

# UNITED STATES FEDERAL COMMUNICATIONS COMMISSION

---

In Re: )  
 )  
DIVERSITY COMMITTEE MEETING )

Pages: 1 through 62  
Place: Washington, D.C.  
Date: December 21, 2006

---

## HERITAGE REPORTING CORPORATION

*Official Reporters*  
1220 L Street, N.W., Suite 600  
Washington, D.C. 20005-4018  
(202) 628-4888  
hrc@concentric.net

BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In Re: )  
 )  
DIVERSITY COMMITTEE MEETING )

Commission Meeting Room  
Federal Communications  
Commission  
445 12th Street, S.W.  
Washington, D.C.

Thursday,  
December 21, 2006

The parties met, pursuant to the notice of the  
Commission, at 10:20 a.m.

PARTICIPANTS:

LISA M. FOWLKES, Designated Federal Officer  
FCC Diversity Committee

KEVIN MARTIN  
FCC Chairman

JONATHAN ADELSTEIN  
FCC Commissioner

PAULA SILBERTHAU  
FCC Office of General Counsel

MARIA E. BRENNAN (Via Telephone)  
American Women in Radio & Television

SHEBA CHACKO  
BT Americas, Inc.

SUSAN FOX  
Disney-ABC

## PARTICIPANTS: (Cont'd)

DAVID HONIG  
Minority Media & Telecommunications Council

RODNEY HOOD  
National Credit Union Administration

PAUL JONES (Via Telephone)  
Time Warner Telecom

REBECCA KLEIN  
Loeffler Tuggey Pauerstein Rosenthal, LLP

ANN LUCEY  
Showtime Network

MAX NAVARRO  
Operational Technologies Corporation

ANDREW SCHWARTZMAN  
Media Access Project

TARA SWEENEY  
Arctic Slope Regional Corporation

KADE TWIST (Via Telephone)  
Native Laboratories

JAMES WINSTON  
National Association of Black Owned Broadcasters



1 glad to hear he's okay, but I'm certainly concerned  
2 about that.

3           First of all, let me say I want to thank you  
4 all for agreeing both to volunteer your time and  
5 energy to this important Committee and appreciate you  
6 all taking the time to end up doing that. We've got  
7 several new folks who have joined us that I talked  
8 about joining, Becky and Rodney, for example, and I  
9 really do appreciate you all being willing to come  
10 help out.

11           I think it is the testimony of the  
12 importance of what we're trying to do that so many  
13 highly qualified people that have many other burdens  
14 and responsibilities in their industries and in their  
15 professional lives are willing to take the time out to  
16 try to further the policies and practices that we hope  
17 will enhance the ability of all Americans,  
18 particularly including minorities and women, to be  
19 able to participate in the communications industry.

20           Congress has tasked the Commission with a  
21 responsibility for bringing the benefits of  
22 communications services to all Americans. As part of  
23 this mandate, the Commission is also charged with  
24 trying to promote policies that favor diversity of  
25 media and vigorous economic competition and

1 technological advancement.

2           Now, these are responsibilities that I think  
3 the Commission takes very seriously, and expanding the  
4 reach of broadband and other advanced communications  
5 services has been a top priority of the Commission  
6 during my time as Chairman, and I'm hopeful that this  
7 Committee will find ways to ensure that all Americans  
8 do have that opportunity to participate in the  
9 deployment of these new technologies.

10           Now, the Advisory Committee today certainly  
11 brings together various sectors in the  
12 telecommunications industry including minority owned  
13 companies, finance sector and organizations that are  
14 committed to ensuring that there's broader  
15 participation in the communications sector. And I  
16 want to thank all of you all for being willing to  
17 continue that participation, and, as I said, Henry  
18 Rivera particularly for his willingness to chair.

19           I also appreciate many of the groups that  
20 I've worked with in the past, MMTC, and, David, I  
21 appreciate your participation. James, I appreciate  
22 yours as well and the many other groups that are  
23 willing to end up being represented. I hope that all  
24 of the experts here continue to find ways to work  
25 together and to ensure that all Americans have the

1 opportunity to participate in segments of the  
2 communications industry particularly as we're trying  
3 to develop and expand with new technologies.

4 I think that this is a particularly  
5 difficult thing when we're talking about the  
6 traditional sectors that we've regulated that are more  
7 developed, but some of the newer technologies present  
8 particular opportunities, and I look forward to some  
9 of the ideas that you might have in that regard.

10 I do again appreciate you all's work on this  
11 and look forward to working with you going forward.  
12 And I know that the Commission staff, Lisa and Paula,  
13 I know are committed to try to help in whatever ways  
14 possible as well. And so I will look forward to your  
15 group thoughts and any individual thoughts that you  
16 ever want to pass on and would like to get together  
17 and discuss as well, I'm happy to. Thank you.

18 MS. FOWLKES: Thank you, Mr. Chairman. Also  
19 it just occurred to me as the Chairman was speaking  
20 that I did not officially say who I was; I just said  
21 who I wasn't. I'm Lisa Fowlkes, the person who has  
22 been sending you all the annoying emails telling you  
23 about this meeting for the past few weeks. I'm the  
24 Designated Federal Officer for the Committee, so I  
25 will be working with each of you as you develop

1 recommendations for the Commission.

2           Barbara Kreisman is the Alternate Designated  
3 Federal Officer for this Committee. Unfortunately,  
4 she was not able to be here at this meeting today, but  
5 I know she is also looking forward to working with all  
6 of you as you move forward on this important task.

7           The next thing I wanted to do is just go  
8 over the agenda for today. First, I will give  
9 basically a brief overview of the Diversity Committee,  
10 some background information as well as some  
11 information on the mission and the function and duties  
12 of the Diversity Committee. Much of the information  
13 that I will give you in my presentation is actually  
14 laid out in the charter of the Diversity Committee,  
15 which is in the packets that we've distributed to you.

16           Each of you has a packet that looks like  
17 this, that contains the charter, today's agenda, a  
18 list of members as well as some information on the  
19 Federal Advisory Committee Act and what that Act  
20 requires in terms of the work of this Diversity  
21 Committee.

22           MR. MARTIN: Lisa, if I can interrupt. I  
23 know that there are several other Commissioners who  
24 actually have -- first of all, I should say thank you  
25 all for also agreeing to participate today certainly



1 as we're approaching the holidays and so many folks  
2 have their other busy schedules. I also really  
3 particularly appreciate that. And indeed, several of  
4 the Commissioners -- I know one left last night after  
5 our open meeting, and I think one of the other  
6 commissioners is taking off today -- but are any of  
7 the other Commissioners on schedule to come down?

8 MS. FOWLKES: Yes. Commissioner Adelstein  
9 has informed us that he is planning to come down later  
10 today.

11 MR. MARTIN: He is going to. Okay. Great.  
12 I may go stop by one of the other offices and see if  
13 the other folks can make sure they stop by as well.

14 MS. FOWLKES: Okay.

15 MR. MARTIN: Okay. Great.

16 MS. FOWLKES: Thank you.

17 MR. MARTIN: Thank you, all. Thanks.

18 MS. FOWLKES: I'll go over a brief overview  
19 of the Diversity Committee. Paula, who is with the  
20 FCC's Office of General Counsel, will do a briefing on  
21 the Federal Advisory Committee Act particularly for  
22 those of you who are new to the Committee and who are  
23 new to the service on an advisory committee. We will  
24 be following that, go around and have each of you  
25 introduce yourselves and talk about some ideas that

1 you may have for the Diversity Committee's  
2 consideration.

3           Lastly, we'll talk about next steps,  
4 upcoming priorities, any other business that we need  
5 to address at this meeting, and then we'll adjourn for  
6 the day. Now, I understand that there are three  
7 Committee members who are participating in this  
8 meeting by telephone. Ms. Maria Brennan with the  
9 American Women in Radio & Television.

