

FCC UPDATE BY
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AMERICAN WOMEN IN RADIO AND TELEVISION
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I'm delighted to be with you at the national convention of the AWRT, a prestigious organization that has experienced a well deserved, phenomenal growth during my 45-year broadcast-government career. And I'm especially pleased to be introduced by my good friend and fellow septuagenarian, Bob Lee, who

- (1) Holds the all time record for length of regulatory service for all agencies,
- (2) In all my fourteen years at the FCC, Bob is the only emcee older than I am who ever introduced me,
- (3) Recognizing that I, too, was approaching the twilight of my senility, gave me some important friendly advice when I joined the Commission.

Without waiting for his advice I had already decided to add "your oversight Senators and Congressmen" to the fourth commandment. Bob also thought it was a good idea to honor them.

Bob, my memory, like yours, isn't what it used to be, but I believe it was you who before my very first Commission

meeting, gave me some fascinating practical advice. You advised me "Remember you are now a confirmed bureaucrat, so don't worry about mistakes -- remember that when a bureaucrat makes a mistake and then persists in making it, it soon becomes policy." Other truisms you were good enough to share with me were "Master the art of dynamic inaction. Use your old army training -- don't volunteer for anything. If in an unguarded moment you do volunteer, make sure there are people more knowledgeable than you to handle the project (this should be no problem, the complete FCC staff qualifies for that type of assignment); perform your daily minutiae with effervescent sincerity. Also keep in mind that the longer you are here, the more you will appreciate the seniority system. You also comforted me, Bob, by drawing on your own experience and saying, "Don't resent the involuntary celibacy of the golden years -- it could be the ultimate in safe sex." Bob, is there anything else my imagination may have forgotten?

You should know that after my last confirmation I received a congratulatory wire from a longtime Detroit friend, advertising executive-author Chuck Adams stating "Congratulations. Hang in there until they name the building after you." I thanked him but had to admit the building honors belong to longer serving, longer suffering, Commissioner and Chairman Robert E. Lee. The Robert E. Lee building -- sounds great but just imagine all the confusion and fun when the Dixiecrats make their first annual pilgrimage to a communications building!

On a more temperate note, I want to share with Bob and with this audience my favorite classic quote on a positive aspect of aging. It is by the great German philosopher Goethe and it expresses my feelings simply and directly. I think it expresses Bob Lee's feelings too. Goethe said "It is only necessary to grow old to become more charitable and even indulgent. I see no fault committed by others that I have not committed myself."

Enough rambling about work principles and male philosophies -- even about personable Bob Lee, an AWRT invited male with 28 years as a Commissioner and Chairman. It is time to shift the emphasis to women's accomplishments. This is the American Women in Radio and Television Convention and the golden age of women is arriving!

For openers two leading world powers boast women as heads of state -- Margaret Thatcher of Great Britain and Nancy Reagan of the USA. And Raisa Gorbachev is much more than just another pretty face! Corazon Aquino is also hanging tough in the strife-ridden Philippines. I can't help recalling the strength of character and dynamic leadership of Golda Meir in embattled Israel years ago.

Our military, too, is recognizing female leadership qualities. I was really impressed last week when I read that a cadet Colonel Georgia Ruckle ranked first among 4383 cadets at the Air Force Academy this year! The same article in USA Today reported that 90 women graduated from West Point this year.

We have thousands of women leaders on all fronts in America today -- in communications, the professions, drama, industry, sports, government, academia etc. A few of the more frequently mentioned names are Katherine Graham, Sandra Day O'Connor, Jeane Kirkpatrick, Ann Dore McLaughlin, Elizabeth Dole, Geraldine Ferraro, Senator Nancy Kassebaum, and Diane Sutter. Incidentally I met Diane three years ago when speaking at the Pennsylvania State broadcasting convention. I sat next to her and within 5 minutes I had paper and pencil in hand taking notes on how the FCC could better serve the public, the industry, and talk radio which happened to be the format of her stations at that time. I think you AWRT members who elected her president appreciate how this could have easily happened. Needless to say I didn't exactly dominate the conversation that night. Diane is a great dynamo G-M who has mastered the art of inoffensive persistency!

