DATE: February 23, 2010

TIME: 6:00 p.m.

LOCATION: South Carolina State Museum
301 Gervais Street
Columbia, SC 29210

REPORTED BY: RITA A. DEROUEN, Professional
Shorthand Reporter
APPEARANCES:

PANEL MEMBERS:

JANE PIGG
Owner and President
WCRE-AM, Cheraw, SC

ALEX SNIPE
Owner
Glory Communications, Columbia, SC

HAROLD T. MILLER, JR.
President and CEO
Miller Communications, Florence, Sumter, Orangeburg and Columbia, SC

EVELYN LUGO
President
South Carolina Hispanic Chamber of Commerce

FOR THE FCC:

STEVE WALDMAN
SHERRESE SMITH
WILLIAM T. LAKE
JENNIFER TATEL
MR. LAKE: Good evening, we'll get started. Welcome to this second session of the Commission's -- the FCC's workshop on media ownership. As I mentioned when we had our first session in the afternoon, the Commission is reviewing its rules for the ownership of broadcast radio and TV stations, and we're holding a series of workshops to seek public input on our rules and their impact on the industry and how they might be changed.

These are the first workshops that we're holding outside of Washington, and we're very happy to be here in Columbia.

The subject of our first session this afternoon was the state of the television industry, and we're speaking this evening about the state of the radio industry, although there was so much interest in radio that we heard a fair amount about radio, in particular, low-power FM during our television session.

This session, like the first one, will begin with a panel discussion, and then we'll have some questions from the moderators to the
panelists, and then we'll open the microphones and
look very much forward to hearing comments and
questions from members of the public.

I want to thank the museum for so
graciously hosting us for this event and recognize
Commissioner Mignon Clyburn, who's with us, and
we're very delighted that she was able to come
down with us.

We will begin with the panel
discussion. Each of the panelists will speak for
ten minutes. And we'll now just turn it over to
our moderator, Steve Waldman, who is a senior
advisor to Chairman Genachowski of the FCC.

MR. WALDMAN: Thank you very much,
Bill. The context for this workshop, of course,
as with the TV workshop, is a media landscape that
is changing dramatically and rapidly in many
different ways.

And today we'll be looking at the
effects on radio and how radio stations or content
providers are reacting to it and how FCC policy
relates to that.

So the panel that we have today
includes Evelyn Lugo, President of the South
Carolina Hispanic Chamber of Commerce; Harold
Miller, the President and CEO of Miller Communications; Jane Pigg, owner and president of WCRE; and Alex Snipe, owner of Glory Communications.

So why don't we start first with Evelyn Lugo, President of the South Carolina Hispanic Chamber of Commerce.

MS. LUGO: Thank you, sir. And good evening everybody. Before we start, I'd like to thank Commissioner, Madame Commissioner, and her staff for giving me this opportunity to be here today and to speak to you on behalf of the South Carolina Chamber of Commerce.

And I have already introduced myself, of course, I'm Evelyn Lugo, the president for the first Hispanic Chamber here in South Carolina.

Allow me to give you a little bit of history about the Chamber. I came from Puerto Rico almost four years ago, and a little after my arrival here in Greenville, South Carolina I got a job in the credit card industry.

My first task was to reach out for the Hispanic community, especially the business community. Needless to say that what I found
Among the business community was discouraging. People were trapped in contracts and had little understanding of the process in industry; and, a long story short, also finding that there were no Hispanic Chambers to help them.

The U.S. Hispanic Chamber of Commerce in Washington encouraged me to start a Chamber, and in August of 2007, the South Carolina Hispanic Chamber of Commerce was incorporated.

It is through my work in getting the Chamber started that I came across Marta Lucia, who has more than ten years in the radio industry in the upstate, where she produces and conducts a community talk show helping me to introduce the Chamber to the community.

Soon I learned about her struggles to have her radio show on the air, especially since we all know the air in the radio is not free, and all the work she has to do to get her show going.

Also, we have seen the closings of the probably only Hispanic-owned station in the Greenville area due to the economy that we all know has affected our nation and the world.

It is my opinion that we need more
presence of minority- and women-owned businesses in our state, though I recognize that the Hispanic community is a young emerging minority group but with a tremendous impact in the community as a whole.

In the TV panel, early this afternoon, we heard words such as contribution, participation, education, and information. And they were certainly well-spoken, but if we don't get those words into action, they might certainly mean nothing or little to our community, especially in the business industry where you see men and women trying to do their own businesses and to grow and to participate and to really contribute to this economy and to the State of South Carolina.