10           Are you there, Ms. Brennan?

11           MS. BRENNAN: I am. Thank you, Lisa, and  
12 hello, everybody.

13           MS. FOWLKES: Mr. Paul Jones with Time  
14 Warner Telecom. Are you there, Mr. Jones?

15           MR. JONES: Yes, I'm here. Thank you.

16           MS. FOWLKES: Great. Mr. Kade Twist with  
17 Native Laboratories. Are you there, Mr. Twist?

18           MR. TWIST: Yes, I am, and thank you.

19           MS. FOWLKES: Great. Well, why don't we  
20 begin. Again, first of all, I'd like to thank all of  
21 you for agreeing to serve on the rechartered Advisory  
22 Committee on Diversity for Communications in the  
23 Digital Age. As I said, my presentation is going to  
24 consist of some background on the Diversity Committee  
25 and a description of the Committee's mission, function

1 and duties.

2           As some of you know, the Diversity Committee  
3 was originally chartered in 2003. In creating the  
4 Diversity Committee, the Commission recognized that  
5 its requirement under the Communications Act to make  
6 available to all Americans without discrimination on  
7 the basis of race, color, religion, national origin,  
8 or sex a rapid, efficient, nationwide wire and radio  
9 communications service.

10           In addition, the Commission also recognized  
11 the requirements in the Communications Act that the  
12 Commission work toward elimination of market entry  
13 barriers in order to "promote the policies and  
14 purposes of the Act favoring diversity of media  
15 voices, vigorous economic competition, technological  
16 advancement and promotion of the public interest's  
17 convenience and necessity."

18           The Commission believed that these goals  
19 could best be achieved by assuring that as broad a  
20 cross-section of the public as possible has the  
21 opportunity to own and/or manage communications  
22 companies. The Commission formed the Diversity  
23 Committee to help it ensure that the communications  
24 industry was regulated in a manner consistent with  
25 these goals.

1           The previous Diversity Committee had a  
2 number of accomplishments. For example, and I'm just  
3 naming a few, they recommended the creation of what's  
4 called the Diversity Resource Directory, which is a  
5 web tool designed to assist companies with their  
6 diversity efforts. They also issued a report called  
7 Best of the Best Practices, which provides guidance  
8 for increasing diversity of ownership and fostering  
9 career advancement.

10           They issued a Best Practices Report on  
11 workplace diversity, and they've also submitted a  
12 number of policy and regulatory recommendations for  
13 the Commission's consideration in areas such as equal  
14 employment opportunity, access to spectrum, access to  
15 capital, and diversity of ownership in the  
16 communications industry. And many of those  
17 recommendations are pending before the Commission and  
18 under consideration.

19           The Diversity Committee was rechartered  
20 effective December 5 of this year for a two-year term  
21 ending at December 5, 2008. The Committee's mission  
22 is to make recommendations to the Federal  
23 Communications Commission regarding policies and  
24 practices that will further enhance the ability of  
25 minorities and women to participate in the

1 telecommunications and related industries.

2           The Diversity Committee's operations are  
3 governed by three documents: (1) the Federal Advisory  
4 Committee Act; (2) rules promulgated by the General  
5 Services Administration implementing the Federal  
6 Advisory Committee Act; and (3) the Committee's  
7 charter, which as I mentioned you all have in your  
8 packet.

9           The Diversity Committee, like every advisory  
10 committee that has been established by the Federal  
11 Communications Commission, reports to the Chairman of  
12 the Federal Communications Commission. And like every  
13 advisory committee authorized under the Federal  
14 Advisory Committee Act, the function of the Diversity  
15 Committee is an advisory-only function.

16           In keeping with its advisory role, the  
17 duties of the Diversity Committee are: (1) to provide  
18 guidance to the Commission on policies and practices  
19 that could increase the diversity of ownership and  
20 create opportunities for minorities and women to  
21 advance to managerial positions in the communications  
22 sector; make reports and recommendations concerning  
23 the need for any guidelines, incentives, regulations  
24 or other policy approaches to promote diversity or  
25 participation in the communications sector; and to

1 develop best practices within the communications  
2 sector for promoting diversity of participation.

3           As you all are working and thinking about  
4 ideas of issues that you think the Committee should  
5 address as you move forward on your work in terms of  
6 developing recommendations in those issues, there are  
7 a couple of things that you should keep in mind, which  
8 are actually things that really every advisory  
9 committee should keep in mind.

10           One, you should focus on recommendations for  
11 actions and issues that fall within the FCC's  
12 jurisdiction and statutory authority. As I explained  
13 earlier, the function of this Advisory Committee is to  
14 provide advice to the Federal Communications  
15 Commission on issues relating to diversity of  
16 ownership and management in the communications  
17 industry.

18           So one of the things you want to keep in the  
19 back of your head is the types of issues, types of  
20 recommendations that would fall within the Federal  
21 Communications Commission's jurisdiction statutory  
22 authority. And that's always the case regardless of  
23 what advisory committee we're talking about that is  
24 authorized by the Federal Communications Commission.

25           Two, to the extent you start thinking about

1 issues or recommendations that have constitutional  
2 implications, one of the things that you should try to  
3 focus on are recommendations for actions that fall  
4 comfortably within constitutional parameters. These  
5 are two major things that we would suggest that you  
6 just keep in the back of your mind as you're trying to  
7 figure out, okay, what issues do we think it would be  
8 good for this Committee to address? What types of  
9 recommendations do we want to make to the Commission?

10           Those are certainly the types of things  
11 whenever an advisory committee makes recommendations  
12 to an agency that the agency looks at. With that,  
13 once again, I want to say thank you for agreeing to  
14 serve on the Committee. I, as well as the FCC staff,  
15 stand ready to assist you as you embark on this  
16 important task. Thank you.

17           Any questions thus far? Going once. Going  
18 twice.

19           MS. BRENNAN: Actually, I have a question.  
20 This is Maria Brennan, Lisa, with AWRT.

21           MS. FOWLKES: Yes?

22           MS. BRENNAN: Lisa, would it be possible --  
23 and I apologize if you might have mentioned this and I  
24 missed it -- would it be possible for the members of  
25 the new Diversity Committee to receive the collateral

1 that was done in terms of the Best of the Best  
2 Practices?

3 MS. FOWLKES: I think we actually have a  
4 list that has been distributed to the members here,  
5 and we can get that to you by email in addition to  
6 which there's information on the Diversity Committee  
7 including some of the recommendations it has made in  
8 the past that's on the Diversity Committee's website.

9 MS. BRENNAN: Okay. Excellent. Thank you.

10 MS. FOWLKES: And that website, by the way,  
11 is [www.fcc.gov/diversityfac/](http://www.fcc.gov/diversityfac/). Next, I'm going to turn  
12 to Paula Silberthau who is with the FCC's Office of  
13 General Counsel, and she is here to give you a brief  
14 overview of the Federal Advisory Committee Act.

15 MS. SILBERTHAU: Good morning. I'm just  
16 going to hit on some of the high points for conducting  
17 the business of the Advisory Committee, and there are  
18 a couple of guiding principles to keep in mind. Some  
19 of you probably know this already.

20 Under the Federal Advisory Committee Act,  
21 the guiding principles are openness in government, and  
22 that guides the rules for how you have meetings,  
23 things like that; diversity in membership and advice;  
24 and public accountability. And there are a couple of  
25 rules to keep in mind, and I'm sure that Lisa and your



1 Chairman will remind you of all these.

2 I'll just mention them briefly because if  
3 there were to be some very serious violations of FACA,  
4 then it's possible that the Commission would not even  
5 be allowed to consider your recommendations, but these  
6 guidelines for conducting your business are pretty  
7 general and commonly followed.

8 The first thing is that your FACA meetings  
9 have to be open to the public and timely noticed in  
10 the *Federal Register*. For the most part, you can't  
11 just decide along with the DFO that you'd like to have  
12 a meeting tomorrow. No. Typically you have to find a  
13 convenient time for the members and then provide for a  
14 15-day publication in the *Federal Register*. And  
15 that's simply to make sure that the meetings are open,  
16 that members of the public can attend, and it also  
17 serves the useful purpose of making sure that you, as  
18 the members of the Committee, can attend.

19 The rules that you agree upon would set  
20 forth however many people would be a quorum. At the  
21 meetings, they have to be open, minutes of meetings  
22 are kept, records are kept, and these will be provided  
23 as documents that are available to the public in a  
24 place that I think Lisa has noticed already on a  
25 handout. The Chair of the Committee has to certify

1 the accuracy of the minutes.

2           They don't have to be elaborate, but they  
3 should indicate who's in attendance and who talked and  
4 just the gist of what's going on, so if someone is  
5 interested in the work of your group and can't attend,  
6 they could actually get reasonable minutes to keep  
7 them abreast of what's happening.

