

1 SOUTH CAROLINA STATE MUSEUM

2 COLUMBIA, SOUTH CAROLINA

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FEDERAL COMMUNICATIONS COMMISSION

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MEDIA OWNERSHIP WORKSHOP

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Tuesday, February 23, 2010

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1:30 p.m. to 3:45 p.m.

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1 APPEARANCES:

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3 ROBERT COBLE, Mayor, Columbia, SC

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5 MIGNON CLYBURN, Commissioner,
6 Federal Communications Commission

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8 WILLIAM LAKE, Chief, Media Bureau,
9 Federal Communications Commission

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11 PANELISTS:

12

13 STEVE WALDMAN

14 P.S. BENNETT

15 BILLY HUGGINS

16 J.T. MC LAWHORN

17 RICH O'DELL

18 STEFANIE REIN

19 DONITA REIN

20 DR. BARBARA ZIA

21 SHERRESE SMITH

22

23

24

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1 MR. LAKE: Welcome.

2 I'm Bill Lake, the Chief of the
3 Media Bureau of the Federal Communications
4 Commission.

5 And I want to welcome everyone to
6 this workshop organized by the FCC on the
7 subject of media ownership.

8 We are reviewing our rules on the
9 ownership of radio and television stations.

10 And the input we receive at
11 workshops, such as this one will be extremely
12 useful to us.

13 This is our first workshop outside
14 of the United -- outside of Washington, DC --

15 (Laughter)

16 -- and we are delighted to be here
17 in Columbia.

18 The subject of our first session
19 this afternoon will be the state of the
20 television market.

21 Then after a break, we will have a
22 second session on the state of the radio
23 market.

24 Each session will include a panel
25 discussion.

1 And then we will have open mic, and
2 we look forward to hearing questions and
3 comments from members of the public.

4 And we want to thank the South
5 Carolina State Museum for so graciously hosting
6 us today.

7 Before we begin our first panel, we
8 have a few opening remarks.

9 And I'm delighted that we have with us
10 Mayor Robert Coble to open the proceedings.

11 MAYOR COBLE: Let me welcome
12 everyone and thank you all for being here at
13 this very important media ownership workshop.

14 Let me thank Commissioner Clyburn
15 for bringing this here.

16 I know you could meet anywhere, and
17 we appreciate so much you being here.

18 And let me also recognize
19 Mrs. Clyburn, who is here.

20 And we always are delighted to be in
21 her presence.

22 I think this is very important, and
23 a very important day for Columbia.

24 And we are delighted that you are
25 here, and we look forward to you all having a

1 very successful conference and workshop here.

2 Thank you.

3 MR. LAKE: Now, we are also very
4 delighted to have with us FCC Commissioner
5 Mignon Clyburn.

6 COMMISSIONER CLYBURN: Good
7 afternoon.

8 I would like to thank -- I had to
9 think when you said "Mayor Robert Coble."

10 I'm like: Who is that?

11 I would like to thank Mayor Bob --
12 that's what we call him -- for his many years
13 of service.

14 Mayor Bob, as you know, is making
15 a -- kind of political segue.

16 And so, I want to thank him on
17 behalf of those who live and work in this City
18 of Columbia and those in surrounding areas for
19 your many years of service.

20 It's going to be really strange to
21 not be able to say Mayor Bob and see those
22 little bumper stickers.

23 But you served this city well, and
24 we are all thankful.

25 I would like to thank my colleagues

1 at the Federal Communications, and some of my
2 local friends, here in Columbia, for joining us
3 as we continue the extensive process of
4 reviewing the Commission's broadcast ownership
5 rules.

6 By statute, the FCC is required to
7 review its broadcast ownership rules and repeal
8 or modify any regulation that it determines is
9 no longer in the public interest.

10 In assessing the public interest, we
11 must stay focused on promoting the two key
12 aspects of the public interest; namely,
13 competition and diversity.

14 These aims have been part of our
15 regulatory fabric for decades and continue to
16 be relevant, because broadcasters are still an
17 essential source of news and information for
18 Americans.

19 I am particularly interested to hear
20 from our panelists about how the television and
21 radio markets have evolved over the last
22 several years.

23 With so many new choices for paid
24 video and the exponential growth of the
25 Internet, the landscape has undoubtedly

1 changed, but the effect of these changes is
2 still an open question in my mind and in the
3 minds of many.

4 What would be most helpful for me is
5 for our panelists, and those in attendance, to
6 address how our existing rules impact, one way
7 or another, competition and diversity in
8 broadcasting.

9 What, if any, changes must we take?

10 And why would different rules make
11 the desired impact?

12 And why would any different rules
13 make the desired impact?

14 The fact of increased consolidation
15 will also be an important subject discussed
16 here today.

17 I have personally grave concerns
18 over consolidation, in general.

19 But I am eager to learn more about
20 its impact on the local community.

21 Does programming change under this
22 framework?

23 Where are the cost savings?

24 What does the end product look
25 like?

1 And what is the impact on the
2 communities that have traditionally been under
3 or unrepresented in and by traditional media?

4 I thank our panelists and the
5 community at large for taking the time out
6 today to inform us of their views and
7 experiences.

8 We can sit at our desks all day long
9 in Washington, DC -- and the great nation of
10 Washington, DC -- trying to come up with
11 solutions to apparent problems; but until we
12 get out into the communities actually affected
13 by our rules, we will never truly understand
14 the import of our actions.

15 So, I thank all of you for joining
16 us today.

17 And I have to, on a selfish note,
18 thank my family, as was mentioned -- those four
19 people in the center -- are members of my
20 family: My sister, my brother-in-law and good
21 friend, Charlie Brett, thank all of you.

22 But I point them out, especially, for
23 spending time with us this afternoon and
24 reminding us -- and reminding me -- of the
25 importance of this mission, and the importance

1 of this panel today.

2 Thank you.

3 (Applause)

4 MR. LAKE: Thank you very
5 much, Commissioner Clyburn.

6 We will now begin with our first
7 Panel.

8 Each of the panelists will speak for
9 ten minutes.

10 And I will very rigorously enforcing
11 that limit in order to preserve time for
12 hearing from the public, which is one of the
13 important functions of this session.

14 I will turn it over now to the
15 moderators for the first panel.

16 They are Steve Waldman, Senior
17 Advisor to FCC Chairman Genachowski;

18 and P.A. Bennett, Director of
19 Minority Programming for South Carolina
20 Educational Television.

21 Steve?

22 MR. WALDMAN: Thank you very much.

23 First, just a housekeeping note,
24 that for those of you who were expecting this
25 to be the Jimmy Buffett concert --

1 (Laughter)

2 -- our apologies, but this will be just as interesting.

3 I want to, first, just introduce the
4 very impressive panel that we have here today.

5 We will be hearing from Billy
6 Huggins, the general manager of WPDE and WWMB
7 in Myrtle Beach and Florence;

8 J.T. McLawhorn, President and CEO of
9 Columbia Urban League;

10 Rich O'Dell, President and general
11 manager of WLTX TV in Columbia;

12 Stefanie Rein -- am I saying that
13 right?

14 MS. REIN: Rein (Rain.)

15 MR. LAKE: -- sorry -- the
16 owner of WKTC and WNXG in Elgin, South
17 Carolina;

18 Donita Todd, Vice-President and
19 general manager of WIS in Columbia;

20 And Barbara Zia, President of The
21 League of Women Voters of South Carolina.

22 So, why don't we -- do you have
23 anything you would like to say before we get
24 started?

25

1 MS. BENNETT: I think this is
2 exciting, having been in television and radio
3 for too many years to mention here in public.

4 I think allowing the community to
5 have input and some understanding of what is
6 going on, even though I have worked in this
7 business for so many years, I have no clue as
8 to what the FCC is really all about.

9 So, this is a learning opportunity
10 for all of us.

11 And I hope that we all have
12 questions that will get answers and will
13 enlighten us and allow us to make better
14 choices.

15 So, it's a great joy for me to be
16 here today.

17 MR. WALDMAN: Thank you.

18 So, with the context that
19 Commissioner Clyburn laid out; that this is
20 both about regulatory issues, but more
21 importantly, how it actually connects to the
22 real world of the media that people are
23 experiencing in their own lives, including the
24 provision of local news and information.

25 Why don't we dive right in.

1 And I think first up, we are
2 going to hear from Billy Huggins, the general
3 manager of WPDE in Myrtle Beach/Florence.

4 MR. HUGGINS: Can everyone hear me?

5 Good afternoon, Commissioners and
6 all, and especially Commissioner Clyburn.

7 We are very excited to have you
8 here.

9 And welcome to Columbia.

10 My name is Billy Huggins, and I'm
11 here on behalf of WPDE TV, the ABC affiliate
12 for Myrtle Beach and Florence viewing area.

13 In addition, we have a local
14 marketing agreement with Sagamore Hill, the owner
15 and operator of WWMB TV-21 which serves the
16 Myrtle Beach/Florence market as a CW
17 affiliate.

18 I'm also currently serving as
19 President-elect of the South Carolina
20 Broadcasters Association.

21 And I'm happy to be here with you to
22 share all the ways we serve our viewers in the
23 Myrtle Beach/Florence communities.

24 We in the Myrtle Beach/Florence area
25 are facing many new and difficult challenges.

1 Our market is small, just 287,000
2 households; and eight, mostly rural, North and
3 South Carolina counties.

4 And our industry is changing in ways
5 we have never seen before.

6 Despite these changes, we
7 continue to shine a needed light on local
8 issues of public concern, participate in and
9 interact with our community, and provide a
10 range of viewing choices for our viewers and
11 audience.

12 For example, on the programming
13 side, we continue to produce four hours of live
14 local news daily;

15 a weekly Sunday morning public
16 affairs program, that we call Carolina This
17 Week, that gives every elected official and
18 every candidate for any local, state, or federal
19 office a free forum to discuss important issues
20 in our community;

21 and more than 60 hours annually of
22 local-interest programming from community
23 events and local debates to high school and/or
24 college sports.

25 We also host monthly programming

1 related call-in sessions in our studio that
2 provide viewers free advice on everything from
3 legal to retirement planning.

4 In fact, this month's topic
5 spotlights the importance of participation in
6 the upcoming 2010 census.

7 In addition, we continue our
8 commitment to the hard-hitting, in-depth
9 investigative reporting on local issues that
10 our viewers expect.

11 In just the last few days, we
12 covered budget issues in Timmonsville;

13 the Myrtle Beach downtown
14 revitalization plan; the upcoming criminal
15 trial of a former Dillon County deputy
16 sheriff;

17 and the return of local Marines from
18 their overseas deployments.

19 We worked to provide these stories
20 to our viewers, not just over our air, but with
21 a popular interactive website we call
22 Carolinalive.com, where our continuous news
23 desk posts and updates stories around the
24 clock.

25 Our local news desks are also

1 committed members of the Myrtle Beach and
2 Florence community and volunteer hundreds of
3 local hours in public service.

4 Our chief meteorologist, Ed
5 Piotrowski, has attended more than 200 public
6 meetings last year to discuss emergency
7 preparation issues with our viewers.

8 Ed and our main anchor, Allison
9 Floyd, volunteer every month in the public
10 schools to talk about the importance of
11 reading, math, and the sciences.

12 Our sports director, Rich
13 Chrampanis, created a scholarship fund now in
14 its 10th year, that provides five local
15 students \$5,000 to attend a South Carolina
16 college.

17 Our long-time Hometown Heroes
18 program has raised thousand of dollars for the
19 Red Cross in counties like Georgetown, Horry,
20 and Williamsburg.

21 We have helped community groups
22 raise tens of thousand of dollars to send area
23 World War II veterans to visit the World War II
24 Memorial and to assist the relief efforts in
25 Haiti.

1 And we air more than 80 public
2 service announcements per day in both English
3 and Spanish.

4 I have attached a list of more than
5 125 PAs we have aired in just the last six
6 months.

7 You will see that nearly all of
8 these are on behalf of a local or state
9 organization.

10 The WPDE and WWMB arrangement is one
11 of the longest running LMA's in the country.

12 And it allows us to provide more
13 local programming and better community
14 service.

15 For example, under this arrangement,
16 WWMB operated as an independent station with no
17 network programming for almost 15 years before
18 we became a CW affiliate.

19 This would have been impossible in a
20 market our size, if WWMB had tried to stand
21 alone.

22 The LMA has also allowed us to
23 provide a 10:00 p.m. news program on WWMB's
24 schedule, and because of the flexibility
25 provided by the LMA, several years ago, we were

1 able to relocate WPDE's main studio from
2 Florence, its community of license, to Conway.

3 Conway is the seat for Horry
4 County -- is the county seat for Horry
5 County, and just 15 miles inland from the
6 rapidly-growing Myrtle Beach.

7 This move has allowed us to be
8 closer to most of our viewers, news makers and
9 local advertisers; and, at the same time, we
10 maintain news and sales staff in Florence to
11 serve the Pee Dee.

12 With the extra channel capacity, we
13 are able to air over 60 ACC and SEC basketball
14 games.

15 During college football season, we
16 air an SEC football game every week -- go
17 Carolina -- and several Coastal Carolina
18 football games.

19 The arrangement also allows Myrtle
20 Beach/Florence viewers to enjoy five different
21 television stations in one of the smallest
22 markets in the country.

23 The LMA allowed us to offer first-
24 rate local service in a time when the business
25 climate in our industry is the worst it's been

1 in decades; and in my career -- forever.

2 We have the money to pay for
3 expensive local programming -- we earn the
4 money, and make the money -- to pay for
5 expensive local programming one way -- by
6 selling ads.

7 By contrast, cable has two revenue
8 streams; they have subscribers and ad sales.

9 And in the case of the Internet
10 sites we compete with, the start-up and
11 distribution costs are close to zero.

12 We have already seen local ad
13 dollars move from broadcast TV to cable and
14 the web.

15 In addition, and unlike us, no FCC
16 rule or law restricts cable channels and
17 websites from combining to enjoy economic
18 efficiency.

19 In many ways, we are competing in
20 this Stargate industry in time with our Happy
21 Days business model.

22 Everyday we are up against hundreds
23 of cable channels, several newspapers and
24 countless website for our viewers' attention.

25 We view new media as an opportunity,

1 as well as the challenge.

2 It lets us reach our viewers and
3 lets our viewers reach us faster and easier
4 than ever before.

5 We have committed to remaining an
6 important part of the Myrtle Beach/Florence
7 community and to the public service
8 responsibilities that go with it.

9 It's great that we are able to talk
10 about these important issues here in this
11 museum, which celebrates the history of our
12 great state.

