

NAFMB SPEECH  
BY COMMISSIONER JAMES H. QUELLO  
NEW ORLEANS  
OCTOBER 11, 1974

IT'S ALWAYS GOOD TO BE BACK AMONG  
BROADCASTERS. I BELIEVE I HAVE SOME UNDER-  
STANDING OF THE MEDIUM, HAVING SPENT SOME  
THIRTY YEARS SERVING IN VARIOUS CAPACITIES  
AS A BROADCASTER MYSELF. I'M PARTICULARLY  
GRATIFIED THAT FM RADIO HAS RISEN TO ITS  
CURRENT PROMINENT POSITION... AND I'M DELIGHTED  
THAT THE FUTURE OF FM LOOKS EVEN BETTER.

I CAN REMEMBER A TIME WHEN THE OWNERS  
OF THE AM-FM COMBINATION I WAS ASSOCIATED  
WITH WERE ADVISED TO SELL -- OR GIVE AWAY --  
THE FM STATION SINCE IT WAS PROVIDING SOME

EXPENSE AND VERY LITTLE REVENUE. THAT WAS  
BACK WHEN FM WAS OFTEN AN ACRONYM FOR  
"FORGOTTEN MEDIUM." NOW, AS YOU WELL KNOW,  
IT OFTEN STANDS FOR "FOLDING MONEY." IT  
ALSO REPRESENTS "FUTURE MEDIUM" AND THAT  
WELL-WORN PHRASE "FM RADIO IS JUST AROUND  
THE CORNER" NO LONGER APPLIES. THE CORNER  
HAS BEEN TURNED AND FM IS FINALLY INTO A  
STRETCH RUN AND PICKING UP SPEED.

THERE HAVE BEEN MANY TECHNICAL  
INNOVATIONS PARTICULARLY SUITED TO FM  
RADIO IN RECENT YEARS. STEREO, QUADRAPHONIC,  
AUTOMATION, PROGRAM PACKAGING AND ALL THE  
REST OF IT...PROVIDE OPPORTUNITIES IN RADIO

BROADCASTING THAT WERE UNDREAMED OF A FEW YEARS AGO. THESE OPPORTUNITIES POINT TOWARDS PROFITS THAT FM BROADCASTERS DIDN'T DARE DREAM OF TEN YEARS AGO. THEY POINT TOWARDS STATURE FM BROADCASTERS HAVE, HERETOFORE, LACKED IN MOST COMMUNITIES. BUT, THOSE SAME OPPORTUNITIES ALSO POINT TOWARDS RESPONSIBILITIES THAT THE FM BROADCASTER HAS OFTEN BEEN ABLE TO AVOID IN THE PAST.

THE UNIQUE QUALITIES OF FM LEND THEMSELVES TO SPECIFIC KINDS OF HIGH-QUALITY MUSIC PROGRAMMING WHICH HAVE COME TO BE VERY APPEALING TO SIGNIFICANT AUDIENCES. I'D

LIKE TO SUGGEST, HOWEVER, THAT THE DAYS  
OF BACKGROUND MUSIC SERVICE -- WITHOUT SOME  
SERIOUS ATTENTION TO OTHER PUBLIC SERVICE  
BROADCASTING -- ARE NEARING AN END. I ASSURE  
YOU THAT LICENSE APPLICATIONS WHICH PROPOSE  
VIRTUALLY NO NEWS OR PUBLIC AFFAIRS PRO-  
GRAMMING ARE NOW GETTING VERY CLOSE SCRUTINY  
AT THE COMMISSION AND ARE LIKELY TO RECEIVE  
EVEN MORE ATTENTION IN THE FUTURE.

I'M SYMPATHETIC TO THE SPECIAL NEEDS  
OF A GOOD MUSIC STATION WHICH IS PROGRAMMED,  
TO A LARGE EXTENT, TO PROVIDE ALMOST CON-  
TINUOUS MUSIC TO A WIDE AUDIENCE. I'M AWARE  
OF THE ARGUMENTS THAT SUCH PROGRAMMING IS,  
OF ITSELF, A PUBLIC SERVICE DESIRED BY LARGE

SEGMENT OF THE PUBLIC. HOWEVER, I'M ALSO  
AWARE OF THE PUBLIC NEED FOR INFORMATION  
WHICH BROADCAST SERVICES ARE UNIQUELY  
ABLE TO PROVIDE.