8           Meetings typically cannot be closed, but  
9 there are some exceptions in limited circumstances I  
10 think that wouldn't typically be involved with this  
11 group, but it's possible. If there are serious trade  
12 secrets, if you're going to be considering classified  
13 government materials, or if there are national  
14 security matters related to foreign policy, in those  
15 cases there are provisions in the Act for closing  
16 portions of meetings. But absent that, everyone can  
17 attend, and everything is open to the public.

18           The records of the Committee are open. When  
19 people speak and they hand out documents, the Chair or  
20 Lisa will retain a set of the documents, and they'll  
21 be available for you to review and for everyone else  
22 to review at a public place. Typically, a lot of work  
23 can get done through smaller working groups, and over  
24 time, there have been questions about the difference  
25 between a working group and a full committee.

1           Basically, working groups can gather  
2 information and develop plans or recommendations to  
3 bring to the full committee. Working groups can draft  
4 reports, perform studies, discuss preliminary  
5 findings. And a working group, if it stays within  
6 those bounds, it's not subject to the requirements of  
7 being open to the public or of having to be announced  
8 in the *Federal Register*.

9           It's really to give flexibility to you folks  
10 to be able to get your work done and to be able to do  
11 it efficiently. The DFO, in this case Lisa, needs to  
12 be advised and typically would be attending the  
13 meetings of the working groups. And that's provided  
14 for in the GSA rules that govern FACA.

15           So just as a reminder, if you guys are  
16 getting together and you want to have a working group  
17 of however many people and have a meeting, that really  
18 needs to be coordinated through Lisa, and that's true  
19 whether you're meeting here or whether you're meeting  
20 in someone's office. It's just very important to have  
21 the DFO involved, and, in fact, it's a requirement  
22 under the controlling regulations to coordinate with  
23 the DFO.

24           To make sure that the working groups are  
25 just treated as working groups and that you can have

1 these informal meetings, it's very important that  
2 recommendations you have, if they get brought to the  
3 Full Committee, are not rubber stamped. In other  
4 words, that when the recommendations come forward,  
5 there needs to be real debate on it. Because if  
6 there's no debate on the recommendations of the  
7 working group, then basically what's happened is the  
8 working group has been transformed into a full  
9 committee.

10           So the working groups can make  
11 recommendations, but they can't bind the parent  
12 committee. The working groups shouldn't be sending  
13 preliminary recommendations to the full Commission.  
14 It's just a working group, and people will give it  
15 deference, but there has to be discussion and a vote  
16 on those recommendations.

17           And another thing to be a little careful of  
18 is when you have the working group, it's better if it  
19 stays at a number that's less than a quorum of the  
20 full Committee. Because if you have 20 people on the  
21 Committee and there are 12 people or something like  
22 that at a working group, people could complain that  
23 that's the equivalent of having a full meeting.

24           So if you have more than a quorum, it  
25 doesn't necessarily force it into something that's

1 treated as a full committee, but it's just a little  
2 bit easier to see that it's just a working group if  
3 you keep under the quorum. And let's see what else.

4 Another issue that comes up occasionally are  
5 the interplay between FACAs and our ex parte rules.  
6 Because FACAs are only advisory, members are subject  
7 to ex parte rules. So, in other words, if there's a  
8 communication with the Commissioners or with agency  
9 staff dealing with something about the merits of a  
10 pending rulemaking, that communication from any of the  
11 members would be subject to our ex parte rules.

12 So it doesn't mean that you lose your rights  
13 to communicate because you're a member of the  
14 Commission, but if you do have that communication, a  
15 little summary of the communication with the staff or  
16 with the Commissioners needs to be put on the record  
17 within 24 hours.

18 If it's about something that's not pending  
19 before the Commission that's just some new idea you  
20 have; it's not within the scope of any rulemaking,  
21 then there's no problem. But if you do have a  
22 substantive communication about something that's  
23 pending, then you need to consider the ex parte rules.  
24 You could check with Lisa about it if you don't quite  
25 know whether you've hit that threshold, or you could

1 call me up, that's fine, as well.

2 I think those are the main points. And as  
3 Lisa said, this is an advisory group only. It has no  
4 independent authority to function or to run programs  
5 or things like that, but it has the important role of  
6 providing recommendations about things that are before  
7 the Commission that the Commission might be able to  
8 take action on.

9 Does anyone have any questions?

10 (No response.)

11 MS. SILBERTHAU: Okay. Then I'm going to  
12 disappear.

13 MS. FOWLKES: Thank you, Paula. Next, I  
14 think we'll go into the introductions. Basically what  
15 Henry and I were looking for is each of you to  
16 introduce yourselves, and to the extent you've got  
17 ideas for issues that you think it might be good for  
18 the Committee to consider, you can briefly talk about  
19 those or suggest those.

20 Because of the number of people here and  
21 because of the timing of the meeting, I would say  
22 probably about no more than five minutes for each  
23 person.

24 And what I'd like to do is start with the  
25 folks on the phone, so, Ms. Brennan, why don't you go

1 first?

2 MS. BRENNAN: Hello, once again, everyone.  
3 It's Maria Brennan. I am the Executive Director of  
4 American Women in Radio & Television. Is that it?  
5 Sorry. I apologize.

6 MS. FOWLKES: Did you have any ideas or  
7 suggestions that you wanted to make in terms of issues  
8 that the --

9 MS. BRENNAN: I think you covered it really  
10 well, Lisa. One of the things that I wanted to make  
11 sure that the group understood is that there was a  
12 tremendous amount of work and effort and deliverable  
13 charge with the last Diversity Committee, and I was a  
14 member of the first chartered group as well.

15 I wanted to make sure that as we march  
16 forward, we're mindful of the work that exists and  
17 some of the potential programs that may even be  
18 implementable. So I think you covered that well and  
19 by providing everyone with that collateral, I think  
20 it's a good first step in educating the group as to  
21 what's already happened as we move forward into what  
22 can also happen in the future.

23 MS. FOWLKES: Thank you, Ms. Brennan.

24 Mr. Jones?

25 MR. JONES: Yes. Paul Jones. I'm General

1 Counsel with Time Warner Telecom. A couple of  
2 thoughts. I've been in the broadcast end of the  
3 business, the cable business, and now with the telecom  
4 business, and it's a world of change and convergence  
5 of platforms suggests that there may be emerging  
6 technology that we as a group would benefit from  
7 hearing about as we think about the role and  
8 participation of minorities on a going-forward basis  
9 in what could become growth sectors.

10 I agree with Maria, having said that, that a  
11 starting place ought to be that we review the  
12 recommendations of the prior Diversity Committee and  
13 that we also look at programs that have been  
14 implemented to understand the degree to which they've  
15 worked, whether they've made a contribution, or  
16 whether they were good ideas but just didn't quite  
17 work in the form in which they were offered up so that  
18 we can consider avenues that might bring some  
19 additional success to programs that have already been  
20 either recommended or implemented as well.

21 That's all I have to say. Thanks.

22 MS. FOWLKES: Thank you, Mr. Jones.

23 Mr. Twist?

24 MR. TWIST: Yes. Hi. My name's Kade Twist.  
25 I'm President of Native Laboratories and one of the



1 founders of the Native Media and Technology Network.  
2 I'm a Cherokee from Locust Grove, Oklahoma, so  
3 obviously the core issues that I'm concerned with are  
4 those that impact Indian Country tribal land. Chief  
5 among them are access to spectrum and access to  
6 broadband.

7           So other than that, I'll reserve my  
8 comments, keep my ears wide open. I'd like to say  
9 first and foremost that it is an honor --

10           (Electronic interference.)

11           MR. TWIST: -- of this Advisory Committee,  
12 and I just would like to thank the FCC for providing  
13 me with this opportunity and for extending an  
14 opportunity out to an Indian person. Thank you.

15           MS. FOWLKES: Thank you, Mr. Twist. Now,  
16 what I'd like to do is basically just go around the  
17 table and have each of you introduce yourselves, and  
18 I'll start over here.