13 I can't think of a better place to
14 have a conversation about the future of the
15 media in South Carolina.

16 And our media's future is our
17 future.

18 I would be happy to respond to any
19 questions.

20 Once again, thank you very much for
21 coming.

22 MR. WALDMAN: Thank you very much.

23 We are going to go through the whole
24 panel and then come back around to questions.

25 I forgot -- I think we skipped

1 over -- Sherrese Smith is also here on the
2 panel with us.

3 She's legal advisor to the Chairman
4 of the FCC, as well.

5 So, now we would like to hear from
6 J.T. McLawhorn -- am I pronouncing that correct?

7 MR. MC LAWHORN: Good afternoon.

8 MR. WALDMAN: And you are the
9 President of the Urban League?

10 MR. MC LAWHORN: Yes. That's
11 correct.

12 Good afternoon to Commissioner
13 Clyburn.

14 Thank you so very much for hosting this
15 event.

16 This is truly diversity in a forum
17 that transcends not just ethnicity, but culture, too.

18 Quite often when we talk about
19 diversity -- we talk about not only race but
20 ethnicity, too.

21 And for us to have a hearing in
22 Columbia, South Carolina, is a breakthrough.

23 I greet you on behalf of The Urban
24 League.

25 The Urban League is celebrating its

1 100th anniversary.

2 The Urban League, as you may note
3 from the Woodson report, The National Urban
4 League is credited with promoting the history
5 of economic development for African-Americans.

6 So, we certainly support the effort
7 to expand diversity in the broadcasting
8 industry.

9 I want to talk -- I have prepared
10 comments -- about the media and the way
11 African-Americans are portrayed in the media.

12 Most often a community perception is
13 determined by how it is covered by the media.

14 Over the years, The Columbia Urban
15 League has developed a strong relationship with
16 local media, and it implements its mission to
17 promote equal opportunity for the
18 disenfranchised.

19 Although television news reports, in
20 particular, can define a community, in many
21 instances there is a gap in how a community
22 views itself when compared to -- with the
23 media's interpretation. Perceptions portrayed
24 by the media are often not accurate, because
25 the lens used to tell the story aren't always

1 reality focused, but situational, which is not
2 necessarily in sync with the reality of the
3 community.

4 It's not what we see or how we see
5 it, it's what we don't see.

6 Recently, the History Channel
7 carried a story of gangland in Columbia, South
8 Carolina.

9 And it was really interesting,
10 because we live in a community that had no idea
11 this type of gang was going on.

12 So, we didn't see this from our
13 perspective.

14 And when the question was asked:
15 Are only African-Americans in gangs here --
16 because that's how they were depicted on TV --
17 one of the persons in the law enforcement
18 community said: No. We have gangs in every
19 ethnicity in every community.

20 But from the viewer's point, it
21 seemed as if it was only a black situation --
22 we have people in gangs.

23 That's why the media must be
24 especially diligent in seeking stories to help to show a
25 community in its entirety; otherwise, African-Americans

1 and other minorities will continue to be
2 bombarded with seeing themselves portrayed as a
3 culture of worthlessness that is not reflective
4 of the community and its totality.

5 Media outlets have strived and
6 provided fair and balanced coverage; however,
7 there still remains a long way go.

8 People by nature tend to generalize,
9 rather than explore an issue or situation in
10 its entirety; therefore, when most negative
11 stories are reported about particular groups of
12 people, inaccurate assumptions or stereotypes
13 are the result.

14 That's why the media should work
15 extremely hard to counter inaccurate
16 generalization and make a conscious effort to
17 balance their reporting with stories that are
18 positive in nature.

19 The importance of how African-
20 Americans are covered by the media was
21 addressed in 1968 by the President's Commission
22 that studied the cause of inner-city riots.

23 The Kerner Commission report indicated the
24 news
25 media must publish newspaper and produce
26 programs that recognize the existence and

1 activities of the Negro, both as a Negro and as
2 part of the community.

3 It should be a contribution of
4 inestimable importance to race relations in the
5 United States simply to treat ordinary news
6 about Negroes as news of other groups is now
7 treated.

8 In 1996, The Columbia Urban League
9 and its publication Black South Carolina, did a
10 study in which we examined how African-
11 Americans were covered in the news in our
12 marketplace.

13 It's interesting, because Columbia
14 has about -- Columbia has about 40 percent and
15 South Carolina has one-third percent of
16 African-Americans.

17 So, for the media outlet, it
18 shouldn't be difficult to cover stories of
19 African-Americans.

20 What we saw, in essence, according to the
21 authors, there was a lot of negative portrayal
22 of African-Americans.

23 Positive and negative stories were
24 to be expected over time, according to the
25 authors, Ernie Wiggins, Kenneth Campbell, and Sonya

1 Forte Duhe -- journalism professor at the
2 University of South Carolina.

3 They go on to write: A familiar
4 anecdote in the African-American community
5 contends that when blacks do something good,
6 the media are nowhere to be found; but when a
7 shooting or some other problem arises,
8 reporters and cameras ascend upon the
9 community.

10 The anecdote might be exaggerated,
11 but its perception is real in the African-
12 American community.

13 The author also cited a 1992 study
14 that found African-Americans were most likely
15 to be included in network prime news stories
16 than in other categories.

17 More than a decade since The Urban
18 League's examination of television coverage,
19 locally there has been more African-American
20 news anchors than before.

21 The number of African-American
22 reporters have improved but seem to fluctuate
23 and few, if any, African-Americans hold
24 decision-making roles in selecting news stories
25 and editing comments; that is, news directors.

1 Programming focusing on issues
2 relevant to African-Americans in the Midland
3 and the state continue to remain minimal.

4 At the same time, the African-
5 American centered programming that does exist,
6 fails to connect African-Americans with main-
7 stream society.

8 Such news programs should do more to show
9 the interrelationship between the races and
10 their ideals.

11 We contend there has been some
12 progress, but we still fall short in portraying
13 African-Americans as part of the total fabric
14 of our society.

15 Time and time again, it has been
16 shown that television network have unparalleled
17 power to promote social justice; therefore,
18 networks should continuously examine their
19 staffing at all levels and use decisions to
20 insure fair and balanced coverage of the
21 communities they serve.

22 They must understand that diversity
23 goes beyond race and gender.

24 Job candidates, whether white or
25 black, should be vetted for their experiences

1 and comfort level with working with diverse cultures.

2 And there should be an ongoing
3 familiarity with the issues and sensitivity of
4 the communities they serve.

5 With that comes the need of identity
6 and cover issues and stories of relevance to
7 African-Americans with the same attention or
8 aggressiveness as crime stories or other
9 issues, such as education, quality-of-life
10 issues that work to perpetuate negative
11 stereotypes.

12 For example, for ever story that
13 depicts a mostly minority, high-poverty school
14 as failing to meet national and state academic
15 standards, a story could be told about another
16 school with similar socio-economic status that is
17 excelling.

18 Where there are gaps/disparities in
19 academic achievement, health, finances or other
20 quality-of-life issues, there is a person or
21 program that is working to close those gaps.

22 Who is an African-American male
23 entrepreneur who has taken time to mentor
24 minority students?

25 Is there a community that is banding

1 together to fight crime?

2 What programs would help to guide
3 African-Americans as they work to attain the
4 financial stability as their white
5 counterparts?

6 How about covering the school that
7 was referenced in the 2008 edition of The State
8 of Black South Carolina, where culturally-
9 relevant teaching is working to raise the
10 academic success of African-American students.

11 These are some of the stories that
12 can be told -- that are being overlooked.

13 While the public may see more
14 African-American's faces when they turn on their
15 televisions, they may not be aware that behind
16 the scene there is little or no representation
17 at the decision-making table.

18 Coverage and content decision are at
19 the core of how news is presented.

20 The unique perspective that can be
21 given about an African-American needs to be
22 reflected in how a story is presented.

23 More importantly, television
24 stations should examine its decision-making.

25 Given the power of the media that's

1 invested in local television, they must focus
2 on two questions:

3 One, what message do we want to
4 send?

5 And two, what message are we
6 sending?

7 Until those questions are addressed,
8 we will continue to have discussions about the
9 life of fair and comprehensive coverage of the
10 minority community.

11 We also encourage the FCC to call
12 for a national examination of the amount and
13 type of coverage devoted to African-Americans
14 and other minorities, so that the media can
15 enhance its awareness and balance the news
16 coverage.

17 Thank you.

18 MR. WALDMAN: Thank you very much.

19 Next we will hear from Rich O'Dell,
20 the President and general manager of WLTX in
21 Columbia.

22 MR. O'DELL: Good afternoon.

23 My name is Rich O'Dell. I'm
24 President and general manager of WLTX, the
25 Gannett-owned CBS affiliate here in Columbia,

1 South Carolina.

2 I would like to thank the Commission
3 for coming to Columbia today.

4 Commissioner Clyburn, welcome home.

5 And we are very happy that you are
6 here for the discussion -- very important
7 issues facing the broadcast industry.

8 For a little bit of background, I
9 think I have a unique perspective.

10 I have been in the business 40
11 years.

12 I have worked for a variety of
13 owners, from an independent single station UHF
14 operator in the early seventies, through group
15 operators, including a network O&O and now
16 Gannett.

17 When I started in this business, all
18 news video was shot on film.

19 Cable was merely a transmission
20 platform.

21 There was no home video. There were
22 no computers. Nobody had the Internet. There
23 was no satellite TV. There was no Fox. There
24 were no cell phones. No Facebook, and no
25 Twitter.

1 People wanting information after the
2 morning paper was published, tuned in to the
3 local TV station that evening at six or 11
4 o'clock to find out what happened during the
5 day.

6 As a side note, this is exactly the
7 time when the current media ownership rules
8 were being written.

9 Fast forward now to 2010. We find a
10 completely different landscape.

11 The advancement in technology in
12 recent years has dramatically altered the business.

13 And today we find ourselves dealing
14 with a permanent reset of the operations.

15 The business once concentrated in
16 television, radio, newspapers -- has now
17 exploded.

18 And instead of a few content voices,
19 there are now millions of voices.

20 In fact, everyone with a computer or
21 cell phone has a voice and can be heard.

22 Some of the most influential voices
23 don't come from traditional media at all, but
24 from political blogs, tweets and Facebook
25 posts.

1 This new flood of information
2 sources has fractionalized the information-
3 seeking audience.

4 Advertising, which is the life blood
5 of commercial media, used to be concentrated in
6 traditional newspapers, television, radio,
7 magazines, and billboards.

8 Today, those same dollars are being
9 split among hundreds of entities that didn't
10 exist ten years ago.

11 While I believe television is still
12 the absolute best advertising medium in the
13 country, the share of total advertising pie has
14 diminished.

15 Couple that with the economics of
16 the past two years, and the structure of all
17 broadcast operations in the United States has
18 been permanently altered.

19 Very difficult decisions have been
20 made at every station, and priorities have been
21 called into question.

22 While the platforms we use to
23 deliver news and information have expanded
24 greatly, the one thing that hasn't changed is
25 our commitment to our community and our

1 commitment to deliver vital information to the
2 people we serve.

3 In fact, the new platforms we are
4 using have a real benefit to the community,
5 because information is now available to
6 consumers whenever they want it, 24/7, and it's
7 available in the format that they choose.

8 In fact, my 81-year-old father
9 doesn't stay up to watch the late news but does
10 get his updates online.

11 At WLTX in Columbia, we produce 28
12 and a half hours of news per week.

13 And it features realtime closed
14 captioning.

15 Two weeks ago when Columbia got 8.6
16 inches of snow, the most we had seen in over 30
17 years, our people jumped into action, providing
18 ongoing reports for the community, through an
19 additional six hours of nonstop programming.

20 Our heavy community involvement
21 includes our On Your Side efforts.

22 We receive a tremendous number of
23 phone calls every week asking for our help in
24 solving problems like dealing with contractor
25 scams, local disaster relief and getting action

1 from various agencies.

2 Our weekly Restaurant Report Card,
3 which has been on the air for ten years, is
4 accredited by state officials for helping make
5 local restaurants much safer.

6 Our community involvement includes
7 major projects such as our E-recycling day,
8 where last year almost 100,000 pounds of old
9 electronic equipment, and 50,000 pounds of
10 tires were collected.

11 Our Hero Central food drive netted
12 40 tons of food.

13 A diaper drive benefiting
14 underprivileged moms collected over 100,000
15 diapers.

16 And our annual Stuff A Bus program
17 made the holiday season much brighter for 8,000
18 children in the Columbia area in December.

19 WLTX is Columbia's original Crime
20 Stopper station, assisting law enforcement
21 agencies to encourage citizens to come forward
22 with information that helps apprehend
23 criminals, and it's very successful.

24 At WLTX, we make good use of our
25 secondary digital channels.

1 Beginning in 2004, we were one of
2 the original stations in the country to utilize
3 digital channels to broadcast all games of
4 March Madness, the NCAA Tournament.

5 Since then, we've created a local 24/7
6 weather channel and used an additional channel
7 to broadcast community events, such as
8 political debates, town hall meetings, sports,
9 special programming dealing with everything
10 from race relations to teen problems.

11 I am very proud of our efforts here
12 in South Carolina to create what I believe to
13 be the most effective Amber Alert program in
14 the country.

15 Back in 2002, I was part of a
16 committee of broadcasters who came together
17 with law enforcement to design and implement a
18 strong statewide Amber Alert program.

19 And to date, we have activated the
20 alert 36 times, and 44 children have been
21 returned home safely.

22 As you can see, even though the
23 structure of our business has been permanently
24 altered, our underlying commitment to the
25 community stands tall.

1 But all that community service does
2 not generate revenue.

3 It does not pay for the salaries of
4 the people who are in the trenches making it
5 happen.

6 We do it because we believe it's our
7 responsibility.

8 It's our duty to the community we
9 serve.

10 But I must say, as our business gets
11 tighter, and stations are forced to make more
12 difficult decisions, those community service
13 efforts that we all value so highly, may not
14 happen as often as we like; and in some cases,
15 could disappeared altogether.

16 Look at what's happening around the
17 country.

18 A number of stations have stopped
19 doing local news altogether, based on financial
20 considerations.

21 Some newspapers, in both large and
22 small cities, have ceased to exist.

23 This workshop today is meant to
24 discuss media ownership.

25 And it asks whether the rules

1 currently in place serve the needs of both the
2 public and broadcasters.

3 Let me take you back to that visual
4 of the early seventies that I discussed earlier
5 at the beginning of my remarks.

6 Now look at today. In those 35
7 years, we have witnessed the most profound
8 transformation any business could imagine.