And I just want to let you know that the Hispanic Chamber is here to help this community, that we see and we understand that they have a lot of struggles, and we want to participate more.

We want to open our doors, not only for the Hispanics but for any other minority that would like to come and grow with us as we are going into our third year with just a new Chamber,
a new concept in South Carolina.

As I already told you, we are the first Hispanic Chamber. Once again, I want to thank the Commission for allowing me to be here and represent the minority and especially the Hispanics here in South Carolina. Thank you.

MR. WALDMAN: Thank you very much.

Next we'll hear from Harold Miller, President and CEO of Miller Communications, which has stations in Florence, Sumter, Orangeburg and Columbia.

MR. MILLER: Thank you very much.

Thank you very much, Madam Commissioner. I do appreciate being here. I'm Harold T. Miller, Jr., of Miller Communications. We operate 15 radio stations in South Carolina.

You know, changes to any industry brings positive and negative results. I've found that being a small-market broadcaster with the ability to operate subradio stations from one centralized office or studio has enhanced our operations and provided a vehicle for Miller Communications to better serve the public interest.

By grouping a cluster of stations located in a centralized office and studios built
in Florence, Sumter, Orangeburg but close to the
adjacent licensed communities have positive
efficiencies and far outweigh any negatives.

We're able to provide better news
coverage, sports coverages, community forums,
military reports, interviews, church services,
broadcasts, festival coverage, fairs, community
programming, et cetera.

Convergence has provided better
access for the public and community officials to
access the airways. One thing that has been a
godsend, I've been able to have multiple stations,
and not only do our stations broadcast from a
centralized location, but we can tie them together
by fiber links in emergencies, not only the recent
snow emergency, which turned out to be not as bad
as it could be recently here as D.C. and the
Northeastern part of the United States, but
hurricanes and also ice.

For example, we can centralize in
one place much like the ATF or the FBI or NASA
would do for control point for a missile launch.

By having all our resources in one
location, not only do we have an abundance of
staff to cover whatever we need to cover, but, for
example, when a hurricane hits the coast, you're most likely going to have some services knocked down on your stations unless you're very hardened.

By backing up to a centralized location like in Florence, South Carolina, you can still furnish feeds out on the network and you can be feeding these secondary stations off the coast that have a good chance of staying up along with the stations on the coast that do stay up.

Now, for example, we were able to maintain 24-hour coverage in these type of environments by having a network up and be able to continue to give information.

I learned my lesson in Hugo before we ever tried this or were able to do this, when you could literally hit the button and the FM would run from 88 all the way up to the end of the band with no coverage; of course, that was during the storm while electricity was erratic and all kinds of particles were flying through the air.

So the very interesting part that's come out of this is public service. Let me give one example. There was a lady in Pinewood, South Carolina who was in labor, had left her house for no heat, no electricity. She was in her car.
She could not stay warm anymore because the gas had run out of the car. She called into the radio station on the air. People heard this call. We found that opening up the phone lines -- there's only so much information you can give out over and over, so we turned it over to group therapy, we let people talk, neighborhoods, let people tell what happened in different places on live area network to tie the stations together.

When people heard this, people with chainsaws and four-wheel drives went and cut their way in, got the lady, the paramedics took her to the hospital, and all was well. Now, that's what radio is all about. That's what makes it worth getting up and going in.

I mean, the other -- the other day we had the snow, you have to almost tell the staff that you have too many people sometimes because everyone likes to go in and do those kind of things, it's a love of the industry and serving the public, and that's what you need when you operate radio.

The one thing about radio stations that you've got to understand, and television,
the words of Former Commissioner Jim Quello of the FCC, he used to always say, "A radio station serving the public interest is one in the black."

Now what that statement means is simply this: if you're broke, you can't help anybody. Let me illustrate. How can you throw five dollars into a Salvation Army kettle at Christmas if you don't have any money in your pocket?

So, in other words, if your radio station is not making money, you cannot provide the staffing, the equipment, or keep up the maintenance on the facility to be able to be reliable.

You must make sure that you can pay your bills, it is vital to be a good community business and to also serve the public interest. It is vitally important, especially in this day and time, we do that. Especially this present climate that we're in economically, we've got to be very frugal.

We had to lay people off, like many industries; it was heartbreaking. But the bottom line was that's what we had to do to get by. We've had to have people do three or four jobs
where we used to have three or four people. It's tough.

But we're all working together, and we hope with time things will turn around. And we've seen this in many industries, not just our industry: the car industry, the banking industry. We're all aware of where we are right now.

