

**Remarks of Michael K. Powell
Chairman, Federal Communications Commission**

**Dialogue with Brian Lamb
At the
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MR. ROBERT SACHS, PRESIDENT NCTA: Good morning, and welcome to our first public policy session of the day. Chairman Powell, Brian Lamb, come on up.

MR. LAMB: I'm delighted to see everybody this morning, and I have with me to kick this off, the April 29th issue of Forbes Magazine. Have you seen this?

CHAIRMAN POWELL: Yes.

MR. LAMB: There are some wonderful things in here. One of the things I wanted to ask you to start off is about the copy on the cover. It says, "Trillion Dollar Man: FCC Chairman Michael Powell's Rescue Plan for Tech, Telecom, and Media: Get Out of the Way." Is there anything on that cover that you disagree with?

CHAIRMAN POWELL: Sure. It's not a trillion dollars. If you hadn't noticed the market last week since the article came out, I think I'm maybe down to 100 million.

Secondly, there is a tendency to, I think, misappreciate what market philosophies really mean. They are not just simply "get out of the way." I think they are conscious judgments about what are the best vehicles for reaching effective decisions that need to be made in a dynamic and innovative marketplace.

A lot of times that is a market without any intervention. Sometimes that is a market with certain parameters curtailed. And anyone who really knows about market philosophy knows that it is dependent heavily on the rule of law. There is no such thing as laissez-faire in the United States or any other economy in the world, not true laissez-faire, because there have to be certain expectations that are protected, and I think at a minimum there is always a role for government in the protection of very anti-competitive activities.

So I think it makes good copy to make everything black and white, rules or no rules, but I think it's significantly more complicated than that. And most of us don't serve in the government so that we won't have anything to do. We find something to do here and there.

MR. LAMB: By the way, what's the difference between being a commissioner and being the chairman?

CHAIRMAN POWELL: I was asked this the other day. I see some of the people who heard the answer the other day.

It is interesting. One, I feel very grateful to have had the perspective because I think the chairman is a heck of a job to come into cold. It's a dynamic, fast-moving institution with a huge portfolio. I don't think people realize the width and depth of the kinds of things that fall under the FCC umbrella. So to have had some experience, at least with the workings of the agency and some of the issues, for me was a God-send before going down the hall.

I guess I naively thought when I first moved that it was just the same job at sort of an incremental level higher. It is not at all. I think the thing that I convey to you is it is an entirely different job in some ways.

Your range of responsibilities explodes exponentially --- just the little things, like preparing the federal budget, doing all the hiring, and sometimes firing, throughout a 2,000-person agency, the daily managerial challenges of everything from, "oh, my God the elevators don't work, call GSA and do something about it," to the real struggles of how we will be organized, the reorganization reform, trying to prepare the agenda.

The chairman also has the responsibility of developing the agenda so my colleagues and I can keep the business of the agency moving forward, which is much more difficult than I had imagined. It's very difficult on a daily basis to look out over all the things we have going on, and say what's in May, what's in June, what will we try to do this year, what will we not be able to do this year?

The other thing which I find both hard and sort of fun is whether you like it or not you kind of become the personification of the FCC. Everything it does wrong, they say, "well, Mike Powell did this." Everything they do right, sometimes they say, "Mike Powell did that." But I get a lot more of "it's his fault" stuff than the credit stuff. And that's really tough because we are an agency of --- at the moment four --- five commissioners. We do deliberate. We do try to work out solutions.

But the press of media coverage and the political intensity tends to want a central focus, a central figure to represent all that goes on there, and that becomes you. So you have this sort of unending notoriety, good and bad, an extensive amount more of phone calls and press reports and press interests that take up your day.

So it is a very different job. But I have never had so much fun in my entire life. It's the best thing I have ever done.

MR. LAMB: There are a couple of quotes from this article that I am sure you will remember, and they kind of bracket the question I want to ask you. The first quote is from one of your former chairman colleagues, and that's from Bill Kennard, who said, "The FCC is one of the last of the New Deal dinosaurs."

