

place on permanent file

July 14, 1997

COMMISSIONER JAMES H. QUELLO

COMMENTS ON CHAIRMAN REED HUNDT'S C-SPANN REMARKS

My remarks at the FCC stated and I quote, "Lets get the results of the FTC first then undertake any further action that may or may not be necessary. We should not be guestimating here on what the FTC is doing or not doing."

I responded to questions from three reporters that day that Chairman Hundt should not over-interpret what was a rather neutral statement. I said the FTC investigation may resolve the issue. A lot depends on what the report says and on FCC and congressional reaction. As long as the FTC, the body with statutory advertising jurisdiction, appropriately exercises its responsibilities, it would be unnecessary or duplicative for the FCC to engage in an inquiry.

Before the national convention of the National Cable Television Association last spring, Chairman Hundt characterized me as a broadcaster commissioner and suggested that cable should have their own commissioner. It is significant that at a record breaking convention luncheon the very next day, NCTA chairman Ted Turner presented me with my second distinguished service plaque from the National Cable Television Association.

I have received Lifetime Achievement Awards from PCI and IRTS and a

number of distinguished service awards or commendations from a wide cross section of the communications industries, governmental entities, and civic organizations. At many of these awards, I have mentioned that receiving awards was particularly gratifying because I have been around long enough to have voted against them at least twice. Two groups yelled back "thrice."

It would take an entire treatise or speech to fully develop this controversial subject.

Significant awards:

MSU outstanding
alumni award
with Honorary Doctor
Degree

PCIA Lifetime Achievement award

NCTA Two distinguished service
awards presented before
national conventions

FCDA Distinguished
public service award

Catholic Law School Award
for encouraging law students

FCC plaque -- 23
years of dedicated service

Ellis Island Honors award

Detroit aircraft
Directors award
(only 8 awarded in
60 years)

IRTS Lifetime Achievement
award in New York

MSTV, Digital
Broadcasting Service
award

Coalition of Italo-American
Organizations "Leadership in
Communications award" in New York

ANAT Silver Satellite Award
(highest honor)

NAB Distinguished Service award
(highest)

Broadcasting-Cable Hall of Fame
North Radio

July 14, 1997

Liz Van Deerlin:

We need help for Mary 2PM to 6PM on July 17, 18, 23 thru July 31. You may need to extend the hours July 23 thru July 31.

My office phone: Call Ginger Clark or Rudy Baca at (202) 418-2000. Either one would know where to reach me and would help if needed. Our son, Dick's number in Florida is (904) 445-8196, to be called for extreme emergencies.

My Michigan phone numbers will be:

July 23rd - Parkcrest Hotel (313) 884-8800

July 24th, 25th and 26th - Shanty Creek Resort
Michigan Association of Broadcasters
(Phone 1-800-678-4111)

July 27th - Parkcrest Hotel (313) 884-8800

July 28th - Return from Detroit.

Both of us are leaving for Detroit August 1st and will return August 4th or 5th.

We will then need to continue part-time help for Mary August 6 thru August 13. Both of us are leaving for West Virginia Broadcasters Association August 14 - 17. We will return August 18 and will need part-time assistance August 19 thru 29. I'll be *(home)* there August 30 thru September 2.

Condo office number is: (703) 751-7541.

July 9, 1997

Statement of Commissioner James H. Quello

In re: Proposed Notice of Inquiry on Broadcast Advertisement of Distilled Spirits

I wish to state from the outset that alcohol abuse is a devastating societal problem that merits serious government attention.

Many families have experienced the tragic consequences of alcoholic addiction. Now the possible advertising of distilled hard liquor on TV poses problems and challenges to government regulation.

In this case, the government is already taking responsible action in the form of two investigations by the FTC, the agency with the expertise and the primary jurisdiction in this area. I wonder how many of the organizations requesting FCC action are aware that the government is already taking responsible action.

If it weren't for the FTC's appropriate actions, I would be willing to consider an FCC inquiry.

However, I can't understand the need for a proposed FCC inquiry with two ongoing FTC investigations.

An FCC inquiry at this time would represent a duplication of effort and an unnecessary expenditure of government resources. It would also violate the terms of an existing agreement between the FCC and FTC granting FTC jurisdiction for investigating advertising.

So the process is already working. The government is already responding responsibly. We, the FCC, should not get in the way in a matter beyond our authority and expertise.

Needless to say, the subject of distilled alcohol advertising is emotionally charged and lends itself too readily to mischaracterizations.

I applaud the networks and the great majority of broadcasters who have voluntarily refused to accept hard liquor ads. I hope the distilled spirits industry will establish responsible, voluntary guidelines.

It is significant that Senator Conrad Burns, Chairman Senate Subcommittee on Communications; Senator John Ashcroft, Chairman of Senate Consumer Affairs Subcommittee; Congressman Billy Tauzin, Chairman, House Subcommittee on Telecommunications, Trade and Consumer Protection; and, Congressman John D. Dingell, Ranking Member, House Telecommunications Committee; have all written to the FCC or FTC expressing opinions that liquor advertising is within the regulatory scope of the Federal Trade Commission, not the Federal Communications Commission.

For all the above reasons, I cannot support an FCC Notice of Inquiry.