Let's talk about some other interesting points that were asked -- or questions that were asked or subjects of curiosity here as far as this inquiry is concerned. The state of radio right now, as far as it up against the new devices, technology. The bottom line with public radio or commercial radio is anyone can play back-to-back music.

Broadcasters can entertain but also they can lace their products with local content, weather, and public service. They can show up at events, the Heart Walk, they can be there, they can extend a hand, they can help the Chamber sell out their Expo, they can reach out to minority groups and help them grow their Chambers, which we'd be glad to do.

The bottom line is, if you forget
where you're from as far as the license and community that you serve is the day you should cut off your transmitter because you're not going to make it, bottom line. You've got to be community oriented.

People also want to know where they can get three hot dogs for a dollar; it's important. They want to know what's going on in their communities, not only in advertising, public service, events, events for children, so on and so forth. You've got to keep that going. So serving the public is a vital part in our roles.

Stations are financially suffering right now, but centralization was a godsend as far as being able to operate effectively and efficiently right now. That has been able to help us get through this tough time that we're still in, and hopefully we'll get through the rest of it, all of us together, all businesses.

Market changes right now currently in markets in South Carolina that I know personally of and looking around in adjacent markets to South Carolina -- I feel as though markets are changing or what move-ins and move-outs are still existing, what few stations are
left to cluster, and what stations might be going out of business, that's the availability as far as changes in markets.

Programming is certainly affected by competition and signals in the market. Usually, the more signals in a market the more diverse the programming is. As far as concentration of radio on a national level and radio ownership on a national level, let the free market take care of itself, the strong will survive and the weak will sell to somebody else who thinks his or her business model will be successful.

Anytime there's a change in industry, there will be good and bad in the shake-out. The bottom line is the concern for broadcast and competition in broadcast is not other radio stations, it's through technology, broadband.

Radio stations are limited as to how many things they can do, television stations also, where broadband can do numerous things. It's imperative that we keep pace with technology ourselves and also that the FCC helps us grow.

Right now, as far as ownership caps, we should do nothing, we should keep it where it is. Subcaps, it's -- I have a difficult time with
subcaps, and it's a difficult subject to actually explain, but there are limitations on how you can own stations.

I feel it's unfair because what one counts against a low-powered station also counts for high-powered stations. So the bottom line is, if you're on 100,000-watt station, the cap -- it's like a small station, and we all know that a larger station gets out much further.

So without going into a lot of detail, I'm just going to put that into the record because it's hard to explain and my time is running out here.

Can I have a few more minutes, is that okay?

As far as amending the rural factors in the market shares of stations, I feel we should get away from private rating companies to rate or to determine the litmus tests for broadcast ownership in markets.

I would rather see us go back to the old contour method, where actually we see what signals, what strength overlap and where. The reason why is I don't feel like all these rating services are accurate. We have dropped the
current company that we use because of the inaccuracies.

And it bothers me that that could influence someone for owning more than or less than their fair share in a marketplace. I feel that the old contour method absolutely proves whether a station puts a certain city-grade signal, city-grade signal meaning the same thing as a hand-held here in this building, you can see your signal.

City-grade is the same thing as a radio, you can pick up the signal in this building or anywhere in this town. City-grade, same as a hand-held signal. That's what determines whether a radio station effectively covers a town.

MR. LAKE: Thank you very much. If you have some further thoughts, we'd welcome them. We'll go through the panel and then --

MR. MILLER: Thank you. I do have some further things I would like to add. Thank y'all, and that was a fast ten minutes.

MR. WALDMAN: Thank you very much. Next we're going to hear from Jane Pigg, who is the owner and President of WCRE in Cheraw.

Am I pronouncing that right?
MS. PIGG: That's right, P-I-G-G, as in oink, oink.

I am Jane Pigg. I'm the President of the South Carolina Broadcaster's Association. I'm a resident of Cheraw, and I'm the licensee of WCRE and translator W-230AS.

My station is the only radio station physically located in Chesterfield County and one of only two live local stations in the Northeastern area of South Carolina.

All of our programming other than Coastal Carolina football originates in our studios. We're an oldies format with heavy emphasis on news, events, festivals, and high school sports for both boys and girls.

WCRE is located in somewhat of an isolated area. We fringe on the Charlotte and Florence metro areas, but we don't identify with those areas. I'd like to comment on the state of the radio marketplace and how marketplace changes have affected the media marketplace.

This question can be answered in two ways. The service radio provides is great. We are serving our communities at unprecedented levels. Just recently, stations across America
broadcast continuously during the severe weather.