19           Ms. Chacko?

20           MS. CHACKO: Yes. Hi. I'm Sheba Chacko.  
21 I'm with BT, and I head up the regulatory affairs here  
22 in the Americas region and cover global operational  
23 regulation matters as well. We are very honored. On  
24 behalf of BT, I'd like to thank the Chairman and the  
25 Commission for inviting us to participate in this.

1 It's something that we are committed to and believe is  
2 very important.

3 I don't want to make any recommendations at  
4 this point. Going through the package that's been  
5 provided, I can see that a lot of ground has already  
6 been covered, and I'd like to absorb and understand  
7 what's already been covered.

8 MS. FOWLKES: Thank you.

9 Mr. Honig?

10 MR. HONIG: I'm David Honig, the Director of  
11 the Minority Media & Telecom Council. I guess at the  
12 outset it's worth recognizing the fact that this is  
13 the fourth Advisory Committee that the Commission has  
14 had to focus on matters relating to diversity. The  
15 first one was in 1977. Chairman Wiley established  
16 that, and it led to the creation of the tax  
17 certificate and distress sale policies.

18 There was a second one in 1982 that Chairman  
19 Fowler established. Henry Rivera was the Chair of  
20 that Committee. He was a Commissioner here at that  
21 time. That was focused primarily on attribution  
22 issues.

23 MR. JONES: Excuse me. Paul Jones. I'm  
24 having difficulty hearing.

25 MS. BRENNAN: David, for those of us on the

1 phone, we can't hear you.

2 MR. HONIG: Can you hear now?

3 MS. BRENNAN: No. Only a little better.

4 MR. JONES: A little.

5 MR. HONIG: Goodness. Well, it's an irony  
6 that the FCC sometimes isn't able to communicate as  
7 well as it would like. Should I just linger?

8 MS. FOWLKES: We're going to ask the  
9 technical people to see what's going on with that, but  
10 why don't you continue.

11 MR. HONIG: Okay. There were 22  
12 recommendations that came out of that Advisory  
13 Committee, some of which are still pending before the  
14 Commission in various forms. There was a third one in  
15 1992 that Chairman Sikes created, which came up with  
16 the idea of an incubation program that the Commission  
17 put out for comment, and that remains pending in  
18 another rulemaking proceeding.

19 And this is the first one that has been  
20 rechartered and the first one that has been  
21 rechartered twice. It was created in 2003 by Chairman  
22 Powell. The members I know have put in an enormous  
23 amount of work as has been said.

24 I took the liberty of printing out a  
25 summary, which in the interest of time I won't talk

1 about in detail, that's entitled, "Achievements of the  
2 FCC's Advisory Committee and Diversity for  
3 Communications in the Digital Age, September 29, 2003,  
4 to November 29, 2006," enumerating the 56 matters that  
5 the Committee has taken up; 5 of which the Commission  
6 has approved, 43 of which are still under  
7 consideration, and 6 of which are pending still before  
8 various subcommittees.

9           The status of those is not clear, and I  
10 guess it will be for this body to decide what to do  
11 with them. But it's commendable that the Commission  
12 is recognizing that this is an issue that is  
13 intractable; that requires a long-term effort; that is  
14 not going to go away with just one or two  
15 recommendations that hopefully are going to be thrown  
16 against the wall and see whether they stick.

17           One point five percent of the asset value of  
18 broadcasting is controlled by people of color, women  
19 about the same percentage or maybe slightly more.  
20 Telecommunications, that percentage is almost zero  
21 notwithstanding programs intended to correct this.  
22 And I wanted to also acknowledge there is a trade  
23 association of minorities in broadband.

24           The Director of Counsel is here today,  
25 that's Darius Withers, who is another FCC lifer, and

1 his organization is the Multicultural Broadband Trade  
2 Association. And in the work that this Advisory  
3 Committee undertook over the last three years, really  
4 three broad principles sort of overlay all of what we  
5 did. One is this recommendation that this is an issue  
6 that will require the same kind of systematic approach  
7 that any serious issue requires, whether it be DTV or  
8 space technology or anything else that matters.

9           A solution to it is going to have to include  
10 multiple means of addressing access to capital, access  
11 to spectrum, and access to opportunity.

12           Second, that Congress has spoken first in  
13 Section 151, the first section of the Communications  
14 Act, mandating that the Commission oversee a system of  
15 communications without discrimination; and second in  
16 Section 257 adopted in 1996, which requires the  
17 Commission triennially to report on efforts it's  
18 undertaken to reduce market entry barriers so that the  
19 agency doesn't unintentionally have the position of a  
20 gatekeeper and tend to keep out those who in a free  
21 market without regulation might have had greater  
22 opportunity. This happens to be the third triennial  
23 year of this next cycle for having such a report.

24           And the third principle that I think has  
25 overlaid the work that we've done is that diversity

1 and competition are not at odds with each other at  
2 all; that in fact initiatives that promote diversity  
3 also make the industry in the long run more  
4 competitive, for many reasons that we're all familiar  
5 with, and that, therefore, the recommendations that  
6 were adopted on ANO (ph) and the discussions in the  
7 Subcommittees and in the Full Committee that we had  
8 were focused not just on the moral case for them,  
9 which is very substantial, but on the business case  
10 for them as well.

11           Now, briefly and just in the interest of  
12 time, I wanted to just highlight a few of the matters  
13 that remain pending or that have not been taken up  
14 that may be promising for this Committee to consider  
15 in really two subjects; one being access to capital  
16 and financial issues, and the other being the  
17 development of new technologies.

18           With respect to access to capital and  
19 financial issues, one subject that wasn't really  
20 explored in depth before that certainly has come up  
21 and been in the news a lot is structural ownership  
22 abuse; how the Commission can prevent the abuse of its  
23 policies and make sure that when it adopts one, the  
24 line will be strict and the public can have confidence  
25 that rules that the Commission adopts will in fact be

1 enforced and no one can take unfair advantage of them.

2           That has great resonance because of course  
3 that is one of the reasons that we lost the tax  
4 certificate policy in 1995. Restoration of that  
5 policy is another subject that has always been of  
6 great concern. The Committee did pass a resolution on  
7 it in 2004 and had another one, which has been  
8 distributed here, that was not able to be taken up at  
9 our last meeting in April because it wasn't in the  
10 *Federal Register* notice, nor is it appropriate to be  
11 taken up right now, but it could be considered.

12           Third would be the question of transactional  
13 best practices and whether as we did with EEO in the  
14 area of transactions and sales and awareness of  
15 opportunities and recruitment and so forth, there's  
16 more that companies could know has worked in  
17 heightening and capturing demand for assets, which  
18 really benefits the industry as a whole and the  
19 sellers because then you get greater demand, better  
20 prices and terms.

21           And fourth is what should really be the  
22 scholarly research agenda for minority and female  
23 entrepreneurship, a subject that I know has been  
24 kicked around in various proceedings but never  
25 addressed systematically. In the area of new

1 technologies, there are four other items that perhaps  
2 suggest themselves.

3           One which we spent a lot of time discussing  
4 in the Subcommittee level in 2004 is the universal  
5 service fund and whether it should be recalibrated in  
6 some way. There are a number of industry trade groups  
7 and others that have looked at this question of  
8 whether the fund could reach a point of collapse; what  
9 happens with the rural services and so forth and how  
10 to protect them; and whether the presence of broadband  
11 really affects the definition of what we should  
12 consider to be universal service.

13           Second is to review the effectiveness or  
14 lack of effectiveness of broadcast and wireless  
15 auctions in promoting diversity, another subject that  
16 was examined in 2000 in some studies the Commission  
17 did pursuant to Section 257, but not taken up since,  
18 and of course we have a lot more experience with  
19 auctions since.

20           Third is the various issues associated with  
21 the DTV transition, among them being multicast must  
22 carry and vouchers and how those will be implemented  
23 and how they'll affect the availability of a  
24 marketplace that's diverse and thus can stimulate and  
25 allow the modernization of new companies that serve



1 those markets.

2           And fourth and last is whether DTV channels  
3 could possibly be sold, licensed to, and so forth  
4 socially and economically disadvantaged businesses or  
5 those who have not had the opportunity to develop  
6 programming assets and to be able to control them,  
7 especially in television. There are many more, but in  
8 the interest of time, that's just to give a flavor of  
9 some of the wealth of unaddressed matters that in its  
10 discretion this Committee might consider.

