



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

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OFFICE OF FCC COMMISSIONER AJIT PAI RELEASES RESULTS OF BROADCAST OWNERSHIP DIVERSITY RESEARCH

Concludes Joint Sales Agreements Disproportionately Benefit Women and African-Americans

On March 31, the FCC is scheduled to vote on a proposal to restrict television broadcasters' use of joint sales agreements (JSAs). But the Commission currently doesn't have the basic facts about JSAs. For example, last week the Office of Commissioner Ajit Pai (Office) asked how many JSAs there are in the United States among television stations and how many television stations owned by women and minorities participate in JSAs. Today, we still don't have the answers to either of these fundamental questions.

To partially fill this gap, the Office investigated whether there is a link between joint sales agreements and ownership diversity. Using publicly available sources, we estimate that:

- 43% of *female-owned* full-power commercial television stations currently are parties to JSAs.
- 75% of *African-American-owned* full-power commercial television stations currently are parties to JSAs.

"These findings raise serious questions," Commissioner Pai said. "Why is the FCC targeting pro-competitive sharing arrangements that appear to disproportionately benefit female and African-American broadcasters? If the Commission forces broadcasters to terminate JSAs, how will that affect diversity? Why is the FCC rushing to a vote rather than taking the time to gather basic facts and study the effect of its proposal on ownership diversity? The Commission should not accelerate the troubling trend of declining minority ownership."

Because the FCC has not systematically collected data on joint sales agreements, the statistics set forth above are estimates. Commissioner Pai commented, "Before we vote to restrict the use of JSAs, the Commission should conduct a formal study to evaluate whether these figures are accurate and how any action on our part would impact diversity in broadcast ownership. Last year, we delayed a vote on changing our newspaper-broadcast cross-ownership rule so that a study of the proposal's impact on minority ownership could be completed. The current proposal regarding JSAs should be held to the same standard."