9 Unfortunately, the rules governing
10 the business have not changed -- and are
11 outdated.

12 Assumptions made, and some rules
13 written based on 1960s and 1970s realities, are
14 just not valid today.

15 For example, the eight-voices rule
16 is not suitable in a world of 1,000 voices.

17 The TV/newspaper cross-ownership
18 rule now hinders the kind of programming and
19 information developed in the public interest
20 that the FCC is seeking.

21 Imagine, if one of those struggling
22 newspapers I spoke of earlier had been allowed
23 to be owned by the same company that owned a
24 local television station, the paper probably
25 could have been saved, and together they could

1 have continued with an even stronger service to
2 the local community.

3 Now, today, as audiences continue to
4 divide and advertising revenues continue to
5 split, broadcasters may be faced with a harsh
6 reality of cutting back some services.

7 None of us in this room wants that
8 to happen, and that's why we are here today.

9 I believe this is absolutely the
10 right time to revisit ownership rules.

11 I applaud the Commission for coming
12 to Columbia to continue the process.

13 Thank you very much for giving me
14 this opportunity to speak.

15 MR. WALDMAN: Thank you very much.

16 Next, we will hear from Stefanie
17 Rein, owner of WKTC and WNXG in Elgin, South
18 Carolina.

19 MS. REIN: Thank you.

20 Good afternoon, Commission Clyburn.

21 Thank you so much for being here.

22 It's great to be a part of this workshop
23 today.

24 My name is Stefanie Rein, and I'm the
25 owner and general manager of WKTC-My63 and

1 WNXG-Telemundo67 here in Columbia.

2 With change comes opportunity.

3 That's been a motto of our stations
4 for the past five years.

5 I would like to share a little bit
6 about the story of our stations that's taken
7 place over the past several years.

8 I moved to Columbia in 2003 to
9 become the general manager of Channel 63, which
10 at that time, was a WB affiliate.

11 It was an underperforming station
12 that came with many challenges, but with each
13 small change we began to see ourselves emerge
14 as a competitor.

15 In 2005, I had the privilege of
16 buying that station. And ownership came with a
17 whole new set of challenges.

18 In 2006, we went through what could
19 only be called the perfect storm, beginning with
20 losing our WB affiliation three months after we
21 closed on the sale due to the WB network
22 ceasing operation.

23 With our network affiliation in
24 question, national advertisers began to jump
25 ship, and while our advertising revenues were

1 declining, we were still under the FCC deadline
2 to build out our digital facility, which was not a cheap
3 undertaking.

4 We became a My Network TV affiliate;
5 but, unfortunately, during our first ratings
6 period in November, 2006, we dropped below
7 Nielsen Media's reportability minimum and were
8 left out of the next four ratings books.

9 Just when we hoped things might turn
10 around, the economy started to decline, and our ad revenues
11 dropped even further.

12 Things looked very bleak for the station.

13 It was time for us to change course.

14 While the station began to go through a
15 rebuilding process, we focused a large part of
16 our effort on our local community presence and
17 began to base the station's reputation on our
18 community outreach.

19 We aligned ourselves with charitable
20 organizations in the community that we could
21 partner with to make a difference for the
22 people of Columbia, in addition to helping the
23 station build a stronger image.

24 Most of the partnerships were
25 designed for the charities to raise money and

1

2 included both on-air promotion and station
3 representation at the event.

4

5 For example, we sponsored a
6 motorcycle ride and rally for Camp Chemo - a summer
7 camp for children with cancer.

8

9 We also co-sponsored golf
10 tournaments for The Make a Wish Foundation and
11 Pets, Inc.

12

13 Some relationships were simply to
14 give to the less fortunate and had no real
15 impact or benefit for the station, such as our
16 relationship with the Carolina Children's Home.

17

18 Since money is tight and cash
19 sponsorships are nearly impossible for us to
20 accommodate, we would donate tickets to events
21 in Columbia, like the circus, Disney on Ice and
22 Sesame Street Live, so that they could take the
23 residents of the children's home to events that they
24 might not otherwise get a chance to see.

25

26 However, no partnership has meant
27 more to us than our relationship with the
28 Volunteers of America -- Carolinas
29 organization.

30

31 WKTC was the first, long-term media

1 partner they had been associated with, and we
2
3 were able to help them get some much-needed
4 visibility for their programs, such as
5 Children's Garden and Rolling Readers, and to
6 partner with them on some of the outstanding cross-
7 promotional ventures.

8 Over the past several years, during
9 the holiday season, Volunteers of America has
10 sponsored an entire evening of holiday
11 programming, such as Miracle on 34th Street.

12 They had all the local ad time, and
13 we helped create special vignettes highlighting
14 the services VOA Carolinas offered, such as
15 Children's Garden -- a day-care center for
16 children whose parents are homeless or in
17 crisis, low-cost housing for the disabled and
18 elderly, and Willow Pond, a battered women's
19 shelter.

20 The first year we tried this, they
21 had an amazing response.

22 I received a call from the President
23 of VOA Carolinas the day after it aired, and he
24 said the phones never stopped ringing, and they
25 even received a call from a woman who lives in

1 Canada but had been in Columbia seeing her family
2 for the holidays and said after seeing the
3 vignettes for Children's Garden, she felt
4 compelled to call and offer her support.

5 In 2007, I had the opportunity to
6 acquire Channel 67, a Low Power station here in
7 Columbia.

8 The original plan had been to use it
9 as a translator of Channel 63.

10 However, we began to notice in Columbia that
11 there was a need for Spanish-
12 language television.

13 After doing some initial research on
14 the Hispanic market in Columbia, I approached
15 Telemundo about an affiliation agreement.

16 And in August 2007, we launched
17 WNXG, the first Telemundo affiliate in the
18 State of South Carolina.

19 In September 2009, Telemundo was
20 added to WKTC's sub-channel 63.2, allowing it
21 to now cover the entire market.

22 With the addition of WNXG, it gave
23 us the opportunity to increase our revenue
24 stream and presented us with a chance to touch
25 an entirely new audience.

1 After launching our digital signal,
2 WKTC became a much stronger competitor.

3 Our digital coverage nearly doubled
4 that of our analog.

5 And overnight, we had a brand new
6 audience who had never seen or heard of WKTC.

7 Because of our new signal pattern,
8 and the additional opportunities presented with
9 broadcasting digitally, we jumped at the chance
10 to add new programming to our sub-channels.

11 We currently broadcast WKTC on 63.1;
12 Telemundo on 63.2; and Retro TV on 63.3

13 A station that only a short time ago
14 before barely had one revenue stream, now has
15 three strong, viable revenue
16 streams.

17 There will never be a replacement
18 for local broadcasting.

19 While the audience has become more
20 fragmented, a trend which is more than likely
21 permanent, there is still a feeling of comfort
22 to have a hometown station.

23 Viewers want to feel that they are a part of
24 something and have a sense that our station is
25 their station.

1 As the only locally-owned and
2 operated TV station in Columbia, we
3 take our commitment to community very
4 seriously.

5 In addition to our outreach efforts,
6 we also put a tremendous emphasis in our
7 on-air efforts.

8 Each year WKTC and WNXG run public
9 service announcements for a variety of local,
10 national, and international causes.

11 This translates into tens of
12 thousands of dollars in inventory.

13 PSAs are placed in all dayparts,
14 including prime, allowing for greater
15 audience composition.

16 While we do not have an in-house
17 production staff for things other than
18 commercial production, we strive to include
19 local issue and public service programs as
20 often as possible.

21 For nearly two years, we had a
22 weekly program called Teen Forum on the air
23 on the weekends.

24 Teen Forum was a locally produced
25 show by teens, for teens.

1 A group of young people would go to
2 different high schools in Columbia and the
3 surrounding area, and in a school-assembly
4 format, would debate issues such as abstinence
5 and underage drinking with a group of their
6 peers.

7 WKTC also airs socially mindful
8 programming such as those dealing with living a
9 green lifestyle, heart healthy initiatives --
10 such as the Go Red for Women heart series.

11 And for the past seven years, we
12 have aired a show called Missing -- a 30-minute
13 program highlighting missing children and adults
14 from across the country.

15 In addition, WKTC dedicates
16 half of its prime-time inventory solely to
17 local businesses.

18 Perhaps it's because WKTC is
19 viewed as somewhat of a small business that
20 I want to help small businesses locally
21 survive.

22 Many small businesses I have
23 spoken with have stayed away from television
24 advertising because of what they perceive to be
25 a form of advertising that is just way too

1 expensive for them to even consider.

2 That's why we have put together an
3 advertising practice that half of our most
4 sought-after time slots will go to local
5 advertisers at rates which are affordable and
6 allows them to purchase greater frequency in
7 order to capture a larger audience.

8 A local advertiser will never be
9 preempted for a national advertiser; that is
10 our commitment to them.

11 Things are beginning to turn around
12 for the station.

13 We are seeing our best first quarter
14 in several years, our ratings are up, and there
15 is a lot to be optimistic about.

16 However, there's always going to be
17 challenges.

18 Quite often, as a single station
19 owner, I feel as if I am playing a rich man's
20 game with no money.

21 Every day stations like WKTC face
22 the task of competing against the other
23 stations in the market, all owned by large
24 corporations.

1 The existing media ownership rules
2 allow for at least somewhat of an even playing
3 field.

4 Had the media ownership rules been
5 relaxed a few years ago, it is very possible I
6 would never have realized my dream of owning my
7 own TV station.

8 I am all for free enterprise, but I
9 worry that rolling back the ownership rules
10 will make the single station owners a thing of
11 the past.

12 I believe we need more diversity in
13 media ownership.

14 Women and minorities make up a very,
15 very small portion of TV and radio
16 station ownership.

17 Why is that?

18 The NAB, The NAB Educational Foundation,
19 and the FCC all support tax certificates as a way to
20 increase ownership and that's just one way that can
21 assist in creating more diversity.

22 This year I was fortunate enough to
23 be selected for the NAB Educational
24 Foundation's Broadcast Leadership Training
25 Program.

1 It is an intensive ten-month
2 training workshop designed for senior-level
3 broadcast managers looking to advance their
4 career as group executives or station owners.

5 It encourages diversity in
6 broadcasting and takes a step-by-step
7 approach on how to construct an
8 acquisition.

9 I am in the class with 12
10 outstanding leaders in all facets of the media
11 who are looking for their chance to break into
12 station ownership.

13 Each person comes from a very
14 different background and has unique skill sets,
15 and because of the thorough training we are
16 receiving, I have no doubt that we will see many
17 new owners emerge from this class.

18 In closing, consolidation
19 I don't believe is the answer; I believe
20 innovation is the answer.

21 While television stations
22 today definitely need to think outside the
23 box for new programming and revenue strategies
24 in order to be profitable, it should not
25 come at the expense of competition and

1 potentially squeezing out women, minority
2 and single-station owners.

3 Thank you for allowing me the
4 opportunity to be here.

5 MR. WALDMAN: Thank you very much.

6 Next we will hear from Donita Todd,
7 the Vice-President and general manager of WIS
8 Television in Columbia, South Carolina.

9 MS. TODD: Thank you.

10 And good afternoon to everyone.

11 Commissioner Clyburn, we are glad
12 you are back here in Columbia with us.

13 My name is Donita Todd.

14 I'm privileged to be the Vice-
15 President and general manager of the NBC
16 affiliate, WIS-TV, right here in Columbia,
17 South Carolina.

18 WIS is an important part of our
19 community, having served the Midlands for over
20 half a century.

21 We are part of the Raycom Media
22 Group which owns or manages 44 television
23 stations.

24 It is an honor for me today to share
25 with you my experiences as leader of our

1 dedicated and hard-working team of broadcasters
2 at WIS.

3 The past few years have been a
4 period of unprecedented change in the
5 broadcasting world.

6 The pace of change has continued to
7 accelerate as -- just as the economic basis
8 underlying our business has become more
9 fragile.

10 But we continue to focus on our core
11 mission of responsible local journalism and
12 enthusiastic community service.

13 Let me give you just one example to
14 set the stage:

15 Just like everyone in this room, we
16 were shocked at the devastation in Haiti.

17 As soon as the disaster hit, we
18 partnered with our local branch of the American
19 Red Cross to do what we could do to help.

20 We ran live phone banks during our
21 newscasts, provided live remote coverage of
22 fund-raising efforts and concerts, and we
23 worked with the Red Cross to give its efforts
24 the visibility they needed to succeed.

25 In one week, together, we raised

1 more than \$200,000 for those relief efforts.

2 The generosity of the Columbia
3 community was overwhelming during that week.

4 But it didn't surprise us. We see
5 it when we launch our annual blood drive, which
6 we have done for the past eight years.

7 We see it on our signature community
8 effort, the Families Helping Families program,
9 in which WIS and the Palmetto Project helped
10 more than 1,600 families this holiday season.

11 At WIS, we thrive on being a central
12 part of our community.

13 One of our greatest and most unique
14 contributions to the life of our community is
15 the emergency journalism that we practice on a
16 daily basis.

17 Our work involves not only important
18 emergency alerts, but in-depth news and
19 informational coverage that not only alerts our
20 viewers to emergencies, but gives them the
21 crucial information necessary in these times of
22 need.

23 When we were recently hit with the
24 largest snowfall in decades, locally we were

1 calling it "Snowmageddon," perhaps less than
2 the DC storm, but massive disruption by
3 Carolina standards, we launch a full-court
4 press that provided our viewers with the
5 actionable information that they needed to deal
6 with this emergency.

7 We used all of the resources of the
8 Raycom South Carolina stations to provide a
9 state-wide network of information.

10 We provided this comprehensive
11 coverage not only on our television channel,
12 but on our blogs, our mobile site and website.

13 As a matter of fact, we had more
14 than 500,000 page views that first day on
15 WISTV.com.

16 This is a role that is central to
17 us.

18 And it's a role where television
19 broadcasting is uniquely suited to serve our
20 communities.

21 You have asked us to focus on the
22 changes that have impacted our industry.

23 Well, broadcasting is a very
24 different business than it was just a few years
25 ago.

1 Where we once considered our goal to
2 be broadcasting, we now consider it to be
3 content casting.

4 We are using every new digital
5 medium that we can to reach our viewers
6 whenever, wherever and on whatever device they
7 want to use.

8 I invite you to visit WIS's Facebook
9 page -- and we love to have you as a fan -- or
10 you could follow us on Twitter or check out our
11 iPhone application or sign up for WIS alerts on
12 your cell phone, or come to our website and
13 comment on a story, or perhaps one of my
14 editorials, or participate in a blog.

