

The Advisory Committee on Diversity for Communications in the Digital Age

Friday December 10, 2004
Florida Memorial College
15800 NW 42nd Avenue
Miami, Florida 33054
Smith Conference Center, Conference Room A
2:00 p.m. – 4:00 p.m.

Minutes

The Advisory Committee on Diversity for Communications in the Digital Age held its fifth public meeting on December 10, 2004, from 2-4 pm, at Florida Memorial College, Smith Conference Center, Conference Room A.

2. Participants included:

a. FAC members:

Julia Johnson, President, NetCommunications, Chair Emerging Issues Policy Forum

Jenny Alonzo, Immediate Past President, National Association for Multiethnicity In Communications, and Vice President, Production & Inventory Operations, Lifetime Television

Matthew Blank, Chairman, CEO, Showtime Networks (represented by *Ray Gutierrez*)

Benita Fitzgerald Mosley, President, Women in Cable and Telecommunications

Anthony Gee, Managing Partner, The Carthage Group

Priscilla Hill-Ardoin, Senior Vice-President, Regulatory Compliance, SBC (represented by *Yvette Mouton*)

Steve Hillard, President, CEO, Council Tree Communications

David Honig, Executive Director, Minority Media and Telecommunications Council

Ginger Lew, CEO, Telecommunications Development Fund

Henry Rivera, Partner, Vinson & Elkins

Lauren Tyler, Partner, Quetzal/JP Morgan Partners

Kelvin Westbrook, President, CEO, Millennium Digital Media

Roscoe Young, II, CEO, KMC Telecom (represented by *Marva Johnson*)

The following FAC members did not attend:

Decker Anstrom, President, COO, Landmark Communications

Andrew Barrett, Managing Director, The Barrett Group, Inc.

Maria Brennan, Executive Director, American Women in Radio and Television

Joan Gerberding, President, Nassau Radio Network

Jamie Howard, COO, BigBand Networks, Inc.

Alfred C. Liggins, III, President, CEO, Radio One
Vonya McCann, Senior Vice President, Federal External Affairs, Sprint
Francisco R. Montero, Partner, Fletcher, Heald & Hildreth
Riley Temple, Partner, Halprin and Temple
Terdema Ussery, President, CEO, Dallas Mavericks, and CEO, HDNet
Alex Wallau, President, ABC Television Network
Jim Winston, National Association of Black-Owned Broadcasters

The following FAC experts also attended: Mark Dever, Stacey Meaders, Debbie Smith, S. Jenell Trigg.

b. FCC Officials: Chairman Michael K. Powell

FCC Staff: Linda Blair, Designated Federal Officer (DFO); K. Dane Snowden, Chief, Consumer and Governmental Affairs Bureau; Sherille Ismail, Office of Strategic Planning; Jean Ann Collins, Office of Strategic Planning; Richard Lee, Office of Strategic Planning; Jamila Bess Johnson, Media Bureau; Allan Manuel, Office of Communications Business Opportunities; Jon Cody, Legal Advisor for Media and Broadband Issues, Office of Chairman Powell.

d. Members of the public: Several members of the public attended the meeting or participated by teleconference.

3. Description of matters discussed and their resolution.

a. Call to Order: Julia Johnson, Chair.

b. Roll Call: Linda Blair, DFO.

c. Chair Julia Johnson thanked the FCC staff for their assistance in organizing this meeting in Miami.

d. Welcoming Remarks: Chairman Powell.

e. Chair Julia Johnson noted that five state regulators who are subject matter experts were in attendance: Edward Hurley, Chairman, Illinois Commerce Commission; Kenneth D. Schisler, Chairman, Maryland Public Service Commission; Braulio L. Baez, Chairman, Florida Public Service Commission; Charles M. Davidson, Commissioner, Florida Public Service Commission; Daryl Bassett, Commissioner, Arkansas Public Service Commission.

f. Chair Julia Johnson announced that the subcommittees would first present progress reports and subsequently present items requiring action by the Committee.

- g. Ginger Lew, on behalf of the Financial Issues subcommittee, reviewed the subcommittee's previous recommendations and briefly noted the recommendations currently before the Committee for action which include a Community Reinvestment Act Recommendation and a Foreign Ownership Rule Proposal.
- h. Steve Hillard, Chair of the Transactional Transparency and Related Outreach subcommittee, described that subcommittee's past proposals and studies, including those still under consideration by the subcommittee. Mr. Hillard briefly described the Recommendation on Merger Review currently before the Commission for action. Finally, Mr. Hillard noted that, in 2005, the subcommittee would address Best Practices that focus on private sector spectrum auctions.

Chairman Powell provided an update regarding tax credits to enhance minority ownership and congressional attention to this issue.

- j. David Honig and Marva Johnson, on behalf of the New Technologies subcommittee, described the purpose and composition of the subcommittee and what the subcommittee had accomplished, noting that the FCC had accepted the Committee's recommendation regarding the designated entity rules for Auction 58 and did not change those rules as proposed. Mr. Honig and Ms. Johnson noted that, because the subcommittee had been busy organizing the New Technologies Showcase that took place that morning, it would not be presenting any items for action at this meeting. Mr. Honig and Ms. Johnson noted that, in the future, the subcommittee would focus on the future of an independent supplier diversity program, DTV transition, build out of WiFi, and technological literacy.
- k. Jenny Alonzo, Chair of the subcommittee on Career Advancement, reviewed the subcommittee's past efforts in connection with its Best Practices Report which the full Committee voted to accept at its meeting on June 14, 2004. Ms. Alonzo also briefly described the recommendations and reports the subcommittee would present for action at the current meeting, including a report on the Best of the Best Practices, a recommendation for an Online Diversity Resource Directory, and a recommendation for a Regulatory Initiative for Career Advancement.