I HAVE STATED THAT BROADCAST MANAGE-  
MENT, PARTICULARLY TV AND AM MANAGEMENT,  
SHOULD ASSUME THE ROLE, MORE AND MORE, OF  
EDITOR-AND-PUBLISHER... EMPHASIZING THE NEWS  
REPORTING AND ANALYSIS ROLE IN THEIR COMMUNI-  
TIES; PLACING LESS EMPHASIS ON THE SALES AND  
FINANCIAL ASPECTS OF THE BUSINESS. GRANTED,  
SALES, REVENUES, COSTS AND PROFITS ARE ALL  
VITAL TO OUR SYSTEM OF BROADCASTING... BUT  
THEY SHOULD NOT BE THE ONLY PREOCCUPATIONS OF

MANAGEMENT. BROADCAST MANAGEMENT SHOULD --  
AND OFTEN DOES -- BECOME INVOLVED IN COMMUNITY  
AFFAIRS... BOTH ON AND OFF THE AIR. AS FM  
RADIO MOVES OUT INTO THE MAINSTREAM OF  
BROADCASTING, IT, TOO, MUST ASSUME AN IMPORTANT  
ROLE OF LEADERSHIP IN THE COMMUNITY AND  
PARTICIPATION IN MATTERS WHICH HAVE POTENTIAL  
BENEFIT TO THE COMMUNITY.

THE ASCERTAINMENT OF COMMUNITY NEEDS  
AND INTERESTS REQUIRED BY THE COMMISSION IS  
OFTEN AN ARDUOUS, TIME-CONSUMING EXERCISE  
WHICH CAN BE VERY BURDENSOME TO A BROAD-  
CASTER WHO HAS MANY OTHER IMPORTANT MATTERS  
CLAMORING FOR HIS ATTENTION. HOWEVER, IT IS  
A PROCESS WHICH, WHEN PURSUED IN GOOD FAITH,

CAN PROVIDE A BROADCASTER THE NECESSARY INFORMATION WITH WHICH TO SERVE THE PUBLIC. GRANTED, THE PROCEDURE MAY BE CUMBERSOME... AND THERE MIGHT WELL BE A BETTER WAY TO ACCOMPLISH THE SAME THING... BUT ALL BROADCASTERS ARE PLEDGED TO SERVE THE PUBLIC AND, IN ORDER TO PROVIDE THAT SERVICE, MUST UNDERSTAND WHAT INTERESTS AND NEEDS SHOULD BE SERVED.

NOW, I'M NOT SUGGESTING THAT LARGE BLOCS OF TIME NEED BE TAKEN OUT OF MUSIC TO FULFILL AN FM BROADCASTERS PUBLIC SERVICE RESPONSIBILITY. WHAT I AM SUGGESTING IS THAT FM BROADCASTERS... LIKE ALL OTHER BROADCASTERS... DO HAVE THIS RESPONSIBILITY.

IN MY MIND, IT INCREASES AS YOUR ABILITY TO  
BROADEN YOUR SERVICE, IMPACT YOUR COMMUNITY  
AND GENERATE PROFITS INCREASES. AFTER ALL,  
YOU MAKE A COMMITMENT TO PUBLIC SERVICE  
WHEN YOU APPLY FOR YOUR LICENSE TO OPERATE.  
I THINK THAT IMPLIES MUCH MORE THAN JUST  
ENTERTAINMENT PROGRAMMING.. AS IMPORTANT  
AS THAT IS.

AS YOUR PROPERTIES BECOME MORE AND  
MORE VALUABLE...AND INFLUENTIAL...YOU  
LOGICALLY CAN EXPECT CHALLENGES IN THE FORM  
OF "PETITIONS TO DENY" AT RENEWAL TIME. YOUR  
BEST PROTECTION AGAINST THESE CHALLENGES IS  
A SINCERE EFFORT AT ASCERTAINING THE PUBLIC



SERVICE NEEDS OF YOUR COMMUNITY AND PROGRAMMING YOUR STATION, TO THE BEST OF YOUR ABILITY, TO MEET THOSE NEEDS.