11           MS. FOWLKES: Thank you, Mr. Honig.

12           Mr. Hood?

13           MR. HOOD: Yes. First of all, I'm Rodney  
14 Hood. I'm the Vice Chairman of the National Credit  
15 Union Administration. We are the regulatory body that  
16 oversees 8,600 credit unions in the United States. I  
17 have been in financial services for I guess about 20  
18 years.

19           I would like to leverage a lot of the energy  
20 that I've devoted to providing access to capital. I'd  
21 like to leverage a lot of that with this Committee as  
22 you all seek to empower minority groups and women and  
23 individuals who really want to be active participants  
24 in the digital communications age. So whatever input  
25 I can provide not only from the regulatory side but

1 also from having access to banks and credit unions,  
2 I'd like to work with the Committee in again helping  
3 provide access to capital.

4 I think that's something that will really be  
5 helpful as we assist budding entrepreneurs. Thank  
6 you. And also, I'd like to thank Chairman Martin for  
7 this wonderful invitation to be with you all.

8 MS. FOWLKES: Thank you, Mr. Hood.

9 Ms. Klein?

10 MS. KLEIN: Good morning. I'm Becky Klein,  
11 and I'm a Managing Partner of Loeffler Tuggey  
12 Pauerstein Rosenthal Law Firm both in Texas and in  
13 Washington, D.C., former State Utility Regulator, and  
14 very honored and privileged to be here.

15 And I do not have some crystallized ideas  
16 about what to focus on, but very anxious, as my  
17 colleagues have indicated already, to learn about what  
18 ideas have worked, what ideas have been left pending,  
19 as Mr. Honig has already made us aware of, and where  
20 we might want to prioritize this group's focus and  
21 vision for the next two years. So thank you, and I  
22 look forward to working with each of you.

23 MS. FOWLKES: Thank you, Ms. Klein.

24 Ms. Fox?

25 MS. FOX: Hi. I'm Susan Fox. I'm with

1 Disney-ABC here in Washington, and I want to thank the  
2 Commission for reconstituting the Committee and I'll  
3 also say that we're pleased to be a part of it.

4           My colleague, Bob Mendez, who's centered in  
5 Los Angeles, is going to be a member of the Committee.  
6 He runs on diversity efforts for ABC and our media  
7 properties, which many of you are acquainted with.  
8 Bob actually testified at one of the recent hearings  
9 out in Los Angeles in August about some of the work  
10 that he's done at ABC.

11           I want to sort of follow on from David's  
12 thoughts and Lisa's thoughts. I was part of the  
13 Committee last time. Alex Wallou, who is a Business  
14 Executive with the network, was part of the Committee  
15 last time, and we spent a lot of time with the work  
16 that is done with the last Committee.

17           And I agree that I think the best place to  
18 start is either with the best practices that have been  
19 developed and how to communicate them, making sure  
20 that the work that has been done has been communicated  
21 and the relevant folks and the relevant business lines  
22 are aware of it.

23           Secondly, as David said, taking on the  
24 recommendations. I think we all know in the world we  
25 live in how much effort it takes to get from a

1 recommendation to a policy and trying to look through  
2 them what's prioritizing and figuring out a plan of  
3 action from there. So those are my opening thoughts,  
4 and other than that, we're just pleased to be a part  
5 of the Committee again.

6 MS. FOWLKES: Thank you.

7 Mr. Navarro?

8 MR. NAVARRO: Thank you for allowing me to  
9 be here this morning. Max Navarro. I'm Chairman of  
10 the Board for Operational Technologies. It's a  
11 minority firm based in San Antonio, Texas. I'm  
12 looking forward to serving on the Committee.

13 David, you have a whole slew of resolutions  
14 here that somehow never got adopted, so I'm looking  
15 forward to finding out more about the resolutions  
16 perhaps on a priority basis.

17 But just like Becky and Sheba, I'm anxious  
18 to learn, so I'll just reserve some comments until I  
19 have the opportunity to review some of the past  
20 resolutions or perhaps discussions with new technology  
21 coming onboard. Thank you.

22 MS. FOWLKES: Thank you, Mr. Navarro.

23 Mr. Schwartzman?

24 MR. SCHWARTZMAN: Hi. I'm Andy Schwartzman.  
25 I'm President and CEO of the Media Access Project,

1 which is a nonprofit public interest law firm. Both  
2 at Media Access Project and before that at the United  
3 Church of Christ Office of Communication, I've worked  
4 on empowerment of minorities and women for 35 years,  
5 so I'm very pleased to be able to have the opportunity  
6 to participate in this Advisory Committee's  
7 activities.

8 I guess the thing that I would emphasize is  
9 of the items mentioned thus far, the one that could  
10 have the greatest impact so far as I'm aware and the  
11 one that is most achievable is a recommendation  
12 pursuing the existing recommendation to reestablish  
13 the minority tax certificate policy. And I certainly  
14 will press for this Advisory Committee to play an  
15 active role in that.

16 With respect to other initiatives, I  
17 certainly want to get the input from the other  
18 members. I might, depending on receptivity, want to  
19 pursue avenues for empowering minorities and women in  
20 the broadband area through municipal ownership and  
21 particularly through obtaining greater amounts of  
22 unlicensed spectrum for broadband use. And I'll be  
23 happy to work with my colleagues on those as well.

24 MS. FOWLKES: Thank you, Mr. Schwartzman.

25 Ms. Sweeney?

1 MS. SWEENEY: Good morning. I apologize for  
2 my scratchy voice. I'm getting over a cold. My name  
3 is Tara Sweeney, and I'm the Director of Government  
4 Affairs for Arctic Slope Regional Corporation whose  
5 headquarters are in Barrow, Alaska. I'm an Inupiaq  
6 Eskimo and a shareholder of ASRC as well, and I  
7 appreciate the opportunity to serve on this Diversity  
8 Committee.

9 I do not have specific recommendations at  
10 this time. This is an area that's extremely new to  
11 me. I'm probably a freshman, a greenhorn, with  
12 respect to FCC issues, so I'm more than willing to  
13 roll up my sleeves and get to work and contribute to  
14 the business at hand. Thank you.

15 MS. FOWLKES: Thank you, Ms. Sweeney.

16 Mr. Winston?

17 MR. WINSTON: Good morning, I'm Jim Winston.  
18 I'm the Executive Director of the National Association  
19 of Black Owned Broadcasters, commonly referred to as  
20 NABOB. NABOB is a trade association representing the  
21 interests of African-American owners of radio and  
22 television stations. It was formed in 1976 and has  
23 been intimately involved in promoting minority  
24 ownership here at the FCC in all of the various  
25 proceedings that David listed over there over the

1 years.

2           And I want to begin by welcoming all of our  
3 new members to the Committee. I think you'll see from  
4 just a little bit of information that's in the folder  
5 here the Committee has done a lot of very useful and  
6 valuable work. The information in your folders does  
7 not contain all of the recommendations by any stretch  
8 that the Committee has made.

9           And I think you will want to read if you go  
10 to the FCC website, as Lisa had said, there's a lot  
11 more information there on the recommendations in  
12 greater detail. And I think I would recommend that  
13 all new members go there and start getting acquainted  
14 with that information because I do think the first  
15 place for this Committee to begin is with the  
16 recommendations that have already been made by this  
17 Committee and that we should try to seek  
18 implementation of some or all of them.

19           I want to reiterate what my good friend,  
20 Andy Schwartzman, has just said. The most important  
21 recommendation that has come out of this Committee  
22 that could have a meaningful change in the broadcast  
23 industry is the reintroduction of the tax certificate  
24 policy. For those of you who are not familiar with  
25 the policy, I'll simply describe it very briefly.

1           The tax certificate policy allowed a seller  
2 of a broadcast property, and that included radio,  
3 television, and cable television, to defer the capital  
4 gains on the sale of such a property if that property  
5 were sold to a company controlled by minorities. That  
6 policy was the single most effective policy for  
7 promotion of minority ownership for just African-  
8 Americans.

9           From 1978 when it was adopted, we saw the  
10 number of African-American owned broadcast stations go  
11 from 1 television station and about 40 radio stations  
12 to 240 radio stations and 20 television stations by  
13 the time the policy was unfortunately repealed by  
14 Congress in 1995. So the problem we have here at this  
15 Committee is that, as Lisa said, the FCC can control  
16 those things that are within its purview.