15 Or better yet, do what many of our
16 viewers do, which is all of the above.

17 Our journalists are publishing not
18 only on television, but on multiple media to
19 many different types of audiences.

20 And our audiences are engaging us in
21 a two-way conversation.

22 Just as we are working harder than
23 ever to disseminate news, information and
24 entertainment to the Midlands, building the
25 advertising base that we rely on to fund those

1 efforts, has become more challenging.

2 Some of this change is cyclical, to
3 be sure, and we are optimistic about our
4 prospects as the economy improves.

5 But some of the change is more
6 fundamental.

7 Our industry is becoming more
8 competitive in many, many ways.

9 Not only do we compete with other
10 television stations to sell advertising, we
11 compete with local and national Internet sites,
12 with local and national cable television
13 channels, with radio, with newspapers and their
14 websites, with outdoor advertising and with an
15 array of new technologies.

16 We thrive on competition, and we
17 expect that the new digital economy means that we
18 will have new competitors emerging constantly.

19 We do hope that your rules and
20 policies take account of the new competitive
21 arena in which we operate.

22 If your ownership rules assume that
23 we just compete with other broadcasters, please
24 take account of our new reality.

25 We could benefit from increased

1 flexibility to structure our ownership, as we
2 do compete with new, completely unregulated
3 competitors.

4 We need to find new ways to continue
5 to fund the local journalism that is so central
6 to our mission.

7 Even as we tighten our belts at WIS
8 and downsize our budgets, we are working hard
9 to continue the amount and the quality of local
10 journalism that we bring to Columbia.

11 Even with so many outlets for
12 opinions and information, our journalism
13 matters.

14 We recently aired an investigative
15 report on fire safety that was triggered by an
16 anonymous tip to one of our journalists about
17 fire-safety violations; that led us to a deep
18 investigation of the fire inspection process
19 and possible malfeasance by those in charge of
20 that process.

21 As the investigation went on, the
22 fire chief resigned and fire safety issues at a
23 major local college were resolved.

24 Local journalism done by local
25 journalists who care about the community,

1 simply matters.

2 We are working hard to continue our
3 tradition of that community service.

4 We applaud your attention to our
5 efforts and your attention to our local issues,
6 as you can consider reforming your rules and
7 policies.

8 It means a lot to us that you have
9 come to Columbia.

10 And we hope that this fact-finding
11 effort is productive for you and your staff.

12 I appreciate the chance to talk to
13 all of you today.

14 And, again, I would be happy also to
15 respond to any questions you may have.

16 MR. WALDMAN: Thank you very much.

17 Finally, we will hear from
18 Dr. Barbara Zia, the President of the League of Women Voters
19 of South Carolina.

20 MS. ZIA: Good afternoon.

21 And thanks to the Commission for
22 inviting the League of Women Voters to take
23 part in discussing a topic that is of great
24 important to the League and to all the citizens
25 of South Carolina.

1 The mission of the League is to
2 encourage the informed and active participation
3 of citizens in their government.

4 But in order to become informed, we
5 citizens have the right to be informed about
6 public policy issues facing us, as well as the
7 views of candidates among whom we will be
8 choosing in an election on those issues.

9 The ability of candidates to
10 communicate their views, and of the voting
11 public to understand these positions, is basic
12 to our democracy.

13 Our nation's airwaves are critical
14 to making that happen.

15 In most phrases or sentences, it is
16 the nouns that are the key words.

17 In this case, however, the
18 adjectives used are of equal importance.

19 It is our democracy, and they are
20 our airwaves.

21 We in the League hear over and over
22 from citizens that they are hungry for unbiased
23 information about where candidates stand on the
24 issues.

25 They want more than the expensive

1 and oh-so-brief pieces of information that
2 appear in 15- or 30-seconds spots that air on
3 television.

4 This touches on a significant
5 problem relating to the ability of candidates
6 to share their views with the voting public,
7 including the extraordinary costs associated
8 with candidate communication.

9 Television is the major vehicle most
10 Americans rely on for information.

11 But the skyrocketing costs for
12 candidates to use that medium are a barrier to
13 complete participation in the democratic
14 process.

15 Those without large war chests are
16 at a significant disadvantage.

17 And this disadvantage impacts
18 everyone considering a run for public office,
19 because of the huge sums of money required to
20 do so.

21 So, what impact does this have?

22 South Carolina ranks 50th nationally
23 in the number of women elected to state or
24 federal office.

25 The League is involved with programs

1 that teach the practical skills necessary for
2 women to run for office.

3 And what is the topic identified by
4 these women as being the biggest concern about
5 taking on a campaign for office?

6 It's the cost of the campaign and
7 the need, therefore, for them to spend an
8 inordinate amount of time in fund-raising.

9 In South Carolina, television
10 networks play a major role in creating space
11 for political discourse among candidates and
12 citizens.

13 In a state with a large rural
14 population, along with high levels of poverty
15 and unemployment, a large percentage of our
16 citizens rely on television networks for all
17 their news and information.

18 In fact, only about 63 percent of
19 people in our state have Internet access at
20 home.

21 That's the third lowest rate in the
22 nation.

23 Another projected 1.8 million households
24 in South Carolina in 2010, only about
25 half are cable television subscribers.

1 At the same time, readership is --
2 declining readership is forcing some South
3 Carolina newspapers to cut their newsroom jobs.

4 Although cable television and the
5 Internet have made major inroads in our state,
6 and many of us continue to depend on newspapers
7 for our information, we recognize that they do
8 not yet play the same role as the television
9 networks in reaching the broadest spectrum of
10 citizens.

11 Television and radio networks have
12 been, and continue to be, partners of the
13 League of Women Voters as we conduct public
14 forums and candidate debates throughout our
15 state.

16 We know from experience how critical
17 the networks are to informing the electorate.

18 And our research has shown that lack
19 of information is a barrier to voting.

20 Citizens tell us sometimes they
21 don't feel they are informed enough to make the
22 right decision.

23 They don't vote for fear of
24 quote/unquote making the wrong decision.

25 The League supports the requirement

1 for broadcasters to offer free air time that
2 includes ads to qualifying candidates,
3 particularly in the context of public financing
4 of campaigns, as well as providing free air
5 time for debates, interviews, issue statements
6 and candidate profiles in the weeks leading up
7 to elections.

8 This would open the political
9 process to more candidates, provide citizens
10 with more choices, more information, more power
11 and reduce the role of special-interest money
12 in politics.

13 Free air time for qualified
14 candidates is a reality in democracies around
15 the world -- with the exception of the United
16 States.

17 The League of Women Voters has no
18 position on media ownership per se; however, we
19 are concerned about the dismally low levels of
20 television station ownership by women and
21 minorities.

22 At the same time, we in the League
23 believe that television networks are our
24 partners in making democracy work in South
25 Carolina.

1 Increasing citizen access to our
2 democratic processes, is a League issue, it's a
3 citizen's issue, and it's a broadcasters issue.

4 Thank you very much.

5 MR. WALDMAN: Thank you very much
6 for all your our outstanding statements.

7 We will now have some questions from
8 PA, from the staff at the FCC, and then we will
9 open it up to questions from the audience.

10 Would you like to begin, Sherrese?

11 MS. SMITH: Sure.

12 A lot of you talked already about --
13 kind of the state of the marketplace --

14 And I would like to really talk a
15 little bit more about that.

16 One of the issues that we are seeing
17 is whether the Internet is truly a replacement
18 for broadcasting;

19 or whether it is really fragmenting
20 news coverage and other things, such that it
21 should be considered a replacement.

22 And I wanted to hear a little bit
23 more from you all about that -- about the
24 impact of the Internet on -- kind of -- your
25 businesses.

1 MS. TODD: Well, I personally don't
2 believe that the Internet is taking anything
3 away. Actually, it's an enhancement.

4 And, you know, as content providers,
5 we are making the effort to, you know, make
6 sure that our information, whether it's news or
7 emergency information, is available to everyone
8 on a platform that they want.

9 I mean, we are an on-demand society.

10 So, it's another extension of our
11 core product, which is our television station.

12 But we must provide that
13 information, you know, on the platforms that
14 the content user is looking to get that
15 information.

16 So, I'm not sure that it's taking
17 anything away rather than enhancing the
18 content.

19 MR. O'DELL: I don't think it is a
20 replacement at all, I think that it's more
21 fragmentation.

22 One of the things we are talking
23 about is also generational.

24 You take any high school student and
25 college student and ask them: Do they take the

1 morning paper today?

2 The answer is: No, they didn't.

3 How do they get their news?

4 Well, they may not even know.

5 Television is part of it, but the
6 Internet is certainly a huge part of it.

7 They are getting their news from --
8 hopefully -- WLTX.com.

9 But they are also getting it from
10 Google, from Yahoo, from their friends on Facebook
11 who have tagged or grabbed a link from
12 somewhere, and they have seen it that
13 way.

14 They are probably the most informed
15 generation that we have ever seen, but they are
16 getting it from so many different sources.

17 MS. SMITH: Okay.

18 MR. BENNETT: You talked about --
19 all of you, station managers and owners -- you
20 talked about the Internet for information
21 dissemination, but is it also a source of
22 income for you?

23 Television is a business. Has it
24 enhanced your income stream at all?

25 MS. TODD: I would say that a few

1 years ago the Internet -- we all used it
2 certainly as a promotional platform for our
3 core product -- but, you know, now we have
4 learned how to monetize the Internet.

5 It certainly is a very small
6 percentage of our overall revenue, but it's a
7 true revenue stream now.

8 And, again, we are trying to educate
9 advertisers, as well, to the value of it;
10 whereas, you know, in the past, I would say
11 five or ten years ago, it was pretty much a
12 value-added proposition.

13 Today it has real value, and there
14 are advertising opportunities.

15 And I think every advertiser or
16 media buyer or agency person is thinking about
17 it, certainly as an advertising venue.

18 So, we need to present -- and we
19 can't disregard mobile -- mobile is becoming
20 really huge.

21 And so, you know, every advertising
22 opportunity we present needs to have an on-air
23 component, an on-line component, as well as
24 pretty much a mobile component.

25 So, yeah.

1 It's a revenue stream. It's a small
2 revenue stream, but it's continuing to grow.

3 MR. WALDMAN: In terms of the actual
4 ad rates, I know that it's apples and oranges
5 to compare with the way rates are calculated online
6 versus on air.

7 In the newspaper business, there is
8 a little bit of a saying now that: Dollars are
9 being exchanged for dimes on the Internet.

10 What is the version of that for your
11 station?

12 MS. TODD: Well, I think it's still
13 an impressions-type buy.

14 We have gone from, you know, selling
15 a banner ad, just as an exposure, to actually
16 using metrics that are very measurable.

17 There are a lot of companies now
18 that measure the number of people that come to
19 your website;

20 the number of impressions generated
21 by an ad;

22 the number of -- what we call click
23 throughs, you know, where we can generate leads
24 to that advertiser through their advertising on
25 our website -- people can then link into theirs,

1 which generates real people into their boat.

2 So --

3 MR. WALDMAN: What are the rates
4 that you are able to secure for an online
5 visitor versus an on-air person in terms of
6 the --

7 MS. TODD: Well, the rates are much
8 lower than on-air rates.

9 But I'm not real comfortable talking
10 about rates, specifically.

11 MR. WALDMAN: I mean, in terms of --
12 not the actual numbers, but the online,
13 relative to the TV.

14 MS. TODD: Let me say it's a
15 fraction of on-air.

16 MR. WALDMAN: Okay.

17 I had a question for Mr. O'Dell --
18 or for anyone else who wants to chime in --

19 A number of you have said that you
20 have the strong desire to do local news and
21 information reporting, but you had financial
22 constraints, and had the hope that if the ownership rules
23 were looser that you would have a little more
24 flexibility.

25 Could you go into a little bit more

1 detail about -- what would a scenario look like
2 where, in your view, in your own station, where
3 relaxation of an ownership -- of the ownership
4 rules would enable you to do more or better
5 local news coverage?

6 MR. O'DELL: I'm not sure if my
7 station is the example, because I'm right now
8 doing a tremendous amount of local news, but I
9 can give you some examples around the country.

10 Our company owns a couple of places
11 where we have duopolies.

12 And where a station that we have
13 picked up as a secondary station, didn't do any
14 local news at all, they are now providing local
15 news service.

16 In fact, they are doing quite a bit
17 of local news service.

18 That's the kind of thing -- if we
19 are able to own more than one station in the
20 market, or, for example, the example I gave of
21 newspaper cross-ownership, newspapers, as you
22 know, are in trouble.

23 If we were able to own a newspaper
24 and a television station in the same market, I
25 think we could create something that would be

1 stronger and give the local community so much
2 more in-depth.

3 MS. SMITH: Can I ask a follow-up
4 question to that?

5 You talked about having shared
6 services agreement. I think a couple of you
7 may have mentioned that.

8 And I'm interested in how that plays
9 into kind of the ownership rules in general.

10 If you do have a shared services
11 agreement or an LMA that's working, does that
12 almost replace the need for a modification in
13 the ownership rules?

14 Or are you saying that you still
15 should be allowed to own more or do more, and
16 the services agreements don't necessarily help
17 for the bigger issue?

18 I would love to hear more that about
19 that.

20 MR. HUGGINS: Well, they do help.

21 Beginning in our market, as we were
22 talking about WWMB, because I was involved from
23 the very beginning.

24 And I knew the individuals that had
25 the license that were working so diligently to

1 put that station on the air.

2 And they had come to their last
3 extension with the FCC -- there was just no way
4 to get any capital together to fund it.

5 You got to realize at that time in
6 our market, the total advertising expenditures
7 trying to support four TV stations if that one
8 had signed on was about \$12 million.

9 And if there wasn't even enough revenue
10 projection there to pay the power bill.

11 When you laid it all out, it
12 wouldn't work.

13 And what it allowed us to do was to
14 say: Okay. If we take our resources, and you
15 are still going to own it -- and they have been
16 very active all along in, you know, how we
17 programmed it -- I mean, literally, they were
18 laughing at the beginning -- and for those of
19 you from the beach and knew one of the original
20 licensees down there, he said: I want TV down
21 here so bad, we will just call it "Fish TV." I'll put
22 up an aquarium, if you can help me get the
23 picture on the air.

24 The expense was getting the
25 equipment in place to transmit the picture.

1 And he said: I think people want
2 more content -- and they do.

3 But ours is an example, you know, I
4 can't comment on the - on going into ownership.

5 I know that the fees that are
6 involved in ours, and there are additional fees
7 when you have -- in our situation, like an
8 LMA -- and for those of you, my joke has
9 always been that: LMA, which is called a local
10 marketing agreement, stands for lots of money
11 for attorneys -- nothing against the attorneys
12 here --

13 VOICE: Thank you.

14 MR. HUGGINS: The expense in going
15 through that system to get it in place is a
16 great deal. And it's a great deal of expense
17 to maintain the reporting of everything we do.