I WANT TO APPLAUD YOUR EFFORTS IN ENCOURAGING THE BEST EFFORTS OF FM BROADCASTERS TO PROVIDE SUPERIOR SERVICE TO THE PUBLIC. I APPLAUD THE ARMSTRONG MEMORIAL RESEARCH FOUNDATION AWARDS PROGRAM WHICH ENCOURAGES EXCELLENCE IN NEWS, COMMUNITY SERVICE, EDUCATION AND MUSIC. AND, I'M PLEASED TO NOTE THAT MANY STATIONS ARE COMPETING FOR THE HONORS TO BE BESTOWED HERE TODAY.

NOW, I HOPE THAT MY LECTURE ABOUT

PUBLIC SERVICE WASN'T CONSIDERED NEGATIVE  
OR THREATENING. I JUST WANTED TO PASS ALONG  
SOME FRIENDLY WORDS OF ADVICE FROM A FORMER  
BROADCASTER WHO HAS DEALT WITH THE PROBLEMS  
YOU'RE DEALING WITH. I'VE BEEN CONCERNED  
ABOUT SALES AND HAVE COEXISTED WITH SALESMEN..  
AND MY RESPONSIBILITIES ALSO BROUGHT ME IN  
CONTACT WITH ENGINEERS AND THEIR RESPONSIBILI-  
TIES. MY OWN BACKGROUND WAS PUBLIC AFFAIRS AND  
PROGRAMMING AND I BELIEVE I UNDERSTAND THOSE  
AREAS BEST. AS A GENERAL MANAGER, OF COURSE,  
IT'S NECESSARY TO HAVE SOME GRASP OF ALL OF  
THOSE ELEMENTS AND MORE. I MUST ADMIT THAT  
THE TECHNICAL SIDE OF BROADCASTING ISN'T MY

STRONGEST POINT AND I'VE RELIED UPON SOME  
PRETTY GOOD ENGINEERS IN MY BROADCASTING  
DAYS. YOU MAY HAVE HEARD THAT AN ENGINEER  
IS A PERSON WHO KNOWS A GREAT DEAL ABOUT  
VERY LITTLE, AND WHO GOES ALONG LEARNING  
MORE AND MORE ABOUT LESS AND LESS UNTIL  
FINALLY HE KNOWS PRACTICALLY EVERYTHING ABOUT  
NOTHING. A SALEMAN, ON THE OTHER HAND, IS A  
PERSON WHO KNOWS VERY LITTLE ABOUT MANY  
THINGS AND KEEPS LEARNING LESS AND LESS  
ABOUT MORE AND MORE, UNTIL HE KNOWS PRACTI-  
CALLY NOTHING ABOUT EVERYTHING. OF COURSE,  
A STATION MANAGER STARTS OUT KNOWING EVERY-  
THING ABOUT EVERYTHING, BUT ENDS UP KNOWING  
NOTHING ABOUT ANYTHING, BECAUSE OF HIS

ASSOCIATION WITH ENGINEERS AND SALEMEN.

I KNOW THAT YOU HAVE AN INTEREST IN THE ALL-CHANNEL RECEIVER BILL NOW BEFORE THE CONGRESS. AS YOU KNOW, CHAIRMAN WILEY WENT BEFORE THE SENATE SUBCOMMITTEE ON COMMUNICATIONS BACK IN APRIL TO VOICE SUPPORT FOR THE BILL. THE SENATE BILL HAS BEEN PASSED AND THE HOUSE BILL HAS CLEARED THE COMMITTEE ALTHOUGH THERE HAS BEEN NO MOVE, AS YET, TO BRING IT TO THE FLOOR FOR ACTION. THE HOUSE BILL WAS AMENDED IN COMMITTEE TO APPLY ONLY TO AUTO RADIOS INSTALLED BEFORE THE CAR IS SOLD AND REQUIRES THAT REGULATION BE IMPLEMENTED THROUGH FCC RULEMAKING, WHICH

MEANS IT COULD BE DELAYED FOR AWHILE SINCE THE RULEMAKING PROCESS IS SOMEWHAT TIME CONSUMING. IT'S NOT LIKELY THE ALL-CHANNEL MATTER WILL BE RESOLVED BEFORE CONGRESSIONAL AJOURNMENT. BUT IT IS A LIVE ISSUE AND WILL NO DOUBE BE CONSIDERED WHEN CONGRESS RECONVENES.

