (1) the increased awareness two years ago that broadcast properties were great cash flow vehicles and relatively low priced; and (2) the incentive of an attractive depreciation allowance for new owners.

While I continue to support most of these deregulatory measures, I believe we should reestablish the three-year holding rule. Also, the Commission should eliminate procedures which facilitate and expedite the hostile takeover of broadcast properties. I also believe that we should reevaluate our process regarding the examination of an applicant's financial qualifications. As to the latter point, the Commission recently adopted a Public Notice that provides for random examination of applications on file to determine their financial qualifications. Should this process fail to achieve its intended result, I believe it appropriate to return to rules

which require a more in depth examination of a licensee's financial qualifications before granting an application.

Several factors lead me to conclude that the three-year rule should be reestablished. I understand, of course, that elimination of the three-year rule is not the sole cause of the economic situation that currently confronts broadcasting. However, I believe that reimposition of the three-year rule will respond to some, if not all, of the economic dangers now confronting the industry.

A quick review of statistics reported in FCC Annual Reports reveals that there have been dramatic changes in the broadcast marketplace since our 1982 decision. A comparison between the number of transfers approved in 1982, the last year the three-year rule was in effect, and 1986 demonstrate a dramatic increase in the number of transfers. For example, in 1982, 1301 radio transfers were approved by the Commission. For fiscal 1986, this number increased to 2457, an increase of 88.85%. The numbers for television are even more compelling. In 1982, the Commission approved 170 transfers. This number increased dramatically to 767 transfer in 1986, an increase of 351%. Together, this represents a 119% increase in the total number of broadcast transfers approved by the FCC.

Examination of the average annual percentage increase in the number of transfers reveals similar results. For the four years preceding elimination of the three-year rule, 1979-1982, the annual increase in the number of transfers for radio was 7.26% and 7.8% for television. For the four years after the rule transfer were eliminated, 1983-1986, the average annual increase in transfers amounted 17.26% for radio and 48.67% for television. (See Table A)

I recognize that transfer data contained in the FCC's Annual Report overestimates the actual number of stations being sold. Because the data include short form pro forma transfers, the figures do not always reflect actual sales. To the extent the data overestimates the actual number of sales, this "flaw" is also applicable to data for the years 1979-1982. Thus, assuming the ratio between the total number of transfers granted and actual sales remains relatively constant, comparisons between data before and after our 1982 decision does provide an accurate reflection of increased turnover in the broadcast industry.

Obviously, as the number of stations grows, the number of approved transfers will increase. However, a comparison between the number of operating stations and the number of transfers approved during any one particular year reveals that there is dramatic turnover taking place in the broadcast industry. For example, in 1979 there were 807 operating television stations. During that year, the Commission approved 139 transfers,

representing 17% of the industry. In 1982, the number of approved transfers represented 21% of the operating stations. After elimination of the three-year rule, ratio of television transfers to authorized operating television stations increased dramatically. For example, in 1983 there were 870 authorized stations. During this year, the Commission approved 220 transfers representing 25% of the television industry. In 1985, there were 920 authorized operating television stations and the Commission approved 547 transfers, representing 59% of the industry. This number increases to 76% during the 1986 fiscal year. An analysis of radio transfers reveal similar, although less dramatic, results. (See Table B)

It is important to remember that the Commission adopted the three-year holding period at a time when total transfers represented only 18.2% of the authorized broadcast facilities. As the above data demonstrate, churn in the current broadcast marketplace -- 27% in 1985, 33% in 1986 -- is far greater than the churn existing in 1962 when the Commission adopted its three-year rule.