17           Reinstatement of the tax certificate policy  
18 requires an act of Congress. So we can't get to the  
19 finish line from this Committee, but I think a  
20 continuing voice from this Committee of the importance  
21 of reinstatement of that policy can have some  
22 influence as we approach the 110th Congress in  
23 January. So with that, I again thank you all for  
24 joining us today.

25           MS. FOWLKES: Before we move on to Ms.



1 Lucey, we have Commissioner Jonathan Adelstein here,  
2 and he would like to give some remarks to the  
3 Committee.

4 Commissioner Adelstein?

5 MR. ADELSTEIN: Well, thank you, Lisa, and  
6 thank you all so much for volunteering your time and  
7 effort to this endeavor, which I think is really an  
8 important one. I just want to welcome you all here.  
9 I see a lot of old friends and some old members of the  
10 Committee, some new members, and so there's some  
11 changes going on.

12 I'm really pleased that Chairman Martin  
13 decided to recharter this Committee because it's done  
14 such good work in the past, and it has so much I think  
15 to offer us on issues that are really fundamental to  
16 what we do here. Of course, Henry Rivera I understand  
17 is the Chairman, but I'm sorry he couldn't be here. I  
18 hope he's okay. I hear he's doing well.

19 He managed to survive having chaired some  
20 official FCC field hearings for us, and if he made it  
21 through those and he could handle all those country  
22 stars and TV stars, I think he certainly is up to the  
23 task here of doing this. But I just wanted to drop  
24 by. I'm about to skip town for the holidays. I  
25 wanted to stop by here before I left to say how

1 important the work you do is and to thank you all for  
2 being willing to do it.

3 I know how busy you all are in your own  
4 careers, and I think it's important that we do take  
5 the time to do this because it's really fundamental to  
6 the role of the Commission. What you're doing, it  
7 really is ensconced in the principal purpose of the  
8 Commission as it was enacted by the Communications Act  
9 of 1934, which if you look at the first sentence of  
10 Section 1 of the Communications Act it talks about the  
11 purpose of this Commission being to make the public  
12 airwaves available to all Americans.

13 And that section talks about avoiding  
14 discrimination on the basis of race, color, religion,  
15 or sex. Sadly, I think the Commission hasn't always  
16 lived up to this congressional, constitutional, and  
17 moral mandate as much as it could, but having this  
18 Committee here I think is a signal that we're serious  
19 about it, that we're going to do everything we can,  
20 and I think that this Committee and your input is  
21 desperately needed today as we try to confront these  
22 really fundamental issues to our mission and to what  
23 should be the mission of this country.

24 And you've really done a great job in the  
25 past. The earlier Committee I think did a wonderful

1 job of putting things together, but I think we have a  
2 long way to go before we can honestly say that we've  
3 really achieved the goals of diversity and fairness  
4 and equity in all of the many industries that we oversee.

5           Now, I know that the predecessor Committee  
6 had a lot of thoughtful ideas, and you've probably  
7 talked about a lot of them already this morning. I  
8 know I heard Dave a little bit upstairs, and he was  
9 going through the amazing list of things that we have  
10 seen you propose in the past.

11           Recommendations on increasing minority and  
12 women's access to capital, which you've been talking  
13 about also I think this morning, lowering barriers to  
14 entry, improving the FCC policy to facilitate greater  
15 minority participation and greater minority ownership,  
16 all incredibly important goals.

17           I don't know if the Commission has been as  
18 responsive as it could be to these things. I'm  
19 hopeful that we will be going forward. And that's  
20 where you all really come in. The fact that you've  
21 been rechartered, the Chairman is showing a real  
22 commitment to these issues as a result of that.

23           I think that you really need to have a  
24 constructive and meaningful dialogue with each of us  
25 and of course with our staff because we really, I

1 think all of us here, all the Commissioners from the  
2 Chairman and everybody else as well as the staff,  
3 really have a commitment to trying to make sure that  
4 we do achieve the goals of the Communications Act.

5           That we do a better job of fostering  
6 diversity and making sure that all of the industries  
7 that we oversee and the content that they work with  
8 reflects the great diversity of this country, which I  
9 really believe is our strength and why we are in so  
10 many ways leaders around the world in so many fronts.  
11 So we really want to do that job. We need your help.  
12 I think you need to reach out to all of us.

13           Come up and bother each and every one of us  
14 whenever you can, myself included. But I think to  
15 make visits individually when you're here and all of  
16 the individual Commissioners and with the staff that  
17 you know and the different bureaus really trying to  
18 reach out and let us know because if you can figure  
19 out what it is that we're thinking about, it really  
20 will help you to fill us in on areas that you can help  
21 us.

22           And of course we need to always remember the  
23 many great ideas that you've come up with in the past.  
24 You need to review those and help us I think  
25 prioritize what we need to be focusing on and

1 educating us about how we can move forward. With  
2 those ideas and new ideas that you come up with, we  
3 have a lot of great, great material there to work with  
4 and a lot of experience here on this Committee that we  
5 can draw from.

6           So I just wanted to thank you and tell you  
7 how much I look forward to working with you over the  
8 coming months. And please do feel free to contact me  
9 or my office anytime for anything you need or just to  
10 talk about these issues and how we can be helpful in  
11 trying to move forward on the goals that we all share.

12           So happy holidays, everyone, if I don't see  
13 you until next year. But it's been great working with  
14 many of you in the past. I look forward to working  
15 with this wonderful Committee going forward.

16           MS. FOWLKES: Thank you, Commissioner  
17 Adelstein, and particularly thank you for stopping by  
18 today.

19           MR. ADELSTEIN: Good luck, everybody. Thank  
20 you. Happy holidays.

21           MS. FOWLKES: Okay. Lastly but certainly  
22 not least, we have Ann Lucey, who is representing  
23 Showtime on behalf of Matthew Blank, who could not be  
24 here today.

25           Ms. Lucey?

1 MS. LUCEY: Yes. Thank you, Lisa. Matt was  
2 part of the original charter last time and assigned  
3 Ray Gutierrez, Head of HR for Showtime, to help out in  
4 the Best Practices document that came out in career  
5 advancement. I want to echo I think what Susan was  
6 referencing, or maybe just said point blank, is that I  
7 think what we need is to get these kinds of things out  
8 there now, not just have them as documents sitting  
9 there and thinking that people are going to come to  
10 the documents.

11 I think we need to take the documents to  
12 people and really spread the word and make sure  
13 there's an educational training component perhaps,  
14 sort of à la MSRC, the Best Practices that came out of  
15 that Committee where there was I think an attempt to  
16 reach out to the industry through the trade  
17 associations and make sure that people knew and know  
18 what's in these documents and actually put them into  
19 practice.

20 So I think the new and emerging technologies  
21 area seems like really fertile ground for further  
22 study and areas that we can look into, and we stand  
23 ready to pitch in and help in any way we can. Thank  
24 you.

25 MS. FOWLKES: Thank you, Ms. Lucey. Next

1 what I'd like to do is now that everyone has  
2 introduced himself, herself, everyone's had a chance  
3 to talk about things that they think the Committee  
4 should focus on, I want to just focus a little bit on  
5 some next steps. You've heard a lot of talk about  
6 informal subcommittees, informal working groups, both  
7 from Paula and various members with respect to the  
8 previously chartered Diversity Committees.

9           This Committee will also have some informal  
10 subcommittees to help facilitate the Committee's work.  
11 Henry's intention is to at this point establish two  
12 informal working groups. And what we would like to do  
13 is just get your sense of whether or not you have any  
14 additional suggestions either regarding the creation  
15 of these two that I'm about to describe as well as any  
16 others you think Henry should consider establishing.

17           One of the informal working groups that he's  
18 proposing to establish is the Access to Capital Group.  
19 And under the previously chartered Diversity  
20 Committee, this Committee was actually known as the  
21 Financial Issues Group.

22           The Subcommittee would have four objectives:  
23 Identify the obstacles to capital access faced by  
24 minorities and women in the telecommunications  
25 industry; assess current practices regarding access to

1 capital; develop recommendations and identify best  
2 practices to address these obstacles; and focus both  
3 on industry-specific measures as well as issues that  
4 extend across the telecommunications sectors.