And then the other quote is from Reed Hunt, and he says the following: "Powell faces a greater, a far greater challenge than any chairman before. There has never been a turndown like this. Powell

has the bad luck of being cast as the Herbert Hoover of telecom. If this sector doesn't turn around, the economy isn't going to turn around. He has got his hands on the throttle of the engine that is going to pull it."

Start with your past colleague, Bill Kennard says that it's a New Deal dinosaur, and then Reed Hunt says it's all you, you're responsible for the future, the past, you're the Herbert Hoover of an FCC dinosaur.

CHAIRMAN POWELL: By a show of hands, who knows what that means? Poor Reed has been saying this in article after article. I have yet to figure out what on earth it means to be Herbert Hoover. I don't think it's good, though. I guess he's Franklin. But anyway, so I have no idea what that means, so I have no comment on being Herbert.

But we are certainly a New Deal agency in the sense of our origination, but I don't accept at all that we are a dinosaur. I think that for very important reasons the Commission sits at a crossroads of transition between an extraordinary migration of historical import, of moving because of the developments in technology and the revolutions that underlie the changes that all of you are grappling with, and that every industry in our sector is grappling with. We serve a very important role in, if other than "traffic copping," the migration from a lot of legacy technology, a lot of legacy legal thinking, a lot of legacy economic thinking, a lot of legacy political thinking, and trying to pass that through a constructive filter that is optimized, supercharged for the digital information age.

And I think that there are times where government has played very bad roles, and I think there are times where government plays very important roles, and I think that the role of the FCC, three letters notwithstanding, is one of the most important institutions in the federal government at the moment, as long as it's humble enough to know where it's constructive and honest enough to know where it's not.

But I have rarely had anyone --- in any industry, in any political element or even among consumer groups --- that doesn't think that not only are we needed but we are important.

So in terms of being a dinosaur, we are only a dinosaur if we let ourselves be. One of the things we become deeply committed to is we are going to be the finest government agency out there, and we are going to do everything we can in the training, recruitment, development of our staff and development of policy positions so that we stay current with modern changes. This includes everything from our committed effort last year to increase the number of engineers we had and the recognition that technology is too important to let other people tell us about what they are doing at the same time they are asking for a decision on something. Last year we hired 40 engineers, more than the FCC has hired in many decades in one single year.

We have built training and development programs that distribute that new intelligence all through the Commission so that we are not a dinosaur, we will be something that is capable of adapting and responding to really what is one of the most fundamental changes in economic history.

MR. LAMB: But you still have 527 lawyers?

CHAIRMAN POWELL: Yes, and I've got 750,000 words of statutes for them to play with.

MR. LAMB: One of your favorite things to talk about is competition.

CHAIRMAN POWELL: Yes.

MR. LAMB: One of your goals is to improve competition. Can you give us a couple of examples of industries that you are responsible for regulating that you consider to be healthy, competitive industries?

CHAIRMAN POWELL: Let me qualify a little bit. I believe in competition deeply, but I believe in healthy markets. You can get in heated debates about how many competitors constitute a market, how many don't. So you can have healthy market conditions and even have fairly concentrated markets in some instances.

But that said, I think that we are beginning to see some pretty significant competitive environments. I think, for example, the wireless telecommunication space is extremely competitive. By some peoples' estimates, too competitive, to the point that it's costing the industry significantly. And you certainly hear Wall Street crying for some rational consolidation because of the hypercompetitive effects.

Certainly the long distance, long haul market had become hypercompetitive. I don't have to tell you the plight of notable companies like World Com and Qwest struggling at the moment because of the glut in long haul, fiber optic capacity. That is certainly a competitive space.

I personally believe that the media environment is fairly competitive though concentrated in certain ways. I think that there still are pretty energized competitive pressures for who gets on, where, what kinds of programming, when, ratings, etcetera. I think it's still a pretty robust and vital space for the most part. I think there are things to watch there, but I think for the moment I would certainly ascribe it as a healthy market environment by and large.

One of the things we are going to have to get really used to is once upon a time the world was really simple. We knew who all the companies were. We knew all the CEOs by name. We knew what they did and we knew what they didn't do. We had one phone company for a long time, and then at most we had seven. We knew who to call. We could see the results of what we did very simply, very easily. We would call them up. They did it or they didn't do it. You either saw the change in a large scale or you didn't.