Recent data compiled by Broadcasting magazine corroborates these conclusions. In 1982, the number of broadcast stations sold represented 6% of all licensed stations. In 1985, the number of stations sold more than doubled, representing 15% of licensed broadcast stations. This dramatic churn is reflected in sales for both radio and television. While sales for radio

appear to have crested in 1985, transfer of television stations has shown a steady increase, reaching 14% of all licensed television stations in 1986. (See Table C)

The Mass Media Bureau has estimated that approximately 25% of all transfers involves stations that are held less than three years. While some may argue that the data negate the need for a three-year rule, given the significant number of transfers approved by the Commission in recent years, the figure represents a significant portion of the turnover. Moreover, this figure represents just the first few years without the three-year rule. Presumably, as time passes and those purchasing broadcast facilities acquire the stations in an environment where "trafficking" becomes the norm, one would expect the number to increase. In this regard, the 25% figure has the potential for underestimating turnover in broadcasting in the long run. Those entering the industry prior to elimination of the three-year rule anticipated holding the station for at least three years. Economic planning for these licensees was, therefore, based on long term return on the initial investment. As a result, one would expect the station to be held longer than three years. After adopting the three-year rule, returns on investment would be predicated not only on anticipated cash flow, but also the possibility of quick resale. It is entirely possible that the number of stations turned over will increase as the ability for quick resale becomes a significant part of a corporation's investment

strategy. Because the 25% figure represents a compilation of all the years since elimination of the three-year rule, the Commission should monitor the rate of increase in the number of stations sold in each of the three years. I understand data addressing this issue is currently being tabulated by the Mass Media Bureau.

While it is difficult to assess the impact of rapid churn in broadcasting, there are some observable trends that warrant discussion. The first involves rapid increase in station prices as a result of our new transfer policies. The 1982 decision stated that the Commission should not adopt rules in order to inflate or decrease the price of the stations. I disagree. It is important for the Commission to take into consideration the broadcast station marketplace in making policy determinations pursuant to our obligation to create an industry structure that facilitates the public interest, convenience and necessity. It is undisputed that the average price of broadcast facilities has increased in recent years. According to Paul Kagan, the average price of a television stations was \$20.56 million in 1981 and \$18.24 million in 1982. Data for 1985 reveal that the average price for a television station has jumped to \$64.97 million. Although less dramatic, similar increases can be observed in both AM and FM station prices as well. Apart from the mere increase in the average price of the station, the way these purchases are financed create significant burdens on the station's ability to serve the public interest.

A recent article in Channels magazine, quotes Paul Kagan as stating that in the last year alone \$5.2 billion was raised in debt financing for broadcasting, nearly 9 times the amount raised for the industry just four years before. Kagan also estimates that the total broadcast debt at the end of 1986 was approximately \$21 billion.

The burden on the broadcast industry in serving such large debt gives rise to significant public interest concerns. While I do not believe it is the Commission's responsibility to micromanage the financial affairs of broadcast stations, I do believe it is appropriate for both the Commission and the Congress to intervene where the industrial structure encourages business transactions that adversely affect broadcasters in meeting their public interest responsibilities.

First, it is appropriate to examine whether such rapid and expensive churn in the broadcast industry adversely affects performance. Under the Commission's Radio Deregulation and Television Deregulation decisions, broadcast stations remain obligated to provide issue-responsive programming. While the Commission concluded in these proceedings that marketplace incentives were the primary determinants of program performance, the Commission did not conclude that marketplace incentives alone would satisfy all programming obligations. In fact, the decision to retain an issue-responsive program obligation was based primarily on the fact that the marketplace --

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in and of itself -- would not provide sufficient amounts of issue-responsive programming. In other words, issue-responsive programming, deemed by the Commission to be the most important in fulfilling a broadcaster's public interest obligation, is at risk where stations are required to service large debt as opposed to developing and investing in new programming alternatives.

Isolating the effects of station trading on program performance is a difficult task. However, recent evidence appears in a study conducted by the RTNDA. In evaluating a survey of radio and television news directors, Dr. Vernon A. Stone, Research Director for RTNDA concludes:

"...[T]he deregulation which holds the greatest negative potential for television network affiliates and other stations with a long standing commitment to news and public affairs may not be the dropping of the air time minimum. Rather, it may turn out to be a loosening of rules on buying, selling, and group owning stations. What happens when stations are taken over by owners who are there only because radio stations and network television affiliates are turning out to be excellent investments for cash flow and growth? How many times a day will news rooms be reminded that they are now "profit centers?" When outside speculators replace local community leaders as owners, will the public interest be as well served? Concern was expressed by a few survey respondents."