5           The second Subcommittee relates to an issue  
6 I think probably all of you raised in your remarks,  
7 and that has to do with new technologies. And this  
8 Subcommittee would have two objectives: assess what  
9 ownership and career advancement opportunities are  
10 available in new and emerging technologies such as  
11 broadband, digital television, digital cable,  
12 satellite and so forth, and the convergence of these  
13 technologies. That would be one objective.

14           The second one would be to develop  
15 recommendations for facilitating opportunities for  
16 minorities and women in new industries as they form.  
17 Thus far, those are the two informal working groups or  
18 informal subcommittees that Henry has been thinking  
19 about establishing. There were two others that he had  
20 under the previously chartered Diversity Committee.

21           One was career advancement, and one was  
22 dealing with transactional transparency issues. I  
23 think his sense was that for the most part, those two  
24 informal working groups pretty much completed their  
25 task under the previously chartered Diversity



1 Committee.

2           But certainly he wanted to get some idea  
3 from all of you whether or not you thought these two  
4 were just okay, whether or not people thought he  
5 should rethink reestablishing the two others that I've  
6 just mentioned, or whether there's something totally  
7 new that you think should be established.

8           Ms. Klein?

9           MS. KLEIN: Lisa, I would fully concur with  
10 Henry's recommendations for those two Committees. It  
11 sounds like just in the bit of conversation we've had  
12 today that there's still a good amount of work to be  
13 done in those areas.

14           But one thought came to mind -- and this is  
15 a raw thought I put on the table and it really is  
16 something that, Susan, you had mentioned -- and that  
17 is, would it make sense to create a third committee  
18 that really cuts across these two having to do with  
19 promoting awareness however it's labeled, External  
20 Affairs or Marketing, but heightening awareness and  
21 figuring out strategies that are effective for this  
22 community across the nation given the recommendations  
23 that come out of the Access to Capital Working Group  
24 and the New Technologies Working Group? So just a  
25 thought to toss around.

1 MS. FOWLKES: So just flushing out things,  
2 would the focus of this particular informal working  
3 group be to figure out recommendations or ideas by  
4 which the Commission could market somebody's best  
5 practices or do outreach or come up with some type of  
6 outreach plan that could be used to promote best  
7 practices that the Committee has developed?

8 MS. KLEIN: Precisely. How the Commission  
9 itself, the FCC, can leverage these recommendations  
10 that the Commission ends up adopting, but also other  
11 strategies, whether there are particular people across  
12 industry sectors that can help the Commission in  
13 promoting and really drilling down into the women and  
14 minority community that these tools are available and  
15 that there is something here to provide help to  
16 increase the representation.

17 MS. FOWLKES: Any other thoughts?

18 MR. JONES: Just to add a thought.

19 MS. FOWLKES: Is this Mr. Jones?

20 MR. JONES: Yes.

21 MS. FOWLKES: Okay.

22 MR. JONES: Yes. This is Paul Jones. I'm  
23 sorry. Just to add a thought to that good suggestion  
24 is that to the extent that an action like encouraging  
25 Congress to consider new legislation around a minority

1 tax certificate idea would gain momentum and support  
2 through a committee that has as its primary objective  
3 increasing awareness beyond Congress, but with  
4 initiatives that would target the encouragement of  
5 Congress to adopt a new piece of legislation as well.

6 MS. FOWLKES: Okay. Any other thoughts?

7 Yes, Mr. Navarro.

8 MR. NAVARRO: When does Henry -- does he  
9 have a timetable when the establishment of the  
10 Subcommittees will be made? And do members -- will  
11 they be able to provide their preference on what  
12 committees they may want to serve on?

13 MS. FOWLKES: You're getting ahead of me.

14 MR. NAVARRO: You made the appointments  
15 already?

16 MS. FOWLKES: No. Basically what he had  
17 intended to do at this meeting, what he's asked me to  
18 do, is lay out the two that he's thought about and  
19 basically get feedback from all of you, get feedback  
20 on any other informal working groups or informal  
21 subcommittees that you think should be established.  
22 And I will of course take those ideas back to him.

23 Also, when I say "you're getting ahead of  
24 me" because the next question I was going to ask or  
25 the next thing that I was going to say is, depending

1 on what informal working groups are actually  
2 established -- and I think with respect to the two I  
3 mentioned, unless there's some big objection here,  
4 he'll probably go on ahead and establish those; others  
5 I will have to take back to him and see where we land  
6 -- but with the two, if there's a particular one or  
7 both that you want to be considered for in terms of  
8 working on, you should let me know that so that I can  
9 pass that on to him.

10           Because I think what Henry is looking to do  
11 is probably in the next couple of weeks move forward  
12 in terms of, okay, here are informal working groups;  
13 here are the people that are serving on each informal  
14 working group; here's the Chair of the informal  
15 working groups; okay, everybody, let's get to work.

16           And I think he's looking to do that in the  
17 next couple of weeks, but he wanted me to get the  
18 feedback from you guys from this meeting today about  
19 the two that he thought about, whether there should be  
20 any others. And certainly either during this meeting  
21 or after this meeting if there's a particular  
22 subcommittee that you want to serve on, you can let me  
23 know that either here or you can send me an email or  
24 whatever. So he's looking to do all of that quickly.

25           MR. NAVARRO: Okay.

1 MS. FOWLKES: Any other ideas or feedback?

2 Come on.

3 MS. LUCEY: I like the idea of an Outreach  
4 Committee or Subcommittee. And just to reiterate what  
5 I was saying, just not to let the work of the past  
6 Committee just sit there. And so if we can find ways  
7 to help the FCC disseminate this and get people  
8 involved, I think it's maybe a good idea to have some  
9 kind of committee that does outreach on the past work  
10 and maybe thinks about going forward how to publicize  
11 and make known whatever is going to come out of this  
12 Committee.

13 MS. FOWLKES: Okay. Are there any other --  
14 I'm sorry. David?

15 MR. HONIG: I had the benefit of talking  
16 through with Henry the recommendations in the past and  
17 this Committee structure, and everything that has been  
18 voted out and everything that remains pending in fact  
19 does fit within this two-working-group or subcommittee  
20 structure. The idea of having an Outreach Committee  
21 is a very good one because there really are three  
22 stories that haven't been told apparently well enough,  
23 or we would have already had much more of this work  
24 done.

25 One is kind of why this is so important a

1 subject, which you can never say enough of, and what  
2 is the business case for this; second is, what  
3 resources are available; and third is, what works?  
4 And we didn't set out when we began to address those  
5 questions because our plate was full with kind of just  
6 figuring out what might be necessary.

7           Now that we've done probably 70 or 80  
8 percent of figuring that out, the moment really is  
9 right for this kind of outreach-type working group,  
10 and I think it's a wonderful idea.

11           MS. FOWLKES: Okay. Just so I have it  
12 correctly, the purpose of this Outreach Committee --  
13 is this the right description -- developing  
14 recommendations for conducting outreach on best  
15 practices and other initiatives to address the issues  
16 of diversity of ownership and management in the  
17 communications sector. Is that accurate, or is it  
18 something else?

19           MS. KLEIN: That describes it, wouldn't you  
20 say?

21           MS. FOX: Yes, I think also the Advisory  
22 Committee itself could explore ways to make its prior  
23 work more accessible and have more people in the  
24 industry have a greater level of knowledge about the  
25 tools that are already there, because we've developed

1 quite a tool set; we just don't know that enough  
2 people know about it.

3 I also think David makes an excellent point  
4 on the business case, which is a very important thing  
5 to establish for companies especially who may not have  
6 established practices in this area.

7 MS. FOWLKES: Okay. Are there any other  
8 ideas for any other type of -- Jim?

9 MR. WINSTON: And I'm sure we've had this  
10 described to us previously, but it's probably worth  
11 repeating for the new members and to refresh my  
12 recollection. The recommendations of the Committee  
13 are already set forth. Many of them request specific  
14 action by the Commission.

15 MS. FOWLKES: Yes.

16 MR. WINSTON: What is the state of the  
17 Commission's review of those, and what should we  
18 expect as the next steps there?

19 MS. FOWLKES: What I can tell you at this  
20 point is that they are under review at the Commission.  
21 The Commission's looking at them to determine what  
22 steps it would need to take to implement them. So  
23 they're looking at each of them and trying to make a  
24 determination of what steps that it would need to take  
25 in order to implement them.