I KNOW THAT RADIO BROADCASTERS ARE CONCERNED ABOUT THE REGULATORY CLIMATE THESE DAYS...AS THEY ALWAYS HAVE BEEN.

I SUSPECT YOUR CONCERNS NOW CENTER ON SUCH THINGS AS THE COMMISSION ATTITUDE REGARDING COMMON OWNERSHIP OF AM AND FM FACILITIES IN THE SAME MARKET. AND, AM-FM PROGRAM DUPLICATION RULES. I CAN'T TELL YOU

WHETHER THE COMMISSION WILL ULTIMATELY  
TAKE A STAND ON THOSE ISSUES OR, IF SO, WHERE  
THAT STAND MIGHT BE. I CAN TELL YOU THAT  
THE COMMON OWNERSHIP QUESTION REMAINS ON  
THE "BACK BURNER" PENDING THE OUTCOME OF THE  
NON-DUPLICATION PROCEEDING. BEFORE I ARRIVED  
AT THE COMMISSION, THE THINKING SEEMED TO  
HAVE COME AROUND TO CONSIDERING DIVESTITURE  
OF AM-FM COMBINATIONS TOO HARSH. THE REASONING  
THEN, AS I UNDERSTAND IT, WAS THAT THE COMMIS-  
SION'S POLICY GOAL OF ENCOURAGING DIVERSITY  
COULD PERHAPS BEST BE CARRIED OUT BY REQUIRING  
MORE SEPARATE PROGRAMMING. INSTEAD OF RE-  
QUIRING 50% NON-DUPLICATION IN MARKETS OF ONE-  
HUNDRED-THOUSAND AND OVER AND HAVING NO

REQUIREMENT IN MARKETS UNDER ONE HUNDRED-  
THOUSAND, THE COMMISSION FELT IT SHOULD CONSIDER  
WHETHER MORE THAN 50% NON-DUPLICATION SHOULD BE  
CONSIDERED AND WHETHER THE SMALLER MARKETS  
SHOULD HAVE A NON-DUPLICATION REQUIREMENT.  
THAT'S WHERE THE MATTER NOW STANDS. THERE  
HAVE BEEN COMMENTS AND REPLY-COMMENTS AND  
THE MATTER WILL BE COMING BEFORE THE COMMIS-  
SION FOR ACTION SOMETIME IN THE NEAR FUTURE.

THE MATTER OF FILING FEES IS ALSO  
UNDER CONSIDERATION. THE DATES FOR COMMENTS  
AND REPLY-COMMENTS HAVE BEEN EXTENDED TO  
OCTOBER 21<sup>st</sup> AND NOVEMBER 4<sup>th</sup>, RESPECTIVELY, SO  
THERE'S STILL TIME TO GET YOUR VIEWS BEFORE  
THE COMMISSION. AS YOU KNOW, THE COMMISSION

ATTEMPTED TO RECOVER ALL OF ITS ANNUAL BUDGET THROUGH FEES AFTER HAVING BEEN ENCOURAGED TO DO SO BY CONGRESS AND THE OFFICE OF MANAGEMENT AND BUDGET. BUT, THE SUPREME COURT SAID WE COULDN'T DO THAT AND MUST, INSTEAD, SHOW SOME REASONABLE RELATIONSHIP BETWEEN THE FEES CHARGED AND THE VALUE TO THE RECIPIENT OF THE SERVICE PERFORMED. WE'RE NOW TRYING TO DETERMINE THAT REASONABLE RELATIONSHIP AND WE ENCOURAGE YOUR PARTICIPATION.