Incidentally, my home town of Detroit is a bastion of communications power and women there are important communications leaders. I had a speaking engagement there two years ago and was pleased to note women General Managers at three TV and five radio stations. Since then, Jeanne Findlater, a longtime close friend who ran Channel 7 has retired after an illustrious career. She was a real pioneer in broadcast and civic leadership. Amy McComb, who ran Channel 4 with distinction, was promoted to a larger market in the San Francisco/Oakland area several months ago.

Also did you note the article on Betty Endicott, general manager of WTTG in Washington in the current issue (May 30) of Television/Radio Age? The article mentioned that women occupy half of the six general manager jobs at Fox. Betty's two headline quotes are worth noting -- The first: "You see very strong women as department heads -- so to see them move into general manager positions is a natural progression." The second quote also accentuated the positive: "Discrimination? I've never felt it. I've never looked for it, and I don't have time for it. That is not my problem."

Betty Endicott reflects the trend of more women seeking financial success and executive achievement. A new survey of 207,627 USA college freshmen shows the number of women pushing for financial success is rising faster than the number of men.

Twenty years ago, only 30 percent of women entering college were anxious to be rich. This year, 72.1 percent say they want lots of money. Men bent on being rich rose from 54.2 percent to 79.5 percent.

"Materialism and greed are alive and well," said UCLA's Alexander W. Astin, director of the annual survey. "Women have basically converged on the male stereotypes."

The American Council on Education sponsored the study.

Other trends led by women: a decreasing interest in developing a philosophy of life and more approval of casual sex.

The fascination with money is reflected in career choices: 24.6 percent overall want jobs in business; 22 percent of women plan business careers, vs. 3.3 percent 20 years ago.

Michigan, my home state, boasts Nancy Waters who attained success and became the owner of a powerful FM station in Hart-Muskegon, Michigan after a landmark FCC comparative battle that reaffirmed minority female preference. She also had the initiative and motivation to conduct and finance the engineering search that uncovered the radio frequency.

Women have been very influential in forming FCC rules and policies the past ten years. Women represented 50% of the Commission when Mimi Dawson and Patricia Dennis served on a four person Commission. Patricia Diaz Dennis has represented 33-1/3% of the FCC vote for some time with our three person Commission. On the few occasions when she storms the Chairman's office or my office expressing strong disagreement, I give her 51% all by herself! Her independence is matched only by those who signed the declaration.

I'm the only Commissioner who had the pleasure of serving with five of the six women FCC Commissioners -- Commissioner Charlotte Reid, Margita White, Anne Jones, Mimi Dawson and Patricia Diaz Dennis. I also met Commissioner Freda Hannock

in 1951. She is noted for conserving the UHF spectrum for public broadcasting.

Two out of the five I served with, Anne Jones and Patricia Dennis, are excellent lawyers. Charlotte Reid was a former Congresswoman for six terms, exceptionally personable, had strong hill support and understood the government process. Mimi Dawson was chief of staff for the Senate Commerce Committee. She was and is a bright, aggressive non-lawyer accustomed to working with lawyers on her staff. Margita White is a public relations expert and excellent writer who came from the White House staff. It was Margita who reminded me "God made man. She did it as a joke." All had their individual strengths and Commission specialties. The FCC and the public were and are exceptionally well served by these women. Some of the humorous exchanges and foibles are best told outside a formal or even informal speech. Suffice it to say that between our debates and arguments we also enjoyed our share of laughs.

On the personal front, I've been lucky in getting 50 annual marriage license renewals. I was also fortunate that all comparative renewal challenges were denied or rejected. Mary claims she never considered divorce . . . murder several times, but divorce never. Our longevity is a testimonial to the value of a woman's sense of humor. Besides she was always willing to let me have her way. Let the record show I'm for marriage. If it weren't for marriage, many men might go through life thinking they had no faults at all.