I think what we are going to have to get used to is that there is never again going to be the ability to be very simplistic about a country this large and diverse and about whether the country is competitive, is this market segment this or is that market segment that. I think it's going to be much more dynamic and chaotic. It will be difficult to make broad generalizations about the entire space.

I think you will be able to go to cities that have four broadband providers. I think you will go to a town 100 miles away that will have none. I think you will go to other places that will have many. And I think the policy should always be attempting to get ubiquity and affordability. But I think we will have

challenges because we are used to --- I think policy is used to --- a more simple picture of the players and the markets and the technologies, and they are fragmenting into many, many versions and variations across the country. So you will get this noise, this anxiety in Washington, and I think in policy, because you don't really know what is going on. You feel like you do, or you don't.

I gave a speech about five years ago called "Big Guy Myopia," and, it was my view that I thought policy was too focused on these big guys versus those big guys, and they often ignored all the wonderful activity that was going on below it. You know, phones was nothing but AT&T versus the BOCs, and that was somehow the entire phone industry, ignoring, for example, the hundreds of telephone companies in the State of Iowa or, this cable company or that cable company.

And I think it has gotten even worse and more fragmented, and it's not easy to make broad generalizations. For us it also means it's very dangerous to make one size fit all rules, because rules are wonderful, but they are dangerous because they can be over-inclusive and under-inclusive all at the same time. And you might be hitting one set of problems while really dangerously disrupting other parts of it. And I think it's going to be hard for policy-makers. I think it's going to be hard to get your head around it.

Is it competitive? Is telephone competitive? Well, if you measure this way, I would say no. But if you measure the degree to which people use their wireless phone instead of their land-line phone, I would say it's pretty competitive.

I don't know about you, but is anybody using the hotel phone? Aren't you picking up your cell phone and calling with your buckets of minutes? That's competition. That's coming right out of what used to go into the phone system. But we don't have any capture of that, any easy way to know how many times a consumer does that instead of this. But it's really cutting into the competitive environment.

MR. LAMB: Before I ask the question, I have got to admit that when a lot of our callers will call up on the call-in show and say things like, "I don't know how George Bush became President because nobody I know ever voted for him." Or the reverse of that, "I don't know how Al Gore got the most votes last time because I don't know anybody in my neighborhood that voted for him," as a way of saying to you I have never had anybody say to me, "Do you have a high definition television set, and I can't wait to get mine?"

CHAIRMAN POWELL: There are a couple guys out here who might say it.

MR. LAMB: But the reason I ask that is, who wants high definition television? And is the government in the position of trying to force this on us, or do people really want it if only we could see it?

CHAIRMAN POWELL: I will be very strident about this. You want high definition television. Everybody in the country wants it who is in the media-video entertainment space.

Why? Because the digital revolution is genuine and real, and every segment of the market and industry got a little piece of this future. Whether it be cable and its digitalization of its infrastructure for the provision of services we are still speculating about; whether it be the telephone system and their

move toward DSL and high speed interactive components so that their network will make the migration to the broadband future, whether it be satellite, third generation wireless, or wireless networks in your home; --- everybody got a little piece, a little down payment on the digital future.

And I think that digital television transition is the little piece, number one, for broadcasters. It's largely their exclusive piece. I think it's an enormous piece and opportunity for cable as well, or anyone who hopes to be accessing individual consumers in their homes with the products of the future, whatever they end up being. I know they will be using digital and those kinds of advanced protocols. I think you want devices to get smarter, more powerful and capable of receiving higher levels of quality and -- put it this way -- higher amounts of bits, because you just don't know where it is going.

But I am positive it's going someplace where you have to have a node on that consumer that is capable of allowing your innovation to reach them. And I think that the industry needs it for that reason. I think the government needs it because for right or wrong we committed to this digital transition.

I might have done it differently if I was here and we were doing it all over again, but stop whining about it. It happened. The spectrum has been given, and that spectrum is extremely valuable and the government wants it back. The government wants it back so that many of these other great digital things that we see being experimented with have more breathing room, more spectrum for their real estate. To get it back, that transition has to succeed. So that's who wants it back.