I UNDERSTAND THIS GROUP CONSISTS OF BOTH AM AND FM BROADCASTERS AND I KNOW THAT YOU BOTH HAVE MANY CONCERNS IN COMMON. AS A MATTER OF FACT, ONE CONCERN WE ALL HAVE IN



COMMON IS THE STATE OF THE ECONOMY. I'M NOT SURE WHETHER "STAGFLATION" IS THE TERM THAT COVERS THE SITUATION BUT I DO KNOW THAT WHEN MY WIFE GOES GROCERY SHOPPING, I REALIZE THAT INFLATION HAS A STRONG HOLD ON ALL OF US. AND, MY EXPERIENCE WITH THE STOCK MARKET MAY INDICATE MORE RECESSION THAN STAGNATION AS THE DOW JONES KEEPS MOVING IN THE WRONG DIRECTION. RECESSION, OF COURSE, CAN BE DEFINED AS A SITUATION WHERE YOUR NEIGHBOR LOSES HIS JOB. IF THINGS DETERIORATE TO THE POINT WHERE YOU LOSE YOUR JOB, THAT'S A DEPRESSION. A PANIC IS WHEN YOUR WIFE LOSES HER JOB.

RADIO- DESPITE SOME EARLY PREDICTIONS OF GLOOM AND DOOM-- CONTINUES TO BE A VITAL COMMUNICATIONS MEDIUM IN THIS NATION AND THIS VITALITY SHOULD CONTINUE TO GROW. SPECIALIZED MARKETS ARE DEVELOPING AND WIDER VARIETY OF LISTENING FARE IS APPEALING TO MORE AND MORE PEOPLE. I AM A LITTLE PRONE TO NOSTALGIC RECOLLECTIONS OF MY MANY YEARS IN BROADCASTING AND, BELIEVE ME, THERE ARE MANY TIMES WHEN DECISIONS ARE NOT CLEAR-CUT AND PRESSURES ARE BUILDING ON ALL SIDES OF A QUESTION, THAT I LONG FOR THE "GOOD OLD DAYS" AGAIN. STILL, I'M GRATEFUL FOR THE OPPORTUNITY OF SERVING

1

ON THE COMMISSION AND OF VIEWING THE WIDE  
AREA OF COMMUNICATIONS FROM THE POSITION  
OF THE REGULATOR. YOU MIGHT BENEFIT FROM  
SOME OBSERVATIONS ABOUT THE COMMISSION  
FROM THE INSIDE FROM A FORMER BROAD-  
CASTER WHO SPENT MANY YEARS DEALING WITH  
THE COMMISSION FROM THE OUTSIDE.

FIRST, YOU SHOULD KNOW THAT THE  
BROADCAST BUREAU IS STAFFED BY COMPETENT  
PEOPLE WHO UNDERSTAND BROADCASTING. THEY  
UNDERSTAND THE PROBLEMS YOU FACE...THEY  
COMPREHEND THE NEED TO MAKE A PROFIT...  
AND THEY REALIZE THAT MISTAKES ARE MADE.  
I'VE OBSERVED THAT THE BUREAU GOES TO  
GREAT LENGTHS TO OPERATE WITHIN THE SPIRIT

OF THE REGULATORY CLIMATE WITHOUT PLACING  
UNDUE BURDENS UPON THE RESPONSIVE BROAD-  
CASTER WHO MIGHT HAVE STRAYED FROM THE PATH  
OF RIGHTEOUSNESS INADVERTENTLY. DELIBERATE  
DISREGARD OF THE RULES OR MISREPRESENTA-  
TION, HOWEVER, IS QUITE ANOTHER MATTER.  
THEREFORE, I WOULD ADVISE ANY BROADCASTER  
WHO HAS ERRED TO QUICKLY BRING THE MATTER  
TO THE COMMISSION'S ATTENTION AND MOVE TO  
CORRECT THE SITUATION WHICH BROUGHT ABOUT  
THE ERROR. I KNOW YOU'LL FIND THE BUREAU  
HELPFUL AND SINCERELY INTERESTED IN HELPING  
YOU TO COMPLY WITH THE RULES.