The motion to accept the subcommittee reports was approved unanimously.

- m. Ginger Lew and David Honig, on behalf of the Financial Issues subcommittee, explained and recommended adoption of the Community Reinvestment Act Recommendation and the Foreign Ownership Rule Proposal.
- n. Chairman Powell asked whether the Community Reinvestment Act Recommendation was an effort to have Congress clarify the Community Reinvestment Act. Ginger Lew responded that the recommendation urges the FCC to seek revisions to the Community Reinvestment Credit Act regulations to

expand the definition of “qualified investments” to include private equity funds led by minority and women management teams, and private equity funds that invest in urban and rural communities.

- o. The Committee unanimously voted to adopt the Community Reinvestment Act Recommendation. The Committee also voted to adopt the Foreign Ownership Rule Proposal, with Yvette Mouton, on behalf of Priscilla Hill-Ardoin, abstaining.
- p. Steve Hillard, Chair of the Transactional Transparency and Related Outreach subcommittee, and David Honig explained and recommended adoption of the Merger Review Recommendation. The Committee unanimously voted to adopt the Merger Review Recommendation.
- q. Jenny Alonzo, Chair of the subcommittee on Career Advancement, explained and recommended adoption of the Best of the Best Practices Report. Ms. Alonzo commended the subcommittee members and subject matter experts for their hard work on this report, specifically Debbie Smith. Edward Hurley, Chairman, Illinois Commerce Commission noted the report encourages companies to create a new position, Chief Diversity Officer, and that he had found that position to be a common position at companies. Ms. Alonzo stated that this position had only become common in the last year or so.
- r. Ms. Alonzo then described and recommended adoption of the Online Diversity Resource Directory Recommendation. Ms. Alonzo commended the subcommittee members and subject matter experts for their work on this recommendation, specifically S. Jenell Trigg. Ms. Alonzo noted that the target launch date for this Directory is February 2005; the steering committee would contact companies to choose what to put in the Directory; the Career Advancement Subcommittee would review all proposals and submit their recommendations for the Directory to the FCC on a monthly basis; the Diversity Committee’s DFO would have final approval for web posting of submissions; and the Directory would be hosted on the FCC’s website under the management of FCC staff for a trial period of four months. Kelvin Westbrook asked questions regarding the future viability of and support for the Online Diversity Resource Directory when the Diversity Committee no longer exists. Ms. Alonzo indicated that the subcommittee is considering options for the longevity of the Directory.
- s. The Committee unanimously voted to adopt the Best of the Best Practices Report and the Online Diversity Resource Directory Recommendation.
- t. David Honig, on behalf of the Career Advancement subcommittee, explained and recommended adoption of the Initiative for Career Advancement Recommendation. The Committee unanimously voted to adopt the Initiative for Career Advancement Recommendation.

- u. Chair Julia Johnson congratulated the Diversity Committee members on the work they had done and invited comments from the public.
- v. Mr. Anthony Kapoor stated that, on behalf of some minority-owned broadcasters, he applauds the efforts of the Diversity Committee and appreciates its efforts to help small broadcasters survive.
- w. Chairman Powell stated that other Federal Advisory Committees have used DVDs to get their message out to the public and encouraged the Diversity Committee to use this method of spreading its message regarding the Best Practices of promoting diversity in companies throughout the country. Chairman Powell also noted that all Diversity Committee members represent companies that should be using the Best Practices recommended by this Committee.
- x. Chairman Powell also emphasized the critical education deficit in this country and the importance of technical literacy. He noted some ways that the FCC had addressed this issue and stated that CEOs should be concerned about this issue and the affect it has on technological competitiveness in the world. Lauren Tyler proposed that the Diversity Committee should look into forming another subcommittee that addresses these issues involving children and education. Ms. Tyler indicated that she would be happy to serve on such a committee. Chairman Powell, Linda Blair, and several other Committee members joined in this discussion regarding the formation of such a subcommittee. Linda Blair noted that the Diversity Committee's bylaws authorized the Committee Chair to establish subcommittees, subject to the approval of the FCC Chairman. Chairman Powell said he approved creation of a subcommittee on children and education. Chair Julia Johnson said she would make a decision after reviewing whether the focus of the proposed subcommittee was consistent with the Diversity Committee's purposes.
- y. Chair Julia Johnson made closing remarks and adjourned the meeting.

4 Certification

I, Julia Johnson, Chair of the Advisory Committee on Diversity for Communications in the Digital Age ("Diversity Committee"), hereby certify that the above minutes accurately describe the fifth meeting of the Diversity Committee, held on December 10, 2004, from 2:00 p.m. – 4:00 p.m., in Conference Room A of the Smith Conference Center at Florida Memorial College, 15800 NW 42nd Avenue, Miami, Florida 33054.



Julia Johnson

Chair, Advisory Committee on Diversity for Communications in the Digital Age