Potential reductions in issue responsive programming is not the only problem precipitated by the increased debt burdening of the broadcast industry. The failure of broadcast stations to reach estimated revenue and cash-flow projections on which they have based their acquisitions creates significant adverse economic consequences. For example, Grant Broadcasting System Inc., WTTV-TV in Bloomington, Indiana, had to file for protection from creditors under Chapter 11 of the Federal Bankruptcy Act. While the number of commercial television stations filing Chapter 11 is less than 2% of the industry, the potential for bankruptcy remains great for those firms that are heavily leveraged. This is especially true given current widespread projections for a soft advertising market.

Obviously, servicing debt is but one of many increasing costs which affect a broadcaster's decision-making. The Subcommittee is examining the harms associated with mergers and takeovers in other sectors of the economy. Issues such as turnover in the local labor force, threats to established pension plans and decreases in productivity would apply to broadcasting as well. However, it would appear that concern should be heightened for the broadcast industry, that is under a statutory obligation to operate in the public interest.

In light of the current economic environment, it is difficult to believe that speculators will act as "station doctors" infusing new capital into failing stations and making

them improve programming and become more responsive to their communities. Television is more of a cash-flow oriented business than a profit and loss oriented business. Most nonmedia investors view the investment in terms of selling or trading the station itself. The infusion of capital may, therefore, be limited to a one-time, one-shot deal to drive up the price of the station to the next purchaser. As Robert Foust, Vice President and Comptroller of Westinghouse Broadcasting Company, Inc., said recently, "when a trader gets involved, you get turnover, a lack of public interest, and turning up of operating profits for the purpose of selling." In short, while speculators/"station doctors" treat short-term symptoms, they do long-term damage to the patient. Developing an audience and serving a local community requires a long-term commitment. Short-term fast-buck artists have neither the time nor the economic incentive to learn and meet the needs of the communities that they are required to serve.

There is certainly enough evidence to demonstrate that the new breed of investors in broadcasting are more concerned with quick return on the "investment" than serving the public in the long term. For example, the acquisition of Storer Broadcasting was motivated solely on the basis of selling off the broadcast assets. Investment pools have been formed, such as Merrill Lynch Media Partners, for individuals who want a piece of broadcast properties. The acquisition and subsequent sale of broadcast properties by Kohlberg, Kravis, Roberts and Co. further attests to this fact. It was reported that when KVOS in

Bellingham, Washington, was purchased by KKR, the station staff was reduced from 90 to 65 and a half-hour newscast was cancelled in favor of a 60 second news break. The station was then transferred to another owner who further reduced the news breaks. Other examples of rapid turnover in the television industry include KTLA-TV (Los Angeles), KITN-TV (Minneapolis), WFTV-TV (Orlando) and the current break up of Taft Broadcasting by financial entrepreneurs. Our policies allowing hostile takeovers of broadcast facilities have exacerbated these problems. For example, by facilitating hostile takeovers, we created a situation where Multimedia was forced to pay \$25 million in greenmail to avert a takeover. The Evening News Association, threatened by a hostile takeover found a grey knight in Gannett and sold the properties.

Storer, Taft, Evening News Association, WOMETCO and Multimedia are examples of professional broadcasters who, over a period of 40-50 years, have carefully built their stations. All of these broadcasters have succumbed to the tide of mergers and acquisitions. Merger mania has also spread to the networks. All three networks changed heads in the past two years. Also major national sales representatives such as Blair, who owned broadcast stations, were sold. Blair, a leader in national sales, had to fight off a hostile takeover before selling to a white knight. In sum, the current economic climate undermines long-term broadcasters who have operated consistent with the public interest for years replacing them with investors that may not have such a long-term commitment.