ANOTHER HELPFUL HINT FROM A FORMER  
BROADCASTER: DON'T PROMISE MORE THAN YOU

CAN DELIVER. OCCASIONALLY, WE SEE RENEWAL APPLICATIONS WHERE THE BROADCASTER HAS FALLEN FAR SHORT OF PROMISED PERFORMANCE IN NEWS, PUBLIC AFFAIRS AND OTHER CATEGORIES. OFTEN, THIS SITUATION RESULTS FROM A PROMISE WHICH WAS UNREALISTICALLY HIGH IN THE FIRST PLACE. I'M CERTAINLY NOT SUGGESTING THAT YOU MINIMIZE YOUR NEWS AND PUBLIC AFFAIRS OBLIGATION, BUT A REALISTIC APPRAISAL OF YOUR CAPABILITIES--GIVEN FORMAT CONSIDERATIONS--BEFOREHAND CAN SAVE YOU CONSIDERABLE GRIEF LATER ON WHEN IT COMES TIME TO MAKE GOOD ON YOUR PROMISE.

THE THREAT OF A PETITION TO DENY AT RENEWAL TIME CAN CAUSE GREAT APPREHENSION

FOR A BROADCASTER...EVEN ONE WHO HAS MADE  
A SINCERE EFFORT, OVER THE TERM OF HIS  
LICENSE, TO SERVE THE PUBLIC INTEREST. AS  
YOU KNOW, THE COMMISSION'S POLICY ENCOURAGES  
THE BROADCASTER AND GROUPS WITHIN THE COM-  
MUNITY HE SERVES TO GET TOGETHER AND WORK  
OUT THEIR DIFFERENCES BEFORE THE MATTER  
COMES BEFORE THE COMMISSION FOR RESOLUTION.  
I BELIEVE THAT POLICY IS A GOOD ONE. HOWEVER,  
THERE HAVE BEEN SOME INSTANCES WHERE  
BROADCASTERS HAVE ABDICATED THEIR RESPONSI-  
BILITIES IN REACHING AGREEMENTS WITH LOCAL  
GROUPS. THE COMMISSION HAS LONG INSISTED  
THAT THE LICENSEE--AND THE LICENSEE ALONE--  
EXERCISE FULL RESPONSIBILITY FOR PROGRAMMING

TO SERVE THE NEEDS AND INTERESTS OF  
THE COMMUNITY. AFTER ALL, THE ASCER-  
TAINMENT PROCESS PROVIDES HIM WITH THE  
INFORMATION HE NEEDS TO MAKE SOUND JUDGMENTS  
AS TO WHAT THOSE NEEDS ARE. THERE HAVE  
BEEN SOME INSTANCES, HOWEVER, WHERE IMPORTANT  
PROGRAMMING DECISIONS HAVE BEEN CONTAINED IN  
AGREEMENTS WITH SO-CALLED CONSUMER INTEREST  
GROUPS IN AN OBVIOUS ATTEMPT BY THE LICENSEE  
TO BUY PEACE AT ANY PRICE. WHERE IT IS  
EVIDENT THAT THESE AGREEMENTS AFFECTING  
PROGRAMMING HAVE BEEN EXACTED UNDER THE  
THREAT OF PETITIONS TO DENY, I BELIEVE THE  
BROADCASTER MUST BE HELD TO ACCOUNT. HE  
IS LICENSED TO SERVE THE PUBLIC INTEREST, AFTER  
ALL, AND TO DETERMINE THAT PUBLIC INTEREST

THROUGH A PRESCRIBED ASCERTAINMENT PRO-  
 CESS. IN THOSE VERY FEW CASES WHERE THE  
 LICENSEE APPEARS TO DISREGARD THE NEEDS  
 AND INTERESTS OF THE MAJORITY OF HIS  
 AUDIENCE TO ACCOMMODATE THE DESIRES  
 OF A RELATIVELY FEW, I, FOR ONE, QUESTION  
 HIS ABILITY TO CONTINUE TO SERVE THE PUBLIC  
 INTEREST, CONVENIENCE AND NECESSITY. TO  
 SUBSTITUTE THE SPECIAL-INTEREST PROGRAMMING  
 DESIRES OF A LOCAL GROUP FOR THOSE OF THE  
 LICENSEE, IT SEEMS TO ME, IS CONTRARY TO  
 LAW, TO POLICY AND TO COMMON SENSE.