18 But ours is an example of where a
19 shared services agreement, time brokerage agreement, LMA,
20 clearly has worked.

21 And we were the first one ever built
22 from a start-up. That's how far we go back.

23 But the FCC at the time looked at it
24 and said: If we don't allow these guys to pool
25 resources in that small market, that channel

1 will go away.

2 But we are an example of where it
3 did work.

4 MR. LAKE: I would like any
5 of the panelists to give me your views on this
6 question; that -- obviously, it's been
7 different economic times for broadcasting
8 stations.

9 I wonder if you -- after you look
10 forward five years -- are we in a -- more of a
11 cyclical downturn?

12 Or do you see permanent trends that
13 will challenge the broadcasting business model
14 on a long-term basis?

15 MR. O'DELL: I personally think -- I
16 called it in my remarks -- a permanent reset, I
17 believe that.

18 All these voices, all these -- the new
19 media is not going away.

20 It's going to stay, and it's going
21 to get even bigger.

22 So, the advertising pie is going to
23 get split even more.

24 When you take a look at the
25 advertising revenues -- a number of things that

1 we relied on have been consolidated themselves.

2 Take the auto industry, for example,
3 things like that.

4 It's not ever going to come back the
5 way it was.

6 So, we believe it's a permanent
7 reset.

8 MS. SMITH: Other views? Thoughts?

9 MS. REIN: We have seen just -- I
10 guess maybe just because we are such a small --
11 much smaller than some of the other stations --
12 that we have started to see some things turn
13 around for us, just because we had seen a lot
14 of it at the beginning, when the economy
15 started to go down.

16 And we lost a bunch all of a
17 sudden.

18 And so, we are starting to see a few
19 things come back.

20 But that was kind of really the
21 reason that we decided to put other programming
22 on the sub-channels, because we could develop
23 some other programming revenue in different
24 ways.

25 And so, the multi-casting for us has

1 been the biggest way that we can, you know, get
2 a little bit different revenue streams
3 going and with the Spanish language, as well.

4 MR. BENNETT: I'm wondering, is it
5 cost effective and money making to do the news
6 and public affairs programming to the point that
7 you don't ever see that going away in the
8 stations like WIS and WLTX?

9 Or do you see sometime in the future
10 where you'll say: Well, this is just not
11 worth to it us, and we are not doing any more
12 local programming.

13 MR. O'DELL: We are committed to
14 local news. No doubt about it.

15 We restructured the station to make
16 it possible for us to do that.

17 In our company, we have centralized some
18 things
19 -- in the back office -- we call it.

20 I actually have more cameras on the
21 street now than I ever have before.

22 We have put our emphasis into news
23 generation, into -- into creating even more
24 local news.

25 We are a content company.

26 Quite frankly, we are platform

1 agnostic.

2 It doesn't matter whether you get
3 our content over newspaper, television, your
4 mobile phone, via Twitter, via Facebook, or
5 any other thing out there, as long as it's our
6 content.

7 We have been in the content business
8 from the very beginning.

9 That's what our company has been
10 based on, and that's what we will continue to do.

11 That is our bread and butter; that
12 is our lifeblood.

13 MR. BENNETT: That's your money
14 maker.

15 I'm asking if it, indeed, it were no
16 longer a money maker, would you still be doing
17 news and public affairs programming.

18 MR. O'DELL: If it were no longer a
19 money maker?

20 I think we would find a way to
21 make it a money maker.

22 It's our core. It's who we are,
23 and --

24 MR. HUGGINS: For us, in a small
25 market, like we are down in the Myrtle Beach and Florence

1 market, I can speak
2 for Jim Yeager, the president of our group,
3 which is why I enjoy working with him so much,
4 is that from day one, he said the same thing
5 Rich said, he said: We are in the public
6 service business. And the core to any TV
7 station success is its ability to provide local
8 news, weather, and sports.

9 And that is the single largest
10 dollar commitment that we have.

11 And we have even talked about the
12 fact that if you look at a news program that
13 may be actually costing you way more to produce
14 than it's generating, it still is the core and
15 the value of what your station stands for.

16 It's an investment in forward
17 equity.

18 And I don't think that anybody can
19 stay in the local broadcasting business today
20 and not understand that if they aren't taking
21 every resource they have available, and
22 figuring out ways to provide more local content
23 and programming, I don't think those
24 broadcasters will be around.

25 MR. WALDMAN: Was that always true?

1 Or is that more or less true than it
2 used to be, given the competition you have for
3 viewers' eyeballs with so many other choices?

4 Does that make news and information
5 a tougher nut? Or a more of a differentiator?

6 MR. HUGGINS: I think it makes it
7 tougher, because you're competing against more
8 people.

9 But I think it has -- as everyone
10 here has said -- we hold everybody accountable
11 to be able to multi-task.

12 You're going to not just be
13 reporting on air. You are rewriting it for the
14 web;

15 you're preparing to get it out an
16 text message to our viewers that subscribe to
17 text;

18 and we are trying to make sure that
19 we are multi-platformed, so that whoever our
20 viewers and listeners and watchers are, that
21 they have access to that information on a
22 realtime basis.

23 And one of the things we were
24 talking about in the break room before we came
25 in -- one of our biggest concerns with the

1 things that are going on with the Internet --
2 and I know you all see it every day with the
3 Internet scams that go around -- we will see --
4 we have - and our newsroom is "first and accurate."

5 It used to say first/accurate.

6 We continually walk over and point
7 and say: Folks, it's not first, then
8 accurate. It's first and accurate. Make sure
9 the information is correct before you put it
10 out on any source we have.

11 I would rather be the first one with
12 accurate information than the first one with
13 just information.

14 And that's an ongoing problem we are
15 seeing with all this, you know, all the
16 different ways to get information out.

17 There is so much misinformation
18 going out, which is why we are doing the call-
19 in and the whole online educational thing this
20 month on the census.

21 There is so much misinformation out
22 there about the 2010 census.

23 MR. WALDMAN: What has been the
24 trend lines for you in terms of staffing for
25 local news?

1 MR. HUGGINS: For us, we are small,
2 and we have always been small.

3 We operate our news department with
4 17 people.

5 And they are as -- I made the
6 comment that just as the Clyburn family has had
7 this continual calling for public service,
8 anybody that comes to WPDE better have a
9 calling for public service, because you're
10 going to do a lot of work, and you are going to
11 participate in this community.

12 And it's, you know, we have always
13 had a small staff.

14 MR. WALDMAN: What about WLTX?

15 MR. O'DELL: Well, I think our local
16 news product is now more important than ever before.

17 Because as everything is expanding,
18 the one thing that keeps our identity is our
19 local news.

20 The one thing that we can do that
21 CBS, NBC, ABC, Fox cannot do, is provide local
22 news and information here to Columbia, South
23 Carolina.

24 It's absolutely the most important
25 thing that we do.

1 MR. WALDMAN: How has the staffing
2 changed over the last five years?

3 MR. O'DELL: Staffing, like I said
4 earlier, we have reduced staffing in the
5 station.

6 But we have reorganized, we have
7 restructured, so the number of people in the
8 newsroom has not gone down, like -- because of
9 technology advances, cameras are so small now,
10 anybody can carry a camera.

11 I have more cameras than I've ever had
12 before.

13 MS. TODD: I would agree.

14 I mean, we at Raycom we were all
15 asked to -- what we call reengineer our stations.

16 And that means to really think and
17 operate smarter with the resources that you
18 have.

19 And we realized also particularly
20 because of the geographic clusters that we have
21 in Raycom, that we have a potential to create
22 so much content and share it, for example,
23 regionally.

24 In South Carolina -- or really our
25 Southeast region is very, very strong with

1 stations in Savannah and Charleston and
2 Columbia and Wilmington and Myrtle Beach and
3 Charlotte.

4 And we created -- technology really
5 has made things very easy to, you know, operate
6 a little bit more efficiently with maybe the
7 same number of people, because you can do file-
8 based sharing --

9 And anyone in our company -- we have
10 a system called Oasis, which is a, you know, a
11 sharing system, where anyone -- any station in
12 our group can access content from any of the
13 other stations.

14 And as soon as it's put on that
15 server, they can put it on their air.

16 So, it's working smarter with the
17 resources that you do have, I think.

18 But we have had to add people to, you
19 know, populate our website.

20 So, you know, you might be
21 maintaining your photographers, reporters,
22 whatnot, but you might have to add a few people
23 to be web producers.

24 And, again, you have a lot of
25 monsters here you are trying to feed, you know,

1 with content.

2 So, it does require some other hands
3 on deck.

4 But everyone has had to be cross-
5 trained.

6 Twenty-six-year-old veterans in our
7 newsroom have had to learn to edit, post to the
8 web, skill sets that they just didn't come into
9 that newsroom with.

10 And we are thankful to USC and the
11 University of Georgia and a couple of other
12 folks that we have worked with, with our
13 interns that when they send somebody to us
14 these days, that individual walks in the
15 newspaper room knowing that they have to know
16 how -- or have some experience and certainly
17 the willingness to learn how to edit, shoot,
18 write, produce.

19 We hired a young woman just recently
20 who came from University of Georgia, and she
21 produces a newscast, she reports, she posts to
22 the web -- I mean, you know, everyone is multi-
23 tasker these days.

24 MR. BENNETT: I was wondering,
25 Stefanie, for you, and you are listening to

1 these -- what are comparatively large stations
2 talk about their news programs -- how does that
3 affect what you do?

4 And how do you see your community
5 input, as compared to these news programs?

6 MS. REIN: Obviously, it's not near as
7 much as they have.

8 But we do -- hopefully, in the next
9 18 months, we are looking to put together some sort
10 of a Spanish language newscast to be able to do on
11 Telemundo.

12 It probably won't be a full-blown
13 newscast.

14 It might be something that, you
15 know, a couple of vignettes at the top of the
16 hour, and things like that, but something that
17 will get into the community -- specifically the
18 Hispanic community - because that isn't something that
19 is out there now, where the rest of our audience
20 does go to everybody else with their news.

21 MS. SMITH: Stefanie, you did talk a
22 lot about your commitment to the Hispanic
23 groups here in the state.

24 And I would love to hear from some
25 of the other broadcasters about what they are

1 doing on the stations to serve minority and
2 other diverse populations.

3 And has that changed at all with the
4 economic climate that we are in now?

5 MS. TODD: Well, just for WIS, our
6 Awareness Program is actually celebrating it's
7 40th anniversary this year.

8 And I don't think any rule changes
9 are going to impact, you know, that kind of
10 programming that resonates with minority
11 audiences.

12 But, you know, I think that every --
13 J.T. brought up a good point -- everything that we
14 do, all of our news and information
15 programming should be reflective of our
16 community.

17 I mean, it shouldn't just be
18 one-half a week or one hour a week that you
19 air.

20 It should be reflective in your
21 daily coverage plans.

22 MS. SMITH: Has there been any
23 change in the amount of coverage you are doing
24 because of kind of, you know, the hardships
25 that the industry is experiencing?

1 Or is it still continuing to go up?

2 Or what are you seeing?

3 MS. TODD: There hasn't been any
4 change in the amount.

5 It's just the way that we are news
6 gathering, the way that we are operating our
7 newsroom, and, you know, just looking for those
8 efficiencies and looking to work smarter and
9 harder with fewer resources.

10 MR. WALDMAN: I had a question for
11 Dr. Zia and Mr. McLawhorn -- you both talked
12 about concerns that you have had, or desires
13 that you have for certain issues to be covered
14 better in the public sphere.

15 Can you put this in some historical
16 context?

17 Do you think that the terms of the
18 issues that you are concerned about -- let's say,
19 you know, coverage of issues, like education or
20 city services -- have things gotten better or
21 worse in the last ten years?

22 MR. MC LAWHORN: Well, first of all,
23 let me say, I think the broadcast industry has
24 a commitment to be fair in its coverage.

25 But I think one of the things that

1 we are aware of, many of the people who work in
2 the industry see things from their own
3 perspectives; and, therefore, I think it's not
4 so much what is covered, but what is not
5 covered is really very significant.

6 For example, The Urban League
7 celebrates Black History Month by recognizing
8 over 800 African-American achievers; we have
9 done it for 25 years.

10 We celebrate this history to send a
11 message to African-Americans that achievement
12 matters.

13 And it's always very, very
14 challenging, in trying to get coverage of that
15 event, because we think it's really important
16 for young people to see themselves not as gang
17 bangers, but also to see themselves in other
18 roles.

19 And so, I think that -- I think, you
20 know, you see things from your own
21 perspective.

22 And in my published comments, I
23 talked about the vetting process of those
24 people working in the newsroom.

25 I think, quite often, people just

1 really don't get it.

2 They don't really know what's going
3 on.

4 And I think there have been efforts
5 in our community with our broadcasters to have
6 dialogue -- we have constant dialogue with all
7 the station owners.

8 It's a process that is evolving, and
9 it's a work-in-progress.

10 But I do think that, you know, when
11 we talk with African-American people -- and I
12 asked many of them before coming here today for
13 the past several weeks: What do you think
14 about how African-Americans are portrayed?

15 And I can tell you 90 percent of the
16 people I saw and talked with, the feedback I
17 got -- and whether or not the persons were
18 unemployed or had a Ph.D. or whatever their
19 socio-economic status may have been, the common
20 theme was that: We are not projected in
21 totality. We are stereotyped too often.

22 And I made a reference before, I was
23 out of town and someone said: I didn't know
24 you all had a gang problem in Columbia, South
25 Carolina. You got a black gang problem here.

1 They had seen the History station
2 program somewhere else.

3 I live in this community. I serve
4 communion at Dalzell Gardens, and I never had the
5 idea that my life was at risk.

6 I go there, walk around freely. I
7 don't look behind me.

8 And so, outside of the community,
9 people see these kinds of things.

10 It would have been interesting for
11 them to show other positive things that were
12 going on in Columbia, South Carolina.

13 We have a large percentage of
14 African-American people here.

15 And we have an excellent opportunity
16 to display African-Americans in more of a total
17 process in Columbia, South Carolina.

18 But I want to acknowledge that we
19 have made a lot of progress.

20 And every time I talk with media
21 representatives and the broadcasters, they are
22 very, very receptive to try to move this agenda
23 forward.

24 MR. WALDMAN: Thank you.

25 Dr. Zia, what about the issues

1 concerned; has it gotten better or worse?