And do consumers want it? The market will tell us if they do. I suspect that they will. I was with a woman the other day, Arlene Harris, who is a great wireless pioneer, and she said that a lot of times with new products, innovative products, we forget that you have to be missionary about them.

Consumers don't know yet. Part of what you have to do in your business as an entrepreneur is show them the way. She had been around when they were the first company selling pagers. And she said people looked at us like they were crazy. For years, nobody had any idea what one does with a pager. And she said you had to be missionary about it.

And it really resonates with me. I think in the digital world, interactive world, you and everyone else will have to be missionary about it. And your neighbor very quickly one day is going to say, "Have you seen this? Why don't you have it?"

It was the same way with e-mail. Don't you remember the first moment somebody said, "Don't you have an e-mail address?" And you said, "I don't know. I don't have an e-mail address." And then, you could for awhile act indignant and say, "I don't care. I don't need an e-mail address. I have been here as long as some of you. I don't have an e-mail address." Then it was, if you didn't have an e-mail, "Well, I'm getting it really soon." And now if you don't have one, you are just a luddite.

That can happen very fast --- who hasn't paid attention to this 802.11 wireless network? I never heard of the thing six months ago. I've got neighbors who don't know anything about technology who say, "Have you got the wireless network thing? Let's go to Circuit City and get this thing." And it is taking off like wild fire.

So consumers can be funny. But you all have a fine tradition of showing them ways to things they didn't know they ever wanted to do, but then once they do they will never go back.

MR. LAMB: But at some point isn't it a little bit different than whether you have e-mail? In this case you're almost going to be forced some day to walk in there and have to buy a new television set.

CHAIRMAN POWELL: Unless these TVs are better built than I think, you are going to do that anyway. Some time in the next 10 years you're going to go in and buy a new TV set.

You know, the hopefulness is Americans have a deep love and obsession about their television set. It's quite a statement on the American citizenry, I suppose, that more people own television sets than telephones. It's true. The average family, I think, has three television sets in their home in the United States. That's the average. Some of us, five, six. It's amazing. And we do buy new ones.

And I think that when I go into Circuit City, nobody is over there staring at the 13-inch black and white. They are all in that really dark room with the big ones. And if they are not buying it, they are wishing they could buy it. Every man in this room knows the TV envy thing, right? Sixty-two inches, huh? What are you watching the Super Bowl on? There is a lot of culture wrapped up in these television sets.

I think people like high quality TV. I think they buy \$1700 sets, 63-inch sets, the Sony Vega flat screen that will blow your eyeballs back when you look at them. People will do the same thing for high definition.

First, I think one of the things is they are still very confused about it. They don't want to buy a very expensive thing that doesn't live up to its billing. Can you plug it into anything? Because let me tell you if you buy \$2,000 TV sets, you probably have cable or dish and you don't want to hear that that somehow doesn't work.

Secondly, you want something to watch, and that's why, you know, in our own plan we are trying to get all of those pieces a little further down the road so that when a customer starts quizzing their Circuit City rep, these answers will be better.

Yes, cable has committed to making this available everywhere by the end of 2003, so I can tell you that much about it. Now you can add that to your purchasing decision. Yes, the set is capable of plugging into this or that, so you can add that to your decision. There will be more. There will still be people who say, "I'm not ready." But there is going to be a significant number who will say that there is enough comfort to purchase it. So I am convinced it's coming.

MR. LAMB: I am one of the few people in the room old enough to remember Saul Taishof, who never wrote a nice thing about cable in his life. He doesn't own the magazine anymore, but I was a bit surprised to see a line in his editorial this week -- not his -- in *Broadcasting in Cable*, and I wanted to ask you about it. It says, "If you wait for broadcasters to make HDTV happen, we suspect you will still in 2012 be watching that 26-inch RCA you bought in 1992." Basically, they are saying the broadcasters aren't doing a very good job. Would you agree with that?

CHAIRMAN POWELL: No. I think broadcasters could do better. I think they have challenges just like you do in making a transition. I think it's a burdensome one. It's an expensive one. They signed up for it, so I don't have a lot of sympathy for the challenges associated with it. But I do think that it's a tough challenge.