THE GROWTH OF FM OVER THE PAST FEW  
 YEARS HAS BEEN RAPID AND THAT GROWTH IS CON-  
 TINUING. BACK IN 1966, TOTAL REVENUES FROM



COMMERCIAL FM STATIONS AMOUNTED TO JUST  
OVER 32-MILLION DOLLARS: IN 1972, THE LAST  
YEAR FOR WHICH FIGURES ARE AVAILABLE, TOTAL  
REVENUES REACHED NEARLY 152-MILLION DOLLARS.  
THE NUMBER OF STATIONS ON THE AIR HAS IN-  
CREASED DRAMATICALLY DURING THE SAME  
PERIOD AND MORE AND MORE OF THEM ARE  
SHOWING A PROFIT. AND, THE STAFF TELLS ME  
THAT THE RATE OF NEW APPLICATIONS IS ABOUT  
TWICE WHAT IT WAS ONLY A FEW YEARS AGO.  
WHILE THE PICTURE IS GENERALLY ROSY,  
HOWEVER, THERE IS A PROBLEM FOR A NEW  
OPERATOR WHO APPLIES FOR A CONSTRUCTION  
PERMIT. THERE ARE SEVERAL STATES WHERE  
THE ALLOCATION TABLES HAVE BEEN USED UP

AND WHERE, UNDER PRESENT RULES, ITS  
IMPOSSIBLE TO CONSTRUCT A NEW CLASS B  
OR C STATION. LIKE AIR AND WATER AND  
OTHER RESOURCES, THE FREQUENCY SPECTRUM  
IS NOT LIMITLESS AND THE COMMISSION IS  
INCREASING ITS EFFORTS TO MAKE THE MOST  
EFFICIENT USE OF THE SPECTRUM. I HOPE, IN  
THE MONTHS AND YEARS JUST AHEAD, THAT  
WE'LL BE ABLE TO EFFECTIVELY MANAGE  
THIS DWINDLING RESOURCE TO PROVIDE THE  
GREATEST BENEFIT TO THE LARGEST NUMBER  
OF PEOPLE.

MY GOAL, AS A COMMISSIONER, IS TO  
PROVIDE ONLY THAT REGULATORY FUNCTION THAT  
IS NECESSARY BUT, WHEN IT IS NECESSARY, TO

REGULATE IN A STRAIGHTFORWARD, EVEN-HANDED  
MANNER. THAT TALKS A LOT EASIER THAN IT  
IMPLEMENTS BECAUSE MANY OF MY DECISIONS  
ARE COMPROMISES BETWEEN MANY COMPETING  
INTERESTS AND, OFTEN, THEY SEEM EQUALLY  
MERITORIOUS. SOMETIMES IT SEEMS THAT THE  
ONLY POSSIBLE COURSE IS TO LISTEN CAREFULLY  
TO ALL OF THE ARGUMENTS, STUDY THE ISSUES  
IN GREAT DETAIL DELVING DEEPLY INTO THE  
MERITS AND THEN, WHEN ITS TIME TO VOTE,  
DEVELOP SOME TEMPORARY MALADY THAT KEEPS  
YOU HOME IN BED.

I'VE ENJOYED THE OPPORTUNITY OF  
BEING WITH YOU TODAY IN THIS CHARMING CITY.  
I ALWAYS ENJOY BEING AMONG BROADCASTERS.

A GOOD FRIEND OF MINE, WHO'S ALSO A  
BROADCASTER, TOLD ME--WHEN HE LEARNED  
THAT I WAS INTERESTED IN THE COMMISSION--  
THAT I MAY BE AN S.O.B., BUT HE COULD  
SUPPORT ME BECAUSE HE COULD IDENTIFY  
WITH ME. I HOPE THAT YOU'LL BE ABLE TO  
IDENTIFY WITH ME AND THE OTHER MEMBERS  
OF THE COMMISSION AND I KNOW THAT WE CAN  
COUNT ON YOUR COOPERATION AS WE MOVE TO  
CARRY OUT THIS CHALLENGING AND DIFFICULT  
ASSIGNMENT.

THANK YOU.