Congress, the courts and the Commission have long recognized the importance of promoting long-term stability in the broadcast industry. Policies underlying the grant of a renewal expectancy are premised on this very fact. On several occasions, the court has held that rapid turnover and restructuring of the industry was inconsistent with the public interest. See e.g., NCCB v. FCC, 436 U.S. 775, 806 (1978); Central Florida Enterprises v. FCC, 683 F.2d 503 (D.C. Cir. 1982). The goals established in the renewal process may be defeated as a result of quick turnovers through the transfer process. For example, an egregious case of rapid turnover occurred with KTXH-TV in Houston. The station commenced operation in 1982. A year later the station was sold to Gulf Broadcasting. In early 1985, Gulf sold it to Taft Broadcasting. Taft, under siege from powerful financial entrepreneurs, then resold the station in November 1986 to the TVX Broadcasting Group. It is obvious that such an approach does not provide for the type of stability and long-term program planning envisioned by the Congress or the Commission. Broadcasting needs such stability and long-term planning capability to maximize service to the public.

Another equally important concern with rapid turnover of stations concerns the ability of minorities to participate in broadcasting. The increased prices of stations partially resulting from elimination of the three-year rule has placed many minority entrepreneurs out of the acquisition market.

In 1982, the year before eliminating the three-year rule, total broadcast sales amounted to \$1.15 billion, with television representing \$600 million and radio stations representing \$553 million. In 1985, the sale of broadcast properties represented a value of \$10.39 billion and in 1986, \$10.04 billion.

In 1982, the Commission argued that increased station trading would enhance the opportunities for minorities to acquire broadcast facilities. However, minority entrepreneurs have been unable to avail themselves of these opportunities and there has been no significant increase in minority ownership since 1982.

The Commission has noted on several occasions that the major impediment to minority entry into broadcasting is financing. See Statement of Policy on Minority Ownership of Broadcasting Facilities, 68 F.C.C.2d 979 (1978); Commission Policy Regarding the Advancement of Minority Ownership in Broadcasting, 92 F.C.C.2d 849 (1982). As a result, any policy which increases the prices of stations will, in effect, price some minority entrepreneurs out of the market. Obviously, the lack of financing precludes most entrepreneurs from acquiring VHF television stations in large markets. In small and medium markets, however, broadcast facilities may be within reach of these prospective owners. It is at this level that increased station prices may discourage participation in broadcasting.

I believe reintroduction of the three-year rule and normalizing station prices could facilitate minority participation in broadcasting. As for the argument that the three-year rule hurts minority opportunities, the Commission could create an exemption that would allow stations to be traded without a hearing within the initial three-year period, provided the station is sold to a minority controlled entrepreneur. Such a policy is certainly consistent with the Commission's present minority ownership policies.

As previously stated, I do not believe that repeal of the three-year rule was the sole cause of the rapid turnover in broadcast stations. Several factors worked together to create the churn in the broadcast industry. However, reinstatement of the three-year rule will solve most of the problems related to rapid station transfers. Reestablishing the three-year rule will eliminate those entrepreneurs who seek to merely "turnover" broadcast stations for quick profit. Once again investors would be required to consider long-term investments in service to the community in order to increase cash flow and profits. Simply stated, reimposition of the three-year rule would change the investment strategy of those entering broadcasting. No longer would station flipping be a legitimate investment option. Furthermore, it will reduce the potential for broadcast stations to be the target of hostile takeovers.

Those favoring our current policies argue that the rapid churn in the broadcast industry was the result of pent-up demand

for stations. Observing the recent decline in station sales, they note that the worst is over and the market will find a new equilibrium. These arguments miss the point entirely. The convergence of numerous factors, including changes in regulatory policies, a decline in interest rates, a change in the tax laws, and heightened aggressiveness on Wall Street created this rapid churn. Absent the three-year rule, there is nothing to prevent these conditions, or any other unforeseen economic circumstance, from rekindling the fires of rapid turnovers. The real issue is whether broadcasting, as an industry, should be treated like any other business and become subject to marketplace uncertainties. I believe broadcasting is different. No other industry is statutorily obligated to operate under a public interest standard as a trustee. Broadcasting is not like other commodities, that may be legitimately left to the rigors of the marketplace. We are not dealing with pork bellies.