1 MR. WINSTON: Is that happening through an  
2 internal committee? Is that disbursed among the  
3 bureaus? How is that being effected?

4 MS. FOWLKES: I think given the number of  
5 issues and the different areas that the issues cover,  
6 it's in different parts of the Commission. I can try  
7 to find out more regarding that.

8 MR. WINSTON: Okay. And my last question  
9 would be, is there anything that this Committee can do  
10 to help that internal review?

11 MS. FOWLKES: I can check into that.

12 Any other questions or comments? First of  
13 all, is everyone pretty much in agreement regarding  
14 establishing the Access to Capital and the New  
15 Technologies informal working groups?

16 How about you guys on the phone?

17 MS. BRENNAN: Hi. This is Maria. I think  
18 that it's right on, otherwise I promise you I would be  
19 commenting.

20 MS. FOWLKES: Okay.

21 MS. BRENNAN: And I do like the idea of also  
22 having a structure that looks at the previous work as  
23 well.

24 MR. JONES: Paul Jones here. I think those  
25 are the right committees with the addition of the



1 Outreach Committee as well.

2 MS. FOWLKES: Okay. Are there any other  
3 ideas that -- I'm sorry.

4 MR. HONIG: Just a point of clarification.  
5 The terminology that you're using is "informal working  
6 groups." How does that differ procedurally from a  
7 "subcommittee"?

8 MS. FOWLKES: It doesn't. I'm doing that  
9 probably because this Committee has always called it a  
10 "subcommittee," but there are other committees that  
11 I've worked on that have called it "informal working  
12 group." It's the same thing. They perform the same  
13 function.

14 And I think in that handout that I included  
15 about the Federal Advisory Committee, I think I wrote  
16 something like "informal working group" or  
17 "subcommittee." So I tend to use them interchangeably  
18 because this is my second Advisory Committee and I'm  
19 now trying to switch over to a term that some of you  
20 have used in the past regarding the subcommittees, but  
21 it's the same thing. There's no difference. It's  
22 just a difference in term.

23 MR. HONIG: So the way that the  
24 subcommittees proceeded in the past was that of course  
25 they were able to meet informally; they didn't require

1 *Federal Register* notification; often the meetings were  
2 by conference call; everyone on the Committee and the  
3 subject matter experts, there were about 20 or so of  
4 them, were invited to all of them; but the protocol  
5 that the Chair of the Full Committee established was  
6 that before the Full Committee would vote on a  
7 recommendation, it needed to be vetted and voted out  
8 and kind of sent up to the Full Committee by one of  
9 the subcommittees I think with one exception, which  
10 was an emergency item.

11           No. I think even that one actually came out  
12 of two subcommittees. All of the recommendations were  
13 voted on by subcommittees first. And in fact, all of  
14 them were voted on without dissent. And the idea was  
15 that if we couldn't get everyone to agree, something  
16 was wrong, so we needed to fix it so that anything  
17 that the Full Committee voted on would have had  
18 unanimous approval except for maybe people who had to  
19 abstain.

20           Is that kind of the way that you're thinking  
21 we ought to continue?

22           MS. FOWLKES: I think that's certainly one  
23 way to do it. I don't want to get out in front of  
24 Henry, who's the Chair of the Committee, in terms of  
25 how he wants things to come up for the Committee's

1 consideration.

2           But certainly what you're describing is  
3 typically one way that an informal subcommittee would  
4 work is in that they would get together, do the  
5 research, talk through the particular issue, talk  
6 through a proposed recommendation, and basically once  
7 they've reached some type of consensus, they may,  
8 coordinating with the Chairperson of the Committee and  
9 then the Chairperson coordinating with me as DFO, get  
10 it on the Committee's agenda to be raised with the  
11 Committee.

12           So that's certainly one way in which that  
13 can be done. I would assume that that is probably a  
14 structure that Henry has in mind, but I don't want to  
15 get out in front of him in terms of saying, yes,  
16 definitely that's how it's going to be done. But as I  
17 said, that's certainly one method in which advisory  
18 committees have used to get things up before the  
19 Committee.

20           Any other questions, suggestions on the  
21 informal subcommittee? Any other ideas for any other  
22 informal subcommittees that you think should be added  
23 at this time? Okay.

24           MR. HONIG: One thing that actually just  
25 occurred to me as a follow-up to Jim's point regarding

1 the recommendations that have already been voted out  
2 that the Commission has under consideration. It may  
3 be that some of us, including the new members who have  
4 special expertise as to many of these recommendations,  
5 might volunteer to serve as liaisons should that be  
6 deemed useful in talking them through with Commission  
7 staff people to facilitate the review and  
8 consideration of some of them.

9 MS. FOWLKES: So your suggestion is perhaps  
10 some of the Committee members who were involved in the  
11 previously chartered Committee could sort of act as  
12 liaisons to the Commission staff as their --

13 MR. HONIG: Or new members who have  
14 expertise as to some of these.

15 MS. FOWLKES: Okay. All right. I'll take  
16 that back. Okay.

17 MS. BRENNAN: Lisa?

18 MS. FOWLKES: Yes?

19 MS. BRENNAN: Sorry to interrupt the flow,  
20 but this is Maria Brennan. I have a hard stop at  
21 11:30, so I have to drop off. I thank you all, and I  
22 look forward to working with each of you.

23 MS. FOWLKES: Thank you, Maria.

24 MS. BRENNAN: Bye-bye.

25 MS. FOWLKES: Bye-bye. At this point, do

1 any of you have in your mind an idea as to whether or  
2 not you would want to be assigned to these two  
3 Committees? If so, I can take that back to Henry as  
4 well.

5 MALE VOICE: Yes. Capital.

6 MR. HOOD: Yes. I'd love to be on the  
7 Capital Committee.

8 MS. FOWLKES: Okay.

9 MS. KLEIN: I would, too.

10 MR. NAVARRO: If appropriate, I would like  
11 to serve on the Promotion Technologies Subcommittee.

12 MS. FOWLKES: Okay.

13 MS. CHACKO: I have a hard stop as well, so  
14 thank you very much.

15 MS. FOWLKES: Okay. Yes. Anyone else?

16 MS. SWEENEY: Technologies.

17 MS. FOWLKES: Okay. Anyone else?

18 MS. LUCEY: There may be a third, though?

19 MS. FOWLKES: There may be a third.

20 Basically I have to take the idea back to Henry, and  
21 then Henry and I have to have a conversation. I have  
22 to also run it through on my end since under the  
23 Federal Advisory Committee Act, the FCC has to okay  
24 any changes to the structure.

25 So I'll take that back to Henry as soon as

1 possible, and we'll let you know if we establish that  
2 last committee and then people can tell me if they  
3 want to be on it. Anybody else have an idea at this  
4 point?

5 MR. JONES: Paul Jones here. No ideas, but  
6 I would love to serve on the Technology Committee but  
7 would be open to serving wherever Henry thinks I can  
8 be helpful.

9 MS. FOWLKES: Okay. All right. Is there  
10 anything else? Is there any other business that we  
11 need to address? Any other questions that we need to  
12 address at this point? No?

13 (No response.)

14 MS. FOWLKES: Okay. Once again, I'd like to  
15 thank all of you for taking the time out particularly  
16 during the holidays to come to this meeting. I look  
17 forward to working with all of you. And those of you  
18 who are having to travel back to somewhere, please  
19 have a safe travel back to your homes. Once again,  
20 thank you.

21 ALL: Thank you.

22 MS. FOWLKES: Meeting is adjourned.

23 (Whereupon, at 11:35 a.m., the meeting in  
24 the above-entitled matter was concluded.)

25 //

REPORTER'S CERTIFICATE

DOCKET NO:            --  
CASE TITLE:            Diversity Committee Meeting  
HEARING DATE:         December 21, 2006  
LOCATION:                Washington, D.C.

I hereby certify that the proceedings and evidence are contained fully and accurately on the tapes and notes reported by me at the hearing in the above case before the Federal Communications Commission.

Date: December 21, 2006

Mona McClellan  
Official Reporter  
Heritage Reporting Corporation  
Suite 600  
1220 L Street, N.W.  
Washington, D.C. 20005-4018

Heritage Reporting Corporation

(202) 628-4888