2 MS. ZIA: I think -- I think that
3 the local news coverage is thin in terms of --
4 or if -- there is not as much depth to it as
5 there needs to be.

6 And if you figure, you know, a
7 station has a half hour or 60 minutes to cover
8 the traffic report and weather several times
9 and sports and then throw in the local
10 political news of the day -- I mean, unless
11 it's something like a politician is missing --

12 (Laughter)

13 -- it doesn't get a whole lot of
14 coverage.

15 MR. WALDMAN: How often do you get
16 that?

17 MS. ZIA: Too often. We've heard
18 enough of that.

19 But, I applaud South Carolina
20 Educational Television for the work that they
21 do with The Big Picture, which is really an
22 exceptional, in-depth -- really the only thing
23 I think on television, that I know of, I live
24 in the Charleston market, and there's
25 certainly nothing there of that caliber -- but

1 the in-depth look about what is happening at
2 the State House on issues that really -- South
3 Carolinians need to understand, because we are
4 going to have to vote to -- for people to
5 represent us on these issues.

6 MR. BENNETT: As well as a
7 representative of ETV, I thank you for that
8 comment.

9 But also, I wonder -- when you
10 talked about not getting advertising dollars
11 for political campaigns, I saw -- or I thought
12 I saw a cringe from commercial television
13 folk.

14 How realistic is that, asking that
15 political folk not be made to pay for their
16 spots on television?

17 MR. WALDMAN: Are you okay with
18 doing that?

19 MR. HUGGINS: Well, I will speak for
20 our market.

21 And I would like to address two of
22 the issues that were brought up.

23 If you come into our newsroom, I
24 agree with everything you said. There needs to
25 be a balance.

1 And years ago, we completely sat
2 down, when I moved back into the market, and
3 our executive producer, who runs our news
4 operation, is a minority male who grew up
5 outside of Charlotte.

6 Our bureau chief that runs all of our
7 news for the Pee Dee is Tonya Brown, and to me
8 one of the greatest stars in this industry and
9 a product of The United Negro College Fund; and
10 our news director is a female.

11 So, trust me, white males are a
12 minority in that newsroom.

13 And they run that operation, and I
14 think do a great job of balancing it.

15 And in our market, you just need to
16 move from Charleston and move up to Myrtle
17 Beach and Florence.

18 We make darn sure we have -- we
19 televised a debate for any office that is out
20 there, whether it's a county seat, or a
21 statewide seat, we do debates every year in
22 detail.

23 We do them -- not just for the
24 general election -- but we do them for the
25 primary.

1 We do that weekly show, where we
2 give every single candidate a long format.

3 What we do regularly is, we come up
4 to Columbia and do five minutes with each of
5 our elected officials, that airs -- the five-
6 minute segment airs every week to talk about the
7 things that are coming up.

8 When we do our long form, it is 20
9 minutes.

10 So, every single candidate running
11 for election -- doesn't matter how much money
12 you have or don't have -- we invite you in, and
13 we air it on Sunday mornings coming out of Good
14 Morning America, so it has a huge audience and
15 has, in fact, it is one of our highest-rated
16 programs.

17 And it's because we want to make
18 sure people are informed.

19 My biggest frustration is the
20 comment you made earlier when you said somebody tells
21 you they didn't vote because they didn't want
22 to make a mistake.

23 As a political science major and
24 business minor, that just makes my stomach
25 hurt, that we have people that are scared to go

1 cast a ballot, because they don't want to make
2 the wrong decision.

3 So -- that's what we are doing.

4 And the question on the other side
5 is: If you allow political candidates to have
6 free advertising -- my question is has always
7 been: They are already guaranteed the lowest
8 unit rate made available for any political
9 candidate on our air, well below our regular
10 advertisers, and my concern has always been:
11 How do you draw the line of what -- how much
12 air time is donated to that advertiser?

13 And one of the big things we get
14 during the election period is: If I have to
15 see another candidate ad, I'm going to scream
16 from viewers.

17 And I see people nodding, so that's
18 what -- we want to make sure we provide a lot
19 of long format content for our residents of
20 our area to know what each candidate really
21 stands for, so they can really --

22 And we take viewer questions in for
23 them for that format.

24 So, we will have a whole list of
25 questions that our viewers have sent in that

1 they want asked of that candidate.

2 So, that's what we are doing.

3 MR. O'DELL: WLTX, for the last four
4 years, every candidate for office has offered time on the
5 website, we bring them in, we do an extended interview,
6 ten- to 15-minute interview, that then lives on the
7 website for the entire duration of the campaign.

8 That interview is then excerpted,
9 and parts of it are run in our seven o'clock
10 news and other newscasts, but it's all free,
11 and every candidate is invited in, and we
12 promote the fact that that's available.

13 MR. LAKE: I would like to ask
14 each of our broadcaster panelists, as you plan
15 to carry your stations forward for the next,
16 say, five years, against the backdrop of our
17 ownerships rules, if you could make one single
18 change in our ownership rules, to make it
19 better for your businesses, what would that be?

20 Or either loosening the rules or
21 tightening the rules?

22 Or do we have the rules exactly
23 right?

24 Start with you.

25 MR. HUGGINS: I would just ask, and

1 since Congressman Clyburn, whenever
2 Commissioner Clyburn was appointed, and we had
3 already been talking to the Congressman about
4 some the issues in our market, we know that the
5 broad rules -- you have to have a starting
6 point -- but we have got situations in our
7 market where there are existing FCC rules that
8 have nothing to do with ownership, but there are
9 rules that were set up prior to community
10 stations signing on the air are blocking free
11 competition just among TV stations -- that's
12 another whole issue for another day.

13 So, our point has been that there is
14 a huge diversity of voice out there.

15 I think that in every market, you
16 need to be able to look at that market and make
17 a decision.

18 Because ours is an example where if
19 you had not allowed an LMA or shared services,
20 or whatever you may want to call it now, you
21 would not have diversity. We would have lost a
22 channel there; there's just not enough
23 resources to support it.

24 So, I would ask that you continue to
25 review the rules and open those rules up where

1 it makes sense for shared services, cross-
2 ownership, whatever makes it work for that
3 market, because I don't think it's an all size
4 fits; I really don't.

5 MR. O'DELL: I think that the FCC
6 wants what broadcasters want, and we want
7 strong ownership, strong community service,
8 strong television stations.

9 I would ask that we look at the
10 ownership rules and make determinations based
11 on the landscape of today, rather than the
12 landscape of the early 1970s.

13 Please consider all the voices that
14 are out there, and don't take television and
15 put it in a little box and say: Okay. We are
16 going to regulate this industry without looking
17 at all of the other voices that are out there.

18 Don't put us in a vacuum. Consider
19 everything that is out there, and then make the
20 rules fit today.

21 MR. WALDMAN: I don't want to make
22 you do our jobs for us, but can you be even
23 more specific about what that would look like?

24 MR. O'DELL: I believe that you need
25 to look at the voices rule, because if you say

1 that a certain thing can't happen because
2 there's only eight voices -- and there's not
3 really eight voices -- I can contend that there
4 are certainly many more voices that are out
5 there.

6 Here in Columbia, for instance, a
7 great deal of political news is not made only
8 from the newspaper and the regular television
9 stations, you have political bloggers that are
10 driving some of the news in this town.

11 And that is a voice, that is a very
12 influential voice.

13 And I think that's one of the things
14 you really need to look at is -- please
15 consider all of the voices that are out there.

16 MS. TODD: Sort of on that same
17 note, the cross-ownership, for the mere survival of
18 some print publications or broadcast television
19 stations, I know sometimes it makes sense.

20 I just -- I don't think it's a
21 one-size-fits-all world that we live in
22 anymore.

23 I think there's nothing comparable
24 between, you know, the New York market and the
25 Columbia market, in terms of numbers of voices

1 or opportunities, you know, for cross-
2 ownership.

3 Again, I think, just flexibility, it
4 has to be an era of flexibility that responds
5 to the marketplace in which we are competing.

6 So it's -- whether it's number of
7 voices, new technologies, you know, the women
8 and the minority ownership issue -- I mean, I
9 love this woman.

10 I know maybe a handful of women
11 broadcasters--

12 and I have been in this business a
13 long, long time, you know--who actually own
14 their stations.

15 And you are probably going to hear
16 this from the radio panel, as well, but in
17 today's financial market, even for an
18 established traditional group owner, to get
19 financing for a station or an acquisition or,
20 you know, is just a humongous chore.

21 So, I don't know how that lends
22 itself to new-entry ownership.

23 I would imagine that would be
24 extremely tough.

25 So, I think you really do have to

1 entertain very creative business plans to
2 allow, certainly, for minority and female
3 ownership, to allow for new-entry ownership,
4 and sometimes, you know, cross-ownership might,
5 you know, facilitate that process.

6 I think it's just a case-by-case
7 situation.

8 But, certainly, flexibility.

9 Certainly, you know, entertain the
10 new environment that, you know, is so different
11 than 35 years ago when these ownership rules --

12 MS. REIN: I would like to see more
13 opportunities also for women and minorities--

14 And like the gentleman from The
15 Urban League was saying, I would like to see
16 broadcasting in each marketplace be reflective
17 in the ownership of that market.

18 You know, to get more voices, I
19 think when you start to cut down the number of
20 voices, whether it's newscasting or -- and I
21 agree, there are a number of voices out there
22 with the web and bloggers and things like
23 that.

24 But I think the traditional
25 ownership structure, I think, needs to be

1 reflective of the community that's there.

2 And so, I would like to see more
3 opportunities being given to minorities and
4 women, and to -- in some markets, it may make
5 sense to do some consolidation, things like
6 that.

7 But I think on a case-by-case basis,
8 where there's opportunities where other people
9 can get in the ownership, we need to foster
10 that.

11 MR. WALDMAN: I'm curious -- if some
12 of the other broadcasters wanted to respond to
13 Ms. Rein's concern that she expressed earlier,
14 that loosening the ownership rules might make
15 it harder for new entries, especially women and
16 minorities.

17 MR. HUGGINS: You are talking about
18 the ownership rules -- and I go back to the LMA
19 shared service agreement or whatever -- I think
20 it would actually help them get stations on the
21 air that otherwise would not be.

22 And on all those agreements, you
23 know, they have a term, you know, they don't
24 automatically renew.

25 So, if it would allow someone to go

1 into a market and find a license and get that
2 license station up and running, and build it to
3 a value, then it may, at some point, could
4 stand on its own; or it may, in turn, not.

5 I think with this -- with the
6 environment we live in, both from a -- I think
7 somebody made the comment it's so hard to get
8 financing now -- I think we have got to be
9 creative and flexible, I really do.

10 And I was listening to all of the
11 things that she went through, and she was in
12 Columbia, which is one of our largest markets,
13 where there is revenue, you know.

14 You have both the support of the
15 university and state government and industry.

16 As you all know, when you come to
17 the beach, we're solely based on the service industry
18 and tourism. Tourism is down, we suffer.

19 We want everybody to come to Myrtle
20 Beach for vacation this summer.

21 (Laughter)

22 MR. WALDMAN: Mr. O'Dell, do you
23 have a comment?

24 MR. O'DELL: I think Stefanie is a
25 great example of what can be done.

1 Our company is absolutely in favor
2 of minority ownership, female ownership, and we
3 support that absolutely.

4 I just think that from our point of
5 view, the rules, again, need to be reflective
6 of what's current today.

7 MS. SMITH: A number of you talked
8 about a case-by-case approach.

9 And what I would love to hear from
10 each of you is what facts should we look at --
11 what should we consider if we did do a case-by-
12 case approach, rather than a bright-line rule.

13 I'll start on that end.

14 MS. ZIA: I'm not a broadcaster.

15 MS. SMITH: I still think that it
16 would be interesting to hear from all of you,
17 if you have any thoughts.

18 MS. ZIA: I think I will pass.

19 If something occurs to me, I will,
20 at the end, I will tag on.

21 MS. TODD: So, you are saying on a
22 case-by-case -- someone is applying for a
23 license? Or --

24 MS. SMITH: Well, right now, our
25 rules currently -- there's some bright lines,

1 and there are other factors that we consider.

2 But a lot of you have said that we
3 need to think about flexibility;

4 that we need to think about the
5 market.

6 And so, if we decided to go that
7 route, what factors do you think we should look
8 at?

9 What do you think is most important
10 to those decisions, as it relates to ownership?

11 MS. TODD: Well, I think I would
12 start with looking at the market, you know,
13 itself, how many stations does it support, you
14 know?

15 What is the financial underfooting,
16 you know?

17 Can the marketplace support another
18 business?

19 Because the last thing you want to
20 do is put someone in business and have them go
21 dark.

22 So, I would want to make sure that
23 the business plan certainly was there.

24 And then I would certainly want to
25 know what diversity or what new voice or new

1 opportunity does this represent.

2 So, perhaps, it's just introducing a
3 new minority, you know, a minority or new-entry
4 owner into the marketplace, which is always
5 good for competition, always stirs things up,
6 gives it fresh new approach.

7 So, I would look for that diversity,
8 whether it is ethnicity or product programming -- what is it
9 going to bring to the marketplace that it
10 doesn't already exist there.

11 If it's just another, you know,
12 business opportunity and -- where really doesn't
13 have a good sound, I think, content plan, that
14 would, you know, give me pause.

15 But I really think, you know, so
16 what content is it bringing to the party?

17 You know, is there the financial
18 underpinning to support a station?

19 Does that station have, you know --
20 I guess I would say a community mission?

21 You know, what are they going to do
22 to serve that community?

23 Does it allow more news?

24 You know, we talk about -- and
25 adding more and more newscasts into the

1 market -- and there's a financial
2 consideration, because we all sell news on a --
3 what's called a cost-per-point basis.

4 The more points you put into the
5 market the less you can sell it for.

6 But, again, if it's advancing, you
7 know, news and information in the market, it's
8 still a good thing.

9 So, those are, I guess, just off the
10 top of my head -- some of the things I would
11 look at.

12 MS. SMITH: Stefanie?

13 MS. REIN: I think market size
14 probably -- the things that might work in New
15 York probably aren't going to work in
16 Wilmington, North Carolina.

17 See who the other players in the
18 market are; if there is going to be some
19 consolidation there, what -- how is that going
20 to change the landscape of who's already there.

21 And I think maybe just those of
22 you -- the -- few of the key things I would
23 look at first, where everybody is located and
24 who is in the market.

25 MR. O'DELL: I think doing a market-

1 by-market might put you in a quagmire of time
2 that you would never be able to get out of.