But I think that it was always a mistake, the more I have thought about this, to think that something as significant as swapping out the television sets of at least 85 percent of all Americans with something that was going to be a broadcast-only proposition when you think about the fact --- even just this simple fact that 84 percent of Americans have cable or DBS.

How on earth did anyone think a digital TV transition could or would be a broadcast-only phenomenon? You just simply couldn't ever get near the penetrations that are presumed to be the triggers. So I have never understood why there wasn't some understanding of how vital cable would be or DBS would be, or the content community would be, because people don't buy these sets to catch a show every now and then that's in this product.

The reason I have urged this industry to be a leader is you all have some of the very best-suited content for this format of anybody. Everyone tells me the big sellers are sports and movies. Well, where are Americans watching most of their sports and movies these days? They are watching them on your plant. It's HBO and Show Time and all the other wonderful movie products that are existing in multi-channel platform. It's ESPN, and FOX Sports and those networks that are picking up large swaths of major league seasons.

These avid fans of those things, the movies or the entertainment, are largely on those platforms, and if they are not, they are very likely to be in the near future. And so I think the transition always had to have the concerted commitment of many other industries and many other variables. I think we are just finally getting that in Washington, and I think proudly so, with industry as a whole understanding that we all have to get across this Rubicon. It's not just someone's thing.

So we have tried to do things in a way where we stop finger pointing. At the end of the day, this isn't some "whose fault was it that it didn't work" question. Everybody probably has a little of that culpability, including the government. But let's just talk about what have we got to do to make it work because everybody stands to benefit if it is successful.

MR. LAMB: We have about 15 minutes, and we need some questions from the audience. I will ask one more and then if somebody has got a question they can either use that microphone, or put their hand up and we have a roving microphone. What advice do you have for not just this audience, anybody that comes into your office to lobby you?

CHAIRMAN POWELL: Come only if you have to, number one. Lobbying is very intense at the Commission, and I sometimes get very cranky because I say, "When do these people expect me to read the stuff they want to lobby me about?"

It's very tough, and each year I am more experienced, and I get more aggressive about whether

I really take the meeting. Because for me the time is the most critical thing. I am very happy with meetings if they really are well timed and they are productive and they are meaningful. But if it's, "I just wanted to come by and tell you how we're doing," send me a note. I don't mean it that cynically.

So, one, really it's very important. We have such a robust portfolio that a lot of times we'll say no because it's not ready yet. Mentally I have to sort of be in the zone of focusing on that problem because I want your presentation to be meaningful. If it's something that's three months away, at least for me, then I will lose focus of what you told me very quickly after you've left because I've got 4,000 other things between your meeting and that event.

So I think timing is really important. And in my office we are willing to work with people about timing. If they ask for a meeting, we will say, "you know what, it's not time," or "it would be better to try in this month," or "he's not ready to focus on that." You want that because if I am in that zone for me, I am really ready to talk to you. And most of you who have come to see me usually know when I am ready, and we can have a good conversation about it.

MR. LAMB: Is there a signal? I mean, when you are ready for us to leave, is there a –

CHAIRMAN POWELL: My secretary knocks on the door. They know. Everybody here knows. They still stay, but they know. It's at least conscious disregard.

MR. LAMB: We have a question right here. Yes, sir?

MR. BAUMAN: Thank you, Chairman Powell. My name is Mark Bauman from Starizon Corp, and we are the third movie company.

You mentioned that you really think that the HD, high definition transition is something that is wanted by the consumers. But I look around the room and this industry, and I look at the resolution of the four by three line quadruples up on the wall. It looks pretty good.

And if you say let's use five or six times the spectrum for only marginal improvement in that picture versus the bandwidth used, I have really got to wonder is HD the answer or just digital. And this whole room has done very good in transitioning their programming to digital on the delivery mechanism, and I just question whether HD is the answer or just good digital quality pictures with line doubling, line quadrupling, which is still bandwidth efficient. I wonder if you have any comments on that.

CHAIRMAN POWELL: I guess I don't know. That's part of what you all will figure out, what they really do respond to, what they don't respond to. But I would say this: I have seen this mistake made many times. Finding the sweet spot for this moment in time can be dangerous for installed plant that is going to go into a home for 10 years.

