

REMARKS BY COMMISSIONER JAMES H. QUELLO

Before the

22ND ANNUAL INTV CONVENTION

Las Vegas, NV - January 22, 1995

Thank you Kevin. I am honored to have the opportunity to help open this year's convention. You know, I have survived all 22 INTV Conventions. Looking out at the audience -- some of you were still in high school 22 years ago. Of course, age is not a problem for me. Everything I did 22 years ago I can still do today -- well almost everything. You may have heard an updated version of my old saying -- "Anyone who says he can do at 80 what he could do at 40 -- wasn't leading too exciting a life at 40."

I now find solace in my "platinum" years with these homely facts:

1. Being over the hill is better than under a hill.
2. A "has been" is much better than a "never was."
3. Immortality is a real long shot, but someone has to establish the precedent.

Also, with age, I have developed a stronger ecumenical sense -- I accept all religions -- I don't want to blow an opportunity for purgatory or heaven on a religious technicality.

It's sobering to realize that my first confirmation hearing occurred at the same time Henry Kissinger was confirmed as Secretary of State. Henry's teaching -- I'm still here learning. Presidents Nixon, Ford, Carter, Reagan and Bush have come and gone -- I have served under all of them -- I'm still here. The Soviet Empire has collapsed -- I'm still here. After 40 years, the Democrats lost the Congress -- I'm still here. Nobody told me this job could be a life sentence without parole.

I wanted to stay around long enough for them to name the office building after me. Now - with all the cutbacks - all I can hope for is a trailer.

The FCC has been a fascinating, contentious new career for me with all the mind-boggling advances in telecommunications. One of the most dramatic changes has been in the television industry -- your industry. For openers, look at the increased competition from cable, MMDS, Direct Broadcast Satellite and soon from the telephone companies with video dialtone and programming. All these added competitive elements will force you to work even harder to stay ahead of the curve. Also, look at the recent affiliate shakeups with probably more to come due to the advent of two new aggressive networks -- United/Paramount and Time Warner. Add to this the shift to digital transmission, and your advance planning becomes an interesting challenge.

However, in rapidly changing times we must not lose sight of the basics. And here I go again -- I believe the public interest requires a healthy and vibrant free, universal, over-the-air television system. Traditional independent stations, Fox-affiliates and stations affiliating with the new United/Paramount and WB Networks are an important part of this industry. You provide diverse, competitive voices to the television marketplace -- and as an underdog -- you frequently have me rooting for you.

It has not been easy. Many of you are UHF stations -- forced to compete against much stronger VHF affiliated stations. You suffered through the cable wars -- finally winning must-carry and retransmission consent rights. You have survived -- and stand ready to meet the challenges of a new century. The title of this convention is right on point. You are "Winning in a Changing World."

Your future economic destiny is in your hands. However, policies developed in Washington will impact your business. To name just a few of the issues before the FCC:

1. What type of access rights should television stations have on telephone company video dialtone systems?
2. How does everybody transition to multichannel digital television without endangering your individual financial health?

Will television stations be permitted to use their additional spectrum in a flexible manner that complements the usual services?

3. What possible justification is there for requiring television broadcasters to pay for spectrum used for advanced television services that will be provided to the American public for free?

4. How can you maintain access to sources of top quality programming? -- A critical issue in the FCC's review of the Prime Time Access Rule.
5. Will television ownership rules be relaxed in light of increasing competition from cable, DBS and the telephone companies?
6. Should the Commission impose new specific requirements regarding children's educational and informational programming?

No Commissioner likes to get out front on such daunting issues. There may be some truth to the politically revised saying -- "When the going gets tough, the smart get lost." It's like my experience as a battlefield commander in World War II. You volunteer -- stand out front -- and shoot. They shoot back. You duck and start digging. Your unit advances in another direction. You've dug yourself a wonderful hole and have nobody to share it with.

Nevertheless, I'll tell you right now that this Commissioner does not intend to saddle the industry with overly burdensome regulations or payment schemes that will undermine your service to your communities.

Some of our rules need to be relaxed. However, as I have said before, we should not deregulate for the sake of technical deregulation. Our goal should be to create a world where broadcasters can compete successfully not only with new technologies, but with each other.

As we debate these issues, the concerns of local television stations -- especially traditional independent stations and stations affiliated with the emerging Fox, United/Paramount and WB Networks -- will be heard. You are a vital part of this industry and have a unique perspective on these issues. In fact, Paramount and WB Networks with their need to develop affiliates might be wise to associate with INTV and benefit from their respected influence at the FCC and on the hill.

Now, more than ever, you need to continue your strong voice in Washington. Jim Hedlund, David Donovan, Jim Popham and the rest of the INTV staff provide a strong voice. They do an effective job in the halls of Congress and the corridors of the Commission.

Kevin, congratulations on becoming Chairman of INTV. I'm happy to see that they're giving a smart Irishman a chance. Too bad you're not Italian -- they would have been proud of you too. I wish you all the best for another successful convention.