3 But if you were going to do it, I
4 think --

5 MS. SMITH: Our staff doesn't like
6 quagmires.

7 MR. O'DELL: You know, I think you
8 have to evaluate the strength of the entities in
9 the market.

10 You need to take a look at that. If
11 you are talking cross-ownership you need to
12 take a look at the television station and
13 newspaper, or newspapers -- what is the
14 strength? What can be gained from it?

15 But I think doing it on a market-by-
16 market basis, you're asking for lots and lots
17 and lots of time that you would ever be able to
18 get through.

19 MR. HUGGINS: Since I was involved
20 in that original LMA, what we talked about was
21 not just look at the households in the market
22 but look at the retail sales by category.

23 Because you have got to go beyond
24 just bodies.

25 What are the retail sales?

1 And then by category, because some
2 categories do support advertising, some don't.

3 And if you break that down, you
4 come up with what I call the advertising
5 universe, and from that, what opportunity is
6 there in revenue?

7 And -- because I think a lot of
8 times we get caught up in households -- and I
9 tell everybody: I never had a house drive up
10 anywhere and buy a single thing.

11 We have to go deeper than the
12 household and look at the population and retail
13 sales and do it by category.

14 And I think that gives you a much
15 more realistic example of whether the market is
16 healthy and what it can and can't support.

17 MR. WALDMAN: Thank you very much.

18 We are going now turn it over to the
19 audience.

20 MR. LAKE: Yes.

21 Thank you, all of the panelists, for
22 a very stimulating discussion.

23 As we transition to the public
24 comments, I'm happy to recognize a small number
25 of individuals whom we have invited to speak

1 for just a few minutes

2 at this point, in order to keep the
3 panel to a manageable size.

4 And the first of those individuals
5 is Scott Garrett, Communications Director of
6 Harvest Hope Food Bank.

7 If you would like to approach the
8 microphone there. That's fine?

9 MR. GARRETT: Thank you.

10 First, I want to thank the media
11 ownership field workshop for giving Harvest
12 Hope the opportunity to take just a few minutes
13 to talk a little bit about what a media
14 relationship and partnership means to us.

15 My name is Scott Garrett, and I am
16 Communications Director for the Harvest Hope
17 Food Bank.

18 Throughout the year, the majority of
19 our most successful fund-raising events and
20 food drives are built around and predicated
21 upon a relationship with the media.

22 Having a media partner that works
23 with us for a large food drive and fund-raising
24 event.

25 And this does amazing things for

1 us.

2 Not only through that event do we
3 generate thousands of pounds of food to
4 dispense to hungry people, we also bring in
5 thousands of dollars to help us with our
6 operating costs and to purchase food for
7 people.

8 But above and beyond that, it grants
9 us media exposure and helps with our outreach
10 to the community, to let the community know
11 about us and what we do.

12 And some of these events are
13 day-long events, and I would like to thank some
14 of the members of the media, some of the
15 television stations to make sure that we are up
16 at 4:30 in the morning to work these events.

17 But throughout the day-long event,
18 we are granted media exposure, which is
19 something that money just can't buy, to let the
20 community know about us.

21 Above and beyond that, from a
22 broader perspective, it's a win/win situation
23 for ourselves and that media sponsor, that
24 individual television station, because they are
25 showing that they are a community partner, that

1 they have concern for organizations in the
2 community, that work for the betterment of the
3 community and people in the community.

4 So, it really works both ways. It
5 helps promote us, promote our mission and it
6 helps to generate a large amount of funding and
7 food and brings in donations.

8 It gets our mission out there and
9 our outreach out there, and it promotes that
10 media partner, as well.

11 So, it is a win/win situation for
12 everybody.

13 MR. LAKE: Thank you very
14 much.

15 Next, we will hear from Darci
16 Strickland, who is guardian ad litem and
17 ambassador for March of Dimes, a member of
18 Delta Sigma Theta public service sorority and anchor at WLTX-
19 TV.

20 MS. STRICKLAND: Good afternoon.

21 I have been asked to repeat my name
22 one more time, it's Darci Strickland,
23 D-a-r-c-i.

24 Good afternoon, ladies and
25 gentlemen:

1 It is indeed an honor and a
2 privilege to stand before you, not only
3 speaking as a member of the media, but most
4 importantly representing the wonderful people
5 of the Midlands.

6 I'm originally from a small town
7 outside of Charleston, about 100 miles from
8 here, but I have spent my entire adult life in
9 the Midlands.

10 I graduated from the University of
11 South Carolina in 1997 and immediately secured
12 employment at WLTX.

13 Since that time, I have made it my
14 business to be as active and involved in the
15 community as possible.

16 And I have been afforded
17 opportunities that I may not have had, if I
18 were not an employee of WLTX.

19 I know without a doubt, that my
20 responsibility as a main anchor is not over
21 when the tally light goes off or when I leave
22 the station.

23 Quite to the contrary, the majority
24 of my work is done when I'm not on the air.

25 Not a day goes by when I'm not

1 approached by a viewer with a request to
2 fulfill the station brand and be On Your Side.

3 It's a request that I am happy to
4 fill, because it means that it's not just
5 something we say, it really is a way of life at
6 WLTX.

7 We are On Your Side weekly, if not
8 daily, with phone banks staffed with experts
9 that allow our viewers to cut out the middleman
10 and get answers immediately to anything from
11 unemployment benefits to the new credit card
12 laws that went into effect yesterday.

13 The On Your Side brand is alive
14 every day at 5 p.m. when Andrea, Mike and I have
15 an opportunity to communicate directly with
16 viewers during Friends @ 5.

17 Just yesterday, they spoke one on
18 one with Commissioner Clyburn; and two weeks
19 ago, our State's First Lady answered questions
20 from the viewers who wanted to know how she
21 managed to handle the Governor's affair.

22 I feel like a kid at Christmas every
23 time we have a new person try the chat, and
24 they realize that they really are talking to
25 Darci and Andrea.

1 We are On Your Side on the 19th of
2 every month when we stress the importance of
3 monthly breast self-exams or we talk about the
4 horrible reality of premature birth, and how
5 too many babies are born too small and too
6 soon.

7 I know first-hand as a mother of
8 three healthy children, what most of our
9 viewers going through every day, and I do my
10 best to give them hints and tips, and I take
11 those hints and tips in return to get through
12 my day.

13 I feel so blessed to have the
14 management that we do at WLTX, that allows us
15 to speak directly to our viewers about their
16 concerns, and then take those concerns to the
17 public and try to make a change.

18 Two minutes is really a modest amount
19 of time.

20 I could have used this time to talk
21 about how it feels to win Emmys or about being this
22 year's TV Personality of the Year, but you all
23 know as well as I do that those are things that
24 are just listed on a resume, and what we do for
25 others far outlives anything we can add to our

1 personal good.

2 I believe the work that WLTX does in
3 the community daily, will continue long after
4 people have forgotten who I am, what I won, or
5 why I chose journalism as a career.

6 And, quite honestly, that's going to
7 be just fine with me,

8 as long as they continue to believe
9 that News 19 is, and always will be, On Your
10 Side. Thank you.

11 MR. LAKE: Thank you very
12 much.

13 Now, we will hear from Margaret
14 Frierson, Executive Director for South Carolina
15 of the National Center of Missing and Exploited
16 Children and Chairperson of the South Carolina
17 Amber Alert Oversight Committee.

18 MS. FRIERSON: Good afternoon. My
19 name is Margaret Frierson, and I serve as
20 Executive Director of the South Carolina Branch
21 of the National Center for Missing and
22 Exploited Children.

23 We are headquartered in Alexandria,
24 Virginia, but we are just one of seven branch
25 offices located across this country.

1 Created in 1984 by Congress, the
2 National Center is a private, non-profit that
3 serves to assist families and parents of
4 missing children, and to serve as a national
5 leader on preventing child victimization.

6 Our partnership with our media
7 friends across South Carolina has been long
8 serving.

9 Probably one that is most visible to
10 the public and the communities we serve is the
11 South Carolina Amber Alert Program.

12 Launched in November 2002, the
13 Amber Alert Program is a private partnership
14 between members of the media, our state
15 transportation department, to assist law
16 enforcement in critical missing child cases.

17 Key case information is provided to
18 our public via changeable message signs
19 along our highways and is broadcast
20 throughout our media outlets statewide.

21 What is so unique about Amber is
22 that we rely on the eyes and ears of the
23 public.

24 It is not the great work of law
25 enforcement, it is not the great work of the

1 National Center, it is our friends and family
2 out there paying attention, making a difference
3 and making that call.

4 Our television viewers, our radio
5 listeners and our motorists are provided with
6 key information about the missing child, the
7 suspect, and any vehicle information we may
8 have, so that they can make that call and help
9 law enforcement recover that child.

10 Our successes have been many. To
11 date, we have issued 36 Amber Alerts in the
12 State of South Carolina, and have successfully
13 recovered 45 children.

14 So, it does work.

15 And I would like to thank our media
16 partners for stepping up to this initiative,
17 making a difference, and making a change in the
18 lives of South Carolina's smallest citizens.

19 Thank you.

20 MR. LAKE: Thank you very
21 much.

22 And now we are very happy to open
23 the microphones.

24 I would like to invite anyone who
25 would like to make a brief comment or ask a

1 question of one of our panelists to line up at
2 one of the microphones in the aisles.

3 We ask you to limit your comments or
4 questions to two minutes, please.

5 And please state your name and any
6 affiliation when you begin.

7 Thank you and welcome.

8 MS. RICHARDSON: I so enjoyed
9 the meeting and to attend the session today.

10 My granddaughter is from Charlotte,
11 North Carolina, and she invited me because she
12 knows this is an area that I'm very interested
13 in.

14 I have a question here that I need
15 to direct to one of the FCC members, either the
16 Commissioner or Mr. Steve Waldman.

17 Since we have been discussing media ownership and
18 the
19 change of the landscape of media television, I
20 want to inquire as to whether the FCC is going
21 to be specifically addressing the discrepancy
22 in minority media ownership.

23 Recently, 23 minority and civil
24 rights organizations filed an open letter to
25 Chairman Genachowski, pointing out that
26 minority TV ownership is down 50 percent since

1 1999, and minority radio ownership is down nine
2 percent since 2007.

3 My question is:

4 Will this letter -- or is this
5 letter being concerned -- being addressed?

6 And if not, why?

7 And if so, how? Commissioner or
8 either Mr. Waldman.

9 My name is Viola Richardson;
10 lifetime member of the NAACP.

11 MS. SMITH: I guess as the
12 Chairman's legal advisor, it probably would be
13 best for me to address this issue.

14 Clearly, and I can tell you
15 personally, Chairman Genachowski is extremely
16 concerned about these issues.

17 And he has appointed Tom Reed who is
18 a head of OCBO -- I can never remember what it exactly
19 stands for, but he -- his office handles a lot of
20 issues related to minority and women
21 initiatives.

22 He's currently looking at the wide
23 array of suggestions that were put forth by
24 both the 23 organizations that you talked
25 about, as well as our diversity advisory

1 committee that we have at the FCC.

2 I'm sure you're aware, since you
3 seem to be very in tune with these, that there
4 are a lot of suggestions, a lot of great ideas
5 that have been put forth.

6 And while it seems sometimes that we
7 have been there much longer than our seven
8 months, we are, you know, still kind of getting
9 through the number of suggestions to make sure
10 that we are very thoughtful about this and that
11 we are very careful about any decisions that we
12 make.

13 But we are in the process of
14 addressing a lot of these issues.

15 And we will be reporting about some
16 of these in the near future.

17 MS. RICHARDSON: Thank you.

18 I have a follow-up question, if I
19 may -- very short.

20 MS. SMITH: Go ahead.

21 MS. RICHARDSON: There has been much
22 discussion around net regulations at the FCC.

23 My question is:

24 Can you explain why the debate over
25 net neutrality takes precedence over the task

1 of insuring all Americans actually have more diverse
2 voices in radio and TV first?

3 MS. SMITH: I guess I'll take that
4 one as well.

5 I would say that it does not take
6 precedence.

7 I mean, one of the things that we
8 did, which, I think, has been very unique from
9 other media ownership hearings, is that we
10 started this process very early in the game.

11 Like I said, we have only been there
12 seven months, and it was October or November we
13 had, basically, three days of hearings to
14 talk about these very issues.

15 And one of the days we focused a lot
16 on, as you related, to minority and women --
17 both in ownership, diversity of content, etc.

18 So, I would argue that, you know, we
19 are very committed to it, and we are thinking
20 about it as important as net neutrality, broad
21 band plan and other things, and we hope
22 that you will be patient with us as we go
23 through the next year of this process, and that
24 the ultimate outcome will, you know, indicate
25 to you how important these issues are to us.

1 MR. WALDMAN: I would like to add
2 one thing, which is that -- preserving an open
3 Internet is crucially important to insuring
4 that there are many different voices in the
5 communications sphere.

6 I don't think these issues are at
7 odds with each other. They are both extremely
8 important for that issue, including the open
9 Internet rule.

10 MS. SMITH: And broadband, as well.

11 We do multi-task at the FCC, but I
12 want to make sure everybody understands these
13 issues.

14 MS. RICHARDSON: Thank you very much
15 for giving me the opportunity to express this
16 question.

17 MR. LAKE: Thank you.

18 COMMISSIONER CLYBURN: If I could be a little
19 rude.

20 I was going to add to that, it's the
21 Office of Economic Opportunity -- Business
22 Opportunity -- the C is kind of -- we are all
23 getting to know each other.

24 It is an agency of about 1,700 odd hundred
25 persons, and we are getting

1 to know.

2 And Sherrese is from South Carolina,
3 didn't give her a plug.

4 But I want to -- the numbers, as you
5 mentioned, are troubling.

6 When you talk about -- just looking
7 at some stats that I want to throw out to
8 reassure you that my office, the Chairman's
9 office, we are all concerned about diversity in
10 ownership and what that means in terms of the
11 entire landscape.

12 It was hinted to, but women own six
13 percent of the commercial broadcast TV stations
14 in this nation.

15 And people of color own three
16 percent.

17 And that number, since 1998, has
18 dropped nearly 70 percent.

19 So, those are issues that have our
20 attention.

21 Those are issues that we are going
22 to speak about.

23 We have a Diversity Committee that
24 has been reinvigorated; that is engaged and has
25 put forth a number of proposals that deal with

1 the issues that you put forth, that these
2 offices -- the -- all of the offices -- are
3 taking very seriously and will do what we can.

4 The challenge -- a part of the
5 challenge is our legal landscape.

6 Some of the things that we could
7 proactively do a few years ago, we just cannot,
8 because of some of the cases that most people
9 in this audience, you know, would know about.