My philosophy generally about a lot of these products is it's very hazardous not to have pretty good growth potential within the products you are selling, because how many times can you resell the TV, how many times can you swap out the boxes, and the great box wars.

I am not one of those people who believes that bandwidth is infinite or is a “Consumers, build it and they will come” kind of philosophy. But I do believe quite strongly that what looks like enough or adequate changes very, very rapidly in this phase.

And when I was in law school, I thought that our little 9600 modem was the coolest thing I had ever done to look up cases. If you tried to give someone that speed today, these are very relative concepts. Speed, time and visual perception, I think, are things that are very hard to reduce numerically and say this is okay, because I think that human beings evolve and acclimate to ever more higher standards about things. Speed is a wonderful example of this. You can think something is fast enough until you have it faster, and then you can never go back again.

I always like the story of the elevator. Elevator scientists figure out that when you push the button, how long before a consumer will push it again? Now, every consumer in that elevator lobby knows that elevator is not coming any faster because you push the button. But that time --- it's fascinating --- it keeps shrinking. Now it's like 30 seconds before the average person will still push the elevator button.

I think visual stuff is similar.

I don't know if digital is a big leap from analog, but is it going to be the path to what people have in terms of expectation?

The real challenge --- and I will leave the question with this --- is you don't know what the creative community is going to do. I keep thinking we sort of forget about the writers, directors and producers. When you begin to put more paint on the pallet, you're not quite sure what will get made.

I see all kinds of new shows experimenting with changes in concepts that are really neat, like my favorite show, “Twenty-four.” To sort of dare to say, “let's shoot real time,” and every hour of this show is a real hour of the day, now that's very different -- it's turning time on its head in the traditional programming sense. So what if the medium now could interact with that somehow --- that it's the hour, but if you want to know what Jack did late, you have some interactive functionality to go do more.

I think what we don't know is what the artisans will begin to develop that will take advantage of those capabilities that a consumer will respond to. If we just leave ourselves saying it's just a pretty picture versus a prettier picture, I think we are being kind of naive.

MR. BAUMAN: I think this industry has been very good at if the consumer wants it, then they will certainly provide it for the right price. And rather than setting out in policy what the bandwidth requirements ought to be, I think we are all in favor of transition to digital. And if the market wants to pay for high definition and pay for the use of that bandwidth, that's great, and I think this industry has been very good at responding to it. My point was simply that we would love the marketplace to dictate, and if we see consumers willing to do that, we will.

CHAIRMAN POWELL: Yeah, but there is one caveat on this --- for the marketplace to work there

has to really be a choice. You can't say, "never show consumers HDTV" and then say, "they don't respond to it." This missionary point, it seems to me, to come back to, which is, if they really made a conscious choice, then I would totally agree with that. But when you are talking about innovation space, you are talking about the opportunity for them to see and embrace and genuinely consider making that choice as opposed to things that might have been shown that are never seen because they were pre-selected out of the marketplace.

MR. BAUMAN: Right. Well, I understand we have committed to five, so that's probably a good start.

MR. LAMB: We've got to --- is there another question?

QUESTION: Yes, Chairman Powell, given the fact that the courts have recently struck down media ownership rules, could you comment on how you see the Commission addressing that going forward?

CHAIRMAN POWELL: Sure. I think this has been a problem that has been long coming. I think that we have a unanimous sense that the values that those rules are meant to represent are still important, but the right regulatory framework in the modern context for achieving them is under great strain.

I think it was under strain for a lot of reasons. I think it was under strain because it was rarely contextualized for modern changes in the marketplace, you might say competitiveness. But when a rule was adopted in 1970, when cable penetration might have been whatever, but certainly nothing, and yet no one wants to examine that rule's viability in the face of these changes, I just think that's intellectually dishonest. You might reach the same decision, but you really must recalibrate and take into consideration the kinds of changes that have taken place in the market landscape in the interim.

I think that is one problem with a lot of the rules. They are rooted in valuable concepts but they are dated in their methodologies. I think the courts lost some patience with the unwillingness of the Commission to genuinely examine their underpinnings.

That ripples through all kinds of things, like what really is the market, because that leads to another thing which I personally have always had some problem with, which is trying to do the analysis in "stovepipes."