The data presented herein reflect unprecedented churn in the broadcast industry. This fact alone justifies reimposition of a rule which would require prospective purchasers to consider broadcasting as a long-term investment as opposed to a vehicle for quick profits. Most importantly, by reinstituting our trafficking rules and revising our hostile takeover policies, broadcasters would be able to devote more resources to programming and meeting the needs of their communities instead of concentrating all top management on fighting threats of takeovers or on financing a heavy debt burden.

(1. of A)
ASSIGNMENTS & TRANSFERS
APPROVED BY FCC*

	1979	1980	1981	1982	1983	1984	1985	1986	% Change 1979/1986	% Change 1982/1986	Av Ann'l Change %	Av An Chg % 1979-1982	Av An Chg % 1983-1986
Total Radio	1057	1196	1271	1301	1566	1797	2055	2457	132%	88.85%	12.97%	7.26%	17.26%
Annual % Increase	--	13.15	6.27	2.36	20.37	14.75	14.36	19.56	--	--	12.97%	7.26%	17.26%
Total TV	139	131	134	170	220	271	547	767	452%	351%	31.15%	7.8%	48.67%
Annual % Increase	--	-5.75	2.29	26.86	29.41	23.18	101.8	40.22	--	--	31.15%	7.8%	48.67%
Total Broadc't	1196	1327	1405	1471	1786	2068	2602	3224	169%	119%	15.59%	7.17%	21.73%
Annual % Increase	--	10.95	5.87	4.69	21.41	15.79	25.82	23.90	--	--	15.59%	7.17%	21.73%

* Data from FCC Annual Reports

(TABLE 1)
COMPARISON OF TRANSFERS TO AUTHORIZED STATIONS*

	Auth	1979 Trans	%	Auth	1980 Trans	%	Auth	1981 Trans	%	Auth	1982 Trans	%
Total Radio	7934	1057	13%	8079	1196	15%	8274	1271	15%	8073	1301	16%
Total TV	807	139	17%	844	131	16%	884	134	15%	827	170	21%
Total Broadcast	8741	1196	13%	8923	1327	15%	9158	1405	15%	8900	1471	17%
	Auth	1983 Trans	%	Auth	1984 Trans	%	Auth	1985 Trans	%	Auth	1986 Trans	%
Total Radio	8216	1566	19%	8412	1797	21%	8638	2055	24%	8830	2457	28%
Total TV	870	220	25%	893	271	30%	920	547	59%	1004	767	76%
Total Broadcast	9086	1786	20%	9305	2068	22%	9558	2602	27%	9834	3224	33%

* Data from FCC Annual Reports

(TABLE C)
COMPARISON OF STATION SALES TO LICENSED FACILITIES

	Television			Radio			Broadcast		
	Commercial † Licensed & CP	Sold* %		Commercial † Licensed & CP	Sold* %		Commercial † Licensed & CP	Sold* %	
1979	724	47 6%		9045	546 6%		9769	593 6%	
1980	734	35 5%		9278	424 5%		10012	459 5%	
1981	756	24 3%		9361	625 7%		10117	649 6%	
1982	777	30 4%		9461	597 6%		10238	627 6%	
1983	813	61 8%		9678	669 7%		10491	730 7%	
1984	841	82 10%		10021	782 8%		10862	864 8%	
1985	883	99 11%		10359	1558 15%		11242	1657 15%	
1986	919	128 14%		9824	959 10%		10743	1087 10%	

† Data from Television Factbook: Cable & Services Volume 1986 (p. A-17).

* Data from Broadcasting, February 9, 1987 (p. 53)