I can't allow this opportunity to slip by without mentioning a granddaughter who graduated magna cum laude in communications from the University of Detroit, a Jesuit school. Her key chain reads "I survived Catholic school." As a self appointed stage father, I told her if she were a football player she would have been a first round draft choice. She started an entry level sales training job this week. You should be pleased to learn she threatened to change her name to Smith after receiving some out-dated sexist advice from her old grandpa.

Well so far I enjoyed this neighborly chat with you, but, reluctantly, it is time to get down to business. After all I was invited here to give you an update on important FCC issues affecting broadcasting and your vocations.

There are many contentious FCC broadcast issues. Each subject could easily absorb an hour speech or a six chapter booklet. The major issues include must carry, syndex, the fairness doctrine, telco-cable cross ownership, TV-radio cross ownership, re-instating the three year holding rule, enforcement of obscenity statute, development of compatible HDTV, children's programming regulation, land mobile sharing of UHF frequencies, transfer fees, and correcting abuses in comparative challenges to license renewal.

I'll give you bottom line opinions on several of these recent FCC actions like must carry, syndex, obscenity enforcement, and re-instating the three year rule.

But first and foremost, I'd like to give priority to an urgent issue -- the need for regulation and eventually legislation to prevent abuses caused by license renewal challenges.

For some time I have been urging expedited Commission action to prevent abuses and to correct the inequities of comparative renewal challenges . Action is long overdue and I understand an FCC inquiry item will be presented in June or July.

With hundreds of radio station renewals this year starting in June and television renewal cycles coming on stream the temptation for business hungry lawyers may be too great to resist. The system as it exists today is an open invitation to legal greenmail or blackmail.

In its proposals, the Commission must be careful not to usurp the statutory prerogatives of congress which has the sole authority to establish a much needed two step renewal process. The sooner a two step process is adopted, the sooner both the public interest and a practical, equitable broadcast marketplace will be served. The FCC should promptly send its recommendations to Congress for reform of comparative renewal challenges.

However, the FCC itself can and should take interim regulatory steps to alleviate the threat to stations that are filing their renewal applications this summer.

This could be accomplished on our own motion or by adopting a proposal filed by Leibowitz and Spencer and other responsible law firms.

Simply put, the FCC steps should prohibit greenmail payments to any challengers, require full financial disclosure and require competing applicants to demonstrate site availability.

I believe the Commission can take these initial regulatory steps with the blessing of most of congress. It would help eliminate abuses that now heavily favor license challengers. Challengers can study the known programming and operations of stations. They don't have the daily burden and problems of actual broadcast operations, an inherently contentious process that serves many varied social and political tastes. Broadcasters can be confronted with the unlimited potential of a challenger's grand scheme paper promises against the broadcaster's actual daily operations.

I believe all payments to license challengers should be subject to the closest of scrutiny. License challengers are seeking very valuable, established broadcast properties for relatively nothing. I think it is preposterous that any licensee should be required to pay legal fees for license challengers who represent the most hostile type of take-over attempts at unheard of bargain prices.

It is important that the FCC issue a notice that any challenging application filed after adoption of an inquiry or proposal will be subject to whatever rules the Commission may subsequently adopt. This will compensate somewhat for our failure to address this problem at an earlier date.

I believe stability, equitable treatment and long range program planning capability are essential to best serve overall public interest.

I want to register an initial thought on another important related subject. I have become increasingly concerned with the cruel and unusual punishment aspect of total license revocation. No utility or monopoly or any other industry is subject to this kind of business death penalty for violation of rules or laws. It raises serious questions of property confiscation and questionable government seizure. I have requested a \$1 million FCC fine authority for the past ten years so that our penalty range doesn't force a choice between too little or too much. I haven't been successful. Congress still limits the FCC to a maximum of \$20,000.

I believe the FCC should carefully explore forced divestiture and sizable fines as an alternative to property confiscation. But this complex matter is better left for a detailed study at another more appropriate time.