We ask what should a rule be for broadcasters, as if it's really a space that lives all by itself, and as if somehow consumers are just broadcast watchers. And so the bad public interest impact or the positive public interest is somehow narrowly confined to that medium, ignoring that a whole bunch of people are watching cable, or ignoring that DBS is here, or ignoring that the Internet is here. Somehow the rule will just do what it's attempting to do only in this broadcast stovepipe.

And then we will have a cable rule that's only for cable, and we won't take into consideration the intersections of those other media outlets in what the right balance should be. I think that's the second thing that the court finally pulled the plug on, or at least cried foul on. It said that "even if you are not going to do that, you have really got to do a lot better job of explaining to us why not, because it does not seem intuitive to us."

I think, then, that there is this sort of philosophical struggle which has always been slippery and doesn't have a lot of precision: what do we really mean by diversity and viewpoint? And I keep trying to struggle to get that narrowed down to its essence so that the rules are really about something you can show. It can't mean copiousness. The media is more voluminous and available than at any time in history. So diverse, meaning plentiful, is hard to argue.

Do you mean varied? Certainly, I think, in my opinion, the media is more varied than it's ever been in its history. I think there is more of it --- more parochial, different niches. That kind of diversity, it seems to me, is flowering, certainly compared to any other time in history. Do you think the golden age, with three networks, was more varied in terms of the content you could watch? I have seen channels specializing in stuff you would have never thought would be viable on their own. So at least if that's what you mean, you've got to focus on that. Is it variety? Drama versus comedy? Is there enough of it?

And then I think, you sort of get down to the nub of it, which is this notion of, "well, it's a viewpoint." And I think you have to push through that too. Well, what is the viewpoint in a comedy program? What's the viewpoint in a sports show? Is that what we mean? Or are we really starting to then get really down to political news viewpoints that affect voting or political ideology in America?

I think usually that's at the heart of what people have an anxiety about, and that's fine. If we could all agree that that's what we want to focus on, I think things would get a lot easier. I don't know if that means, then, certain rules that reach across everything necessarily are the right rules, if that's your focus.

The long and the short of it is that this exercise is what the Commission is doing, and has to do. And let me be really clear about this. This is not some rush to deregulate because we just don't like the rules. We have to fix this regulatory environment. And we have to fix it now. And we're going to take the time that's necessary. We are not going to be rushed on this. We are not going to be pushed on this until we are ready to do it in a way that I think is constructive, in the public interest, and is going to survive judicial scrutiny. Because the stability of the marketplace is not going to gain anything if we continue to react piecemeal to this problem and have the court send it back again, and have this constant flux with these rules.

And I assure you, one of the things I learn, when companies start winning in court, every rule they don't like is going to court again because, why not. You've got a free shot at taking it out again.

And so I think there is this real instability in the media ownership regulation space that it's our sacred duty to try to fix. And I think that our goal is to try to do it fairly comprehensively as a product of a lot of development of record and empirical evidence, and to digest the court decisions and to know what the parameters of our choices are, and then hopefully --- as expeditiously as we can, but not a thing before it's time --- issue something or begin to change this environment in a way that I think serves the goals as productive and as judicious. And the world will be a lot better off if we have even three-quarters of the success than what we are doing right now.

MR. LAMB: We are out of time. One last quick question. With all that you do, and all the meetings you have to have with people in this room, how did you have time to go on the board of William & Mary?

CHAIRMAN POWELL: You know, I have a philosophy that you have the time to do anything that you love. I love my alma mater, and it gave me all the tools I needed to be where I am. The opportunity to give back to your own school at its highest governing level to --- I'm a giddy about it. I was sort of shocked that I got asked, and thrilled that I could do it because it's where my heart lies in terms of my own educational development. So what greater thing to do with your free time, such that it is, than to do something like that.

But you know, everybody always talks about what they don't have time for. I usually think that's wrong. I think you probably spend too much time on things you shouldn't and not enough time on the things you should. And for me, if you love it and you care about it and it's important to you, you will find, make and create the time. And I do that -- I do that for my family and my kids, and I do that for my school.

MR. LAMB: Thank you for your time.