10 So, we are going to have to be
11 really creative.

12 And when we come up with pathways
13 and pronouncements, it has to be upheld in the
14 courts.

15 So, unfortunately, things are moving
16 slowly.

17 And some of the -- we feel
18 passionate about things -- about these issues
19 but it's moving a bit slower because of these
20 challenges.

21 We know we have these challenges.

22 We don't want to give anybody any
23 false hopes.

24 When we come up with something, we
25 know in our hearts is the right thing to do,

1 but the courts turn us down.

2 So, as Sherrese mentioned, be
3 patient with us.

4 You have people committed to
5 changing the landscape, the marketplace, and to
6 insure that more voices are heard, and that all
7 owners, regardless of platform, are given the
8 opportunity to excel.

9 MR. LAKE: Thank you very
10 much.

11 COMMISSIONER CLYBURN: Thank you.

12 MR. LAKE: Thank you very much.

13 MR. JENKINS: I'm Mel Jenkins, I'm a
14 former radio news person, which means that I'm
15 unemployed, basically.

16 And, essentially, I'm working with
17 environmental and civic activities here in the
18 Columbia area.

19 I'm glad that you are here. This
20 has been an interesting event.

21 I'm primarily interested in radio,
22 naturally.

23 Television is sort of extra out
24 there; they put pictures with sound.

25 I think there are some potential

1 ideas that can come out of this.

2 You talked about case-by-case and
3 that means community by community.

4 And if you start going in that
5 direction, I think you need more community
6 involvement.

7 I would like to issue a challenge to
8 Ms. Bennett, that South Carolina Educational
9 Television is in it's 50th year, as I see
10 occasionally, and that it is an ideal medium to
11 bring together discussion about the evolution
12 of the FCC, which is something near and dear to
13 my heart, because it's evolved in some ways
14 that it was not set up to evolve.

15 I can go all the way back and talk about
16 the Blue Book in the 1940s and on back through
17 that.

18 The idea where radio licenses were
19 given out as a service goal, not just
20 competition and diversity, but also to provide
21 service to the community.

22 So, these are all issues that I
23 think we need to look at.

24 And I will try to have some more
25 concise thoughts as I get on into the evening.

1 I plan to come back and talk radio.

2 What we do need to do when we look
3 with TV, though, we don't need more
4 consolidated ownership, we need more diverse
5 ownership, we need to look at Low Power TV and keep
6 those independent, and we need to not let those
7 go into the ownership of other regular TV
8 stations and into special-interest groups.

9 We need more voices out there, not
10 consolidation of voices.

11 Thank you.

12 MR. LAKE: Thank you very
13 much.

14 I should add that all these
15 proceedings are being webcast live, so we are
16 very happy to hear your comments, and you are
17 also being heard by our webcast audience.

18 MR. WILLIS: Thank you.

19 I'm Mike Willis with Lake Murray
20 Broadcasting, an incorporated non-profit
21 organization registered with the State of South
22 Carolina.

23 My comments are probably more
24 appropriate for tonight's session, when you are
25 focusing on radio, but I cannot be here

1 tonight, so I ask to you indulge me for just a
2 moment here.

3 I'm here to speak in favor of local
4 broadcast ownership through additional Low Power
5 FM radio stations and in support of the Local
6 Community Radio Act.

7 LPFMs provide an important public
8 service to local communities.

9 These stations offer urban, rural
10 and suburban areas alike, a public forum and a
11 means by which to share and exchange important
12 community information.

13 LPFM radio, unlike many commercial
14 radio stations today, is produced, owned and
15 operated by people who actually live and work
16 in the community.

17 I do want to thank members of South
18 Carolina's Congressional delegation who have,
19 thus far, supported the passage of the Local
20 Community Radio Act, and also urge South
21 Carolina's U.S. Senators to also support this
22 important and needed regulation.

23 Senator Jim DeMint has not yet given
24 his support to the legislation.

25 And we do need his help to pass the

1 bill this spring.

2 We are asking Senator DeMint to pass
3 the bill to give citizens access to the
4 airwaves through this important Low Power radio
5 service.

6 Also, at the appropriate time, I would
7 urge the FCC to offer additional LPFM public
8 filing opportunities.

9 In discussions I have had so far
10 with the FCC, my understanding is that after
11 the act passes, there will still be ten months
12 to a year before we are able to apply, through
13 any filing opportunity.

14 Groups such as Lake Murray
15 broadcasting, we don't -- we don't need a year
16 to prepare. We are ready to go.

17 So, as soon as the legislation
18 passes, we would like the opportunity to file
19 right away.

20 Groups such as Lake Murray
21 Broadcasting are ready to offer local
22 programming, such as local news and events,
23 coverage of high school athletics;

24 also Lake Murray weather and boating
25 conditions;

1 and also regular discussions with
2 local elected officials.

3 So, thank you for your time.

4 And, again, I ask you to support
5 local ownership through the LPFM radio
6 service.

7 Thank you.

8 MR. LAKE: Thank you very
9 much.

10 MR. WALDMAN: Before you speak --
11 I'm sorry -- I just wanted to mention that at the FCC,
12 in addition to the media ownership proceeding,
13 there is another project on the Future of Media
14 and the information needs of communities that
15 is ongoing, that will be looking at some of
16 these same issues, but beyond the ownership
17 issues, including the public interest
18 obligation, Low Power FM and things like that.

19 You can learn more about that and
20 how you could add your comments to that
21 proceeding if you go to FCC.gov/futureofmedia.

22 MR. SMITH: Good afternoon.

23 My name is Keith Smith.

24 I am currently general manager of
25 Lorrick Communications, which is a small radio

1 broadcast group.

2 But for most of my career, I have
3 been in broadcast, television -- local
4 television, for both big groups as well as
5 minority broadcasters.

6 So, my comment or question is more
7 along the lines of addressing minority
8 ownership, as well as the area of media
9 ownership.

10 I think I would like to offer a
11 possible idea or suggestion that maybe some of
12 these bigger broadcast groups can get either
13 waiver or points towards a waiver by providing
14 some assistance to women or minority-owned
15 businesses.

16 For example, I know that Stefanie's
17 station, she may not have the resources to
18 provide a local newscast.

19 But when I was in this market
20 before, and I worked at WIS, I remember we used
21 to produce the news for the local Fox station.

22 Now, there was, you know, they paid
23 for it, but still, maybe if a bigger station
24 group had a station in the market where they
25 provide engineering services or some other type

1 of shared services to a small women or minority
2 owned broadcaster, that then they could earn
3 points that the big station group could use
4 when they wanted to go into a market where
5 maybe there was a cap or some limitations on
6 why they could not expand in that market.

7 I think I just want to offer that
8 suggestion.

9 MR. LAKE: Thank you.
10 That's a very interesting suggestion.
11 Welcome.

12 MR. HAYES: Thank you.
13 I'm Mike Hayes, I'm the President
14 and general manager of Hearst Television
15 property in Greenville, South Carolina.

16 I just came down today for the
17 proceeding.

18 And I wanted to first say thank you
19 to all of my colleagues. You all did a fantastic
20 job today -- better you than me -- nicely done.

21 I wanted to actually underscore the
22 question asked by Mr. Waldman, and just offer
23 an additional comment and actually kind of tag
24 onto what Rich said --

25 The question was: Does the local

1 news and community service -- is that more or
2 less a differentiator in the world of more
3 voices.

4 Actually, I think as the world kind
5 of proliferates with the world of however many
6 channels today and the Internet, it's actually
7 the only point of difference.

8 You know, it's all that we have
9 left.

10 You know, Rich said CBS, NBC, Fox,
11 CNN, whatever, and then everybody with a cell
12 phone or whatever as Donita said, it's what we
13 have that makes us special.

14 It's why people come to us on whatever
15 platform-agnostic piece of distribution we have,
16 that is who we are, that is what our identity is.

17 And that's why we are special and why we
18 do all the things that we do and what Billy does and
19 what Rich does.

20 And so, that's why we continue to
21 make a difference in peoples' lives today.

22 So, anyway, that's my comment and
23 thank you for doing what all you did today up
24 there.

25 And I just wanted to show you,

1 Mr. McLawhorn, I'm the incoming President of
2 the Urban League. I have my Urban League
3 cufflinks on today.

4 (Laughter)

5 MR. LAKE: Thank you for
6 that comment and that demonstration.

7 MR. MOKIPSY: Good afternoon.

8 My name is Gerard Mokipsy.

9 And I feel kind of strange in here
10 today, because I'm the publisher of a
11 newspaper --

12 (Laughter)

13 -- but in spite of that, I just
14 found out about LPFMs not so long ago.

15 And I think it's a very good idea.

16 I live in a community, and I know
17 some of the people on the panel -- and I live
18 in a community called the Gullah Community.

19 And I some know some of you may have
20 heard of that and some of you may not. It's
21 called the Gullah Community.

22 And it's a community that is almost
23 like a kind of a dying culture.

24 And after hearing about LPFM radio,
25 I said: You know, with something -- with a

1 tool like this, we can reach more people with a
2 tool like this.

3
4 And I understand that, you know,
5 when you have a culture, and that culture is on
6 its way out, you know, and you have a tool in
7 order to reach these people -- reach these
8 people and maintain this culture -- you know,
9 it's a good thing, you know, I mean it's just a
10 good thing.

11 And I'm just kind of speaking from
12 my heart here, I don't have anything rehearsed
13 or anything like that.

14 I didn't come up here -- because I'm
15 just a country boy from the lowcountry, and
16 that's all I am, you know.

17 But I think LPFM is a great thing,
18 and I hope the Commission would really get
19 behind this idea and do whatever you possibly
20 can to make this a reality, you know,
21 especially for small communities, such as my
22 community.

23 We have the larger broadcasters
24 there, as well, but, you know, it does not give
25 people like myself, an opportunity to, you

1 know, get in there and become a part of this
2 game.

3 And with LPFM, I think it would give
4 us an opportunity to be a part in the game.

5 Because most of the time what I find
6 with -- just like in the newspaper business,
7 and, say, like my culture and my community and
8 diversity, and that kind of thing, you know,
9 most of the times the stories that are told
10 about us in newspapers, you know, my culture
11 and my community, it's usually relegated to the
12 back pages or becomes a footnote in someone
13 else's story.

14 Or you may hear it two or three
15 o'clock in the morning.

16 But with, you know, with the tool of
17 LPFM, that will give us an opportunity to do a
18 whole lot of things.

19 So, that's why as simplistic as I
20 can put it, without using a lot of technical
21 jargon, I just hope you guys get behind this
22 and help us out with this.

23 Thank you very much.

24 MR. LAKE: Thank you.

25 I should say that Low Power FM is very

1 much on the mind of the Commission.

2 One of the pieces of the puzzle is
3 legislation is pending, but it's something that
4 we will be giving great attention to and agree
5 it has to great promise.

6 I would like to welcome any other
7 comments or questions.

8 This is your opportunity to talk to
9 your federal government, and we are listening.

10 Seeing none, I just want to thank
11 you all - oh, good. Go ahead.

12 MR. SMITH: Just sneaking in for a
13 minute.

14 Yeah. My name is Chuck Smith, I
15 have got WLRE LPFM in the Elloree/Santee area
16 of South Carolina.

17 We have been on the air now for
18 quite a number of years, about eight.

19 We were one of the first LP stations
20 to be granted in the area.

21 We have Elloree Education
22 Association is our parent company.

23 And we have had a lot of good times
24 and stuff with the station.

25 We serve things as the past

1 gentleman just said, that a lot of other
2 stations can't do, probably because of money
3 and constraints that bigger stations can't
4 afford to do.

5 We have done ball games, such as
6 major and minor league high school games, stuff
7 like this.

8 We do our church broadcast on Sunday
9 from 7 to 12 with Southern Gospel, things that
10 you don't hear on regular radio.

11 And we are kind of a minority group
12 in that respect.

13 We play traditional to modern
14 country music blend, which is something you
15 don't hear on a lot of your modern country
16 music stations.

17 We are more of like an Americana-
18 type station.

19 And we have been able to do a lot of
20 things, like I said, that regular broadcast
21 stations probably could not do, for the simple
22 fact that it cost them quite a bit of money to
23 set up and do things like this.

24 And, you know, we had -- like the
25 snow that came here about two weeks ago -- we

1 were on the air until nine o'clock at night
2 with different reports, letting people know
3 visibility, road conditions, things like this.

4 And like I said, we are out in the
5 rural area. We are in Santee where 95 crosses
6 the lake, so the rural area doesn't always get
7 the broadcasting for their local people in that
8 area like we were able to give.

9 So, I agree with the man on his
10 comments.

11 I have been an engineer for stations
12 for a number of years before I started, you
13 know, the station of my own.

14 But like I said, I wanted to
15 reiterate with what he said on that, that LPFM
16 can definitely provide a community presence for
17 everybody in the area.

18 We have got a lot of listeners on
19 our station, you know, that are dedicated to
20 our station for our hometown area.

21 And like I said, LP serves a good
22 purpose -- it does.

23 It serves a good purpose in the fact
24 that it gives community identity, it gives a
25 minority an ability to have their own

1 broadcasts, their own ways of communications,
2 things like this.

3 And just like with us doing the
4 ball games with the kids and everything, there
5 is no way you would have been able to get a
6 station that could do elementary kids to high
7 school.

8 We had a guy come in and do coaches
9 pitch for us in T-ball.

10 And we did it right on a
11 professional level, you know.

12 We didn't say: He dropped the ball
13 and it rolled six feet.

14 We said: The ball is being returned
15 to the pitcher. We are going to have the pitch
16 in just a minute.

17 But, anyway, we did that. And
18 grandparents that were shut-ins, and people
19 like this were able to get out there and
20 listen.

21 So, I just wanted to let you all
22 know that LPFM does work.

23 I mean, it has worked for us, and
24 it's a very good thing for the community.

25 MR. LAKE: Thank you very

1 much.

2 We will be exploring more deeply
3 issues on the radio side this evening.

4 So, I hope you will be able to
5 attend that, as well.

6 Do we have any other further
7 comments or questions?

8 If not, then thank you all very much
9 for attending.

10 Thanks to our panelists for a
11 wonderful discussion.

12 And this will be very useful to the
13 Commission as it moves forward to review its rules.

14

15 (The hearing concluded at
16 approximately 3:45 p.m.)

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1 REPORTER'S CERTIFICATE

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I, Jane G. LaPorte, do hereby
certify that the above and foregoing is a true
and complete transcription of my stenographic
notes taken and transcribed by me.

Dated this fourth day of March,
2010.

Jane G. LaPorte

Court Reporter