Must_carry: My 33 page statement documenting the urgent need for must carry appears in the official record of the Congressional hearing on the subject held last month. Must carry has been the principal topic of several of my speeches. A two page excerpt appeared in a May issue of Broadcasting magazine.

Briefly, I believe there is an undeniable government interest in making certain that TV stations licensed by the government to serve the public interest continue to have access to the public they are licensed and required to serve. I believe the obligation and right to serve the local area is required by the Communications Act and by the FCC's careful allocation of channels. I don't believe any semi-monopoly transmission pipeline should be able to prevent or obstruct the licensed station's local service to the public.

The Cable Communications Act of 1984 was enacted with must carry in place and before cable started aggressively selling over a billion dollars in advertising a year in competition with the local stations. Must carry was certainly a vital part of the legislative balance when the 1984 Cable Act was adopted. The courts' elimination of must carry is a compelling reason why Congress should revisit cable legislation.

Congress should do this not to please broadcasters, but to serve the public with assured future free TV and to correct a miscalculation caused by the FCC's ideological avoidance of

Section 307(b), the public trustee concept and localism -- the principal factors necessary to developing substantial government interest that will survive judicial review.

In my recent statement before the House Subcommittee on Telecommunications and Finance I stated:

The absence of must carry for local broadcast stations will have a profound -- indeed potentially catastrophic -- effect on the flow of information in our society.... The viability of local over-the-air broadcasting will depend to a large extent on the ability of a station to secure carriage on local cable systems to be able to reach the audience it is licensed to serve.

Some argue that it is unlikely that cable operators will drop local broadcast stations. I argue that the ability, the power if you will, to do so is an awesome tool -- it is the real threat by itself without requiring proof of harm. As a result of the Quincy and Century decisions, the marketplace has been skewed in favor of the cable industry. Return of syndicated exclusivity will help restore some balance to the marketplace. However, the ability to drop or reposition a local broadcast station makes cable the sole gatekeeper among 51% of the TV households. The potential for abuse of this power to dominate programming and advertising dollars is great and will probably increase in the future. It could eventually lead to program and

advertising domination by pay cable at the expense of free universal TV. In my opinion, this is no time to oppose Congressional corrective action. Those who believe that Congressional intervention is undesirable are forfeiting the best and perhaps the only remaining chance of reinstating must carry and restoring balance and equity to the TV marketplace. Must carry would ensure the continuation of universal free over-the-air broadcasting and also guarantee that major sports and local news and public affairs programming will be available to all Americans without additional cost.

Obscenity/Indecency: We still have paradoxical complaints in our attempts to enforce statutes prohibiting obscenity on the air and in establishing policy for indecency. We are criticized for infringing on First Amendment rights and then criticized for not making our rules specific enough. Actually, the more specific we make rules as to exactly what it is prohibited and when, the more we infringe on First Amendment rights. I believe our general definitions are clear enough for 99% of the broadcasters who should not be in jeopardy. The other 1%, some of whom persist in making a career in challenging obscenity rules, should get the message that the FCC is enforcing obscenity laws and that there is a public outcry for enforcement. The Court of Appeals recently heard oral arguments on this issue. Hopefully, the court will provide the Commission with additional guidance in this sensitive area.

I have mentioned many times before that I normally should be the least likely of any of the current Commissioners to lead a charge against obscenity. I served in the army for over five years. I served overseas for 33 consecutive months, finally as a combat infantry battalion commander in France and Germany. I assure you that I heard all variations of expletives both in and out of battle. As far as the most commonly over-used sexually oriented single word is concerned, I heard it, used it and have done it. But there are places, occasions and times where it is improper and even disgusting. I also mentioned that our forefathers didn't guarantee freedom of speech for repulsive obscene purposes. In one of my speeches over a year ago, I even conceded that my age could be a factor because I prefer playing R-rated movies backwards because now I like to see people get dressed and go home.

