

**Before
Federal Communications Commission
Richmond, Virginia**

**Testimony Of
Deborah A. McDermott
On The 35%
National Television Ownership Cap**

February 27, 2003

Thank you for conducting today's hearing in Richmond and for allowing me to appear. I am Executive Vice President of Young Broadcasting, Inc., which owns and operates eleven television stations in various markets, including WRIC-TV, an ABC affiliate in Richmond.

I respectfully urge the Commission not to modify or repeal the 35% national television station ownership cap. The 35% cap is essential to "localism"—the bedrock principle on which the Congressionally-mandated broadcast system is based.

The principle of localism is uniquely American. It has roots in our federalist system of government. As Virginia's favorite son, Thomas Jefferson, warned his friend Gideon Granger in 1800:

Our country is too large to have all its affairs directed by a single government. Public servants at such a distance, and from under the eye of their constituents, must, from the circumstance of distance, be unable to administer and overlook all the details necessary for the good government of the citizens.

For the very same reason, Congress rejected the notion of a highly centralized system of terrestrial broadcasting. Unlike the governments of Europe, Congress opted for a system that would assure—to the fullest extent possible—that America's television

stations would be responsive to the special needs and interests of the *local* communities they are licensed to serve.

It is as self-evident today as when Congress created the current system of broadcasting that it is not in the national interest to have all of the nation's television broadcast programming dictated each hour of the day, seven days a week, 52 weeks a year, and year-after-year by a handful of station owners.

Some of you have asked: How would viewers know the difference if the cap were raised? Viewers will know because network-owned stations must serve their parent network's national and international program distribution interests and the interests of their station's local viewers. Those interests are often in conflict.

A non-network-owned station, in contrast, has but a single responsibility: To only serve the interests of its local viewers. The interest of local viewers is the essence, of course of localism.

Localism has meant that the citizens of Springfield, Missouri, were spared an episode of NBC's *Fear Factor* when the local station determined the program would be offensive to local viewers. No NBC-owned station rejected, to my knowledge, a single episode of *Fear Factor*.

Localism has meant that viewers in North Carolina, Virginia, South Carolina, South Dakota and other states have been able to watch Billy Graham crusades on their local television stations. That, of course, would not have occurred had those stations been owned by a network.

Localism has meant a Fox affiliate in Raleigh, North Carolina, was able to reject Fox's *Temptation Island* because it refused, in its words, "[to] support a program that

could potentially break up the parents of a young child.” To my knowledge, none of the Fox-owned stations rejected *Temptation Island*.

Localism has meant that some CBS affiliates were able to reject the *Victoria’s Secret* fashion show because they believed it to be offensive to the values of local viewers. And, collectively, other non-CBS-owned stations were able to persuade CBS to delay the start of the program to a time period in which children would be less likely to be viewing. Similarly, NBC affiliates—collectively—were able to persuade NBC to allow them to carry a Presidential debate—rather than a major league baseball play-off game scheduled by the NBC Network. None of that, of course, would have occurred had CBS and NBC owned their affiliates.

For twenty years, our company’s Louisiana station has aired a live recitation of the Rosary early each morning. When we wanted to expand our early local news and move the start time of the Rosary program from 5:00 a.m. to 4:30 a.m., our network vehemently objected because the Rosary program would then encroach on the network’s early national news. If our station were owned by a network, the Rosary would not be on the air.

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The 35% cap also advances competition and program source and viewpoint diversity. An increase in the national cap will reduce the number of stations to which independent program producers can sell programming which, in turn, will eventually reduce the already small number of independent program companies. This is of great concern to our company since the networks not only program 70%-80% of our network schedule, they now own and provide up to 100% of the syndicated programs on some of

our stations. The “balance of power” in the program market has already shifted to the networks. If you raise the cap, you will *nationalize* the nation’s local broadcast system.

The network argument for increasing or repealing the cap is purely financial. They claim they can no longer compete unless they acquire ownership of their affiliates. It is a tired and hollow argument. The networks have made it for years. If the networks owned every station in America, we would hear the same old argument.

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I don’t know what Thomas Jefferson would think about *Fear Factor* if he were alive today. Nor do I know if he would enjoy a Billy Graham crusade, a Presidential debate, or our Rosary program. But I think he would concur—that the local television station in Charlottesville should reflect the core values of the people of Charlottesville and not merely the national and international program interests of the major national television networks.

Thank you. I wish to offer for the record an expanded version of my remarks.