Re-imposing the three-year rule: I opposed the excessive free market approach that resulted in the overactive buying and selling of broadcast properties in 1985 and '86. I have been an outspoken advocate of reimposing the three-year rule. I particularly object to easing rules that encourage hostile take-overs. I do not believe it is in the public interest to have highly leveraged licensees whose first obligation becomes servicing debt rather than serving the public. I also believe the turmoil caused by hostile take-overs with resultant job and pension displacement, disruption in long-term programming and sometimes greenmail payments doesn't serve public interest.

After all broadcast licenses are a public trust -- they should not be bought and sold like commodities. Again, a public interest finding is necessary is to approve transfer of control. Is it in the public interest to approve a transfer when a fast turnover for profit to enrich the raiders and a few big stockholders is the principal motive -- often with little or no commitment to long range programming or public service? -- I think not.

Syndicated Exclusivity: I supported re-establishing syndicated exclusivity although I personally continue to allot highest priority to must carry. It represented righting a previous wrong in a moderate statesmanlike way. Reimposition of syndicated exclusivity rules was necessary to ensure equal exclusive property rights for broadcasting as well as cable and to restore a balanced playing field between cable and broadcast interests. In 1980, when the Commission in a narrow 4-3 vote eliminated the rules, I dissented stating --

... the elimination of syndicated exclusivity is inequitable, not needed, not wanted by a significant number of cable TV owners and operators, and is counter to long-term public interest.

I opposed the "time diversity" argument and recognized that a world void of exclusivity rules would cause recirculation of tired syndicated programming and constitute an unfair

infringement on local contract rights. Restoration of syndex served to validate my 1980 statement. The Commission's action on syndicated exclusivity is an excellent example of the need for carefully crafted government regulatory policy to provide fair balance in the marketplace.

Overall, it is a challenging, fascinating time to be at the FCC. Congress, the FCC, industry, broadcast organizations and the public at large must work together in a continual effort to maintain America's communications leadership.

At my age, an active 74 and with over three more years to serve, I'm not looking for anything but decent effective government in a strong, socially-progressive America. Your organization represents an important example of that social and vocational progress.

With your phenomenal progress the past ten years, the AWRT could rightfully change the tense of that famous civil rights slogan to "We Have Overcome." You have really come a long way baby. You earned it and deserve it.

For the AWRT and progressive women of all vocations, the best is yet to come.

Good luck!

AWRT SPEECH SENT TO:

Senator Fritz Hollings	Senator Donald Riegle
Senator Carl Levin	Senator John Danforth
Senator Daniel Inouye	Ralph Everett
Tom Cohen	Toni Cook
Congressman John Dingell	Congressman Edward Markey
Congressman Al Swift	Congressman Matthew Rinaldo
Congresseman Tom Tauke	Congressman Dennis Eckart
Congressman Michael Oxley	Mark MacCarthy
Larry Irving	Terry Haines
Gerry Saleme	Scott Johnson
Barbara Crapa	Jerry Udwin
John Lane	Edward O. Fritts
Jeff Baumann	John Abel
Belva Brissett	Jim May
Tom Murphy	Dan Burke
Cory Dunham	Bob Hynes
Dick Quello	Susan Quello
Carl Lee	Preston Padden
Jim Hedlund	Jack Valenti
Stan Hubbard	Werner Hartenberger
Jerry Feniger	Steve Herson
Kevin O'Brien	Jim Rosenfield
Karole White	Tom Cleary
Al Sikes	Earl Stanley
Matt Leibowitz	Vic Ferrall

Joel Chaseman

Dick Wiley

Wally Jorgenson

Bob Davis

Don West

Mary Crowley

Susan B. Quello

Mrs. Marian Artwohl

Lt. Gen. Ken Cooper

Lee Wilson

Betty Endicott

Sterling Red Quinlan

Erwin Krasnow

Al Warren

Sydney Shaw

Margita White

Jim Lynnaugh

Susan Krause

Harry Jessel

Tack Nail

Debbie Mesce

Dick Quello

Sherman Johnsrud

John Murley

Amy McComb

Tom Herwitz

William McCarter

Gina Keeney

Chris Coursen

Paul Harris