On the other hand, the current state of the radio marketplace is quite depressed, especially in small market areas, such as Cheraw, South Carolina. We have additional competitors for people's time.

I think that whenever we have a new media that competes for radio time, such as iPods and satellites, it's like the hula hoop. It's a great fad, but the when fads dies and things get back to normal, radio always comes back due to its local programming and service.

Radio that is simply a source of music entertainment is probably affected by the new technologies in the marketplace. There are niche formats now available in even the smallest markets via satellite, iPods and other mobile listening devices.

However, importantly, and especially in small markets like ours, radio provides daily services including local news, weather, community announcements, emergency announcements, local coverage of everything from sales to local sports to community activities.

Last night we had a police officer
who was shot in the line of duty in Cheraw. We were able to follow this story all the way through until the end. It's stories such as this that make our local audience tune in to us.

The largest adverse market change to have affected us recently has been the general poor state and especially the poor state of the automobile industry. We lost five dealers who regularly advertised with us.

These dealers represented from 15 to 20 percent of our monthly billing, and that's billing that isn't easily replaced in a small or large market.

I'd like to comment on marketplace changes, including AM stations on FM translators, which had enabled AM owners like me to have a second voice on FM. From my small market perspective, this has been the biggest and the most beneficial change in recent history for 1420 WCRE, which began broadcasting on July 17, 1953.

The ability to rebroadcast on 93.9 FM has given new life to my radio station. We have listeners that did not even know our AM station existed. We greatly increased our listeners in our local market, we're able to
completely serve our community 24 hours a day, seven days a week, and this is especially helpful
during high school ball games and severe weather.

Listeners can hear us on a clear signal. Like most AM stations, the WCRE signal
had been greatly affected by changes in the marketplace. We signed the translator on the air
April 1st, 2008, and suddenly WCRE became a major media influence in the marketplace.

In times of severe weather and emergency situations, everyone always listened to
WCRE, but this new signal has made a tremendous difference. It's not scratchy, it's not limited.
Now WCRE can be our local market's station every day, every hour of every day.

With more listeners, our advertisers get more results. Our advertising has increased,
which has allowed us to hire additional employees and better serve our community.

Consolidation has had a very positive side. It has one -- it's one that can't be ignored by the Commission. Many small-market stations that provide vital services to their towns and counties have only survived through consolidation.
Where there have been huge drops in revenue and programming has been reduced, in most instances, stations that are owned by broadcast professionals as opposed to bankers and bean counters, they've been better able to weather this economic storm and continue to serve the community.

I'd like to tell you a personal story of some coverage that we did. In September of 2004, a tornado hit a wing of Cheraw Primary School. WCRE was on the air immediately with news reports and reassuring parents that no child was hurt.

We literally gave our microphone to the police captain so that he could direct traffic to parents trying to get their children. The traffic pattern had to go through parking lots and backyards. Apparently, everyone was listening to the station because not a single car got out of the traffic pattern.

During Hurricane Katrina, a former Cheraw resident called the radio station. She had been unable to call her mother. She was using her last calling card, and she only had two minutes left on it.
We were able to get the number she was calling from, call her back, put her on the radio. She was able to get a message to her mother. Of course, as soon as we got off the air, we went and bought another calling card for her.

It's stories like those that make local radio so important to the community. Local radio that serves the community will always be with us. I own the local newspaper in my area, and we have been able to combine our resources with our news reporters and extend our radio coverage. It works very well for us.

Our newspaper comes out on Tuesday, and we are able to get news out immediately, more so than if we were just depending on the revenue from the radio station alone.

In closing, I would like to say that I appreciate the opportunity to come and speak out for my industry. Radio is so valuable to a community. Every local community deserves a strong local radio station. These local radio stations like mine go out to the schools, we participate in career fairs, we broadcast the local ball games, we share with the community.

It is our goal at WCRE to make
everyone's day just a little bit better because he
or she listened to WCRE. Thank you, Commissioner;
thank you, Commission staff. I appreciate the
opportunity to speak with you.

MR. WALDMAN: Thank you very much.

Finally, we'll hear from Alex Snipe, the owner of Glory Communications.

MR. SNIPE: Good evening and thank you for the opportunity to speak tonight. My name is Alex Snipe, President of Glory Communications, which operates radio stations here in Columbia and in several other cities in South Carolina.

I have worked in the industry for 29 years. I am a member of the South Carolina Broadcaster's Association, Radio Board, and a former member of the National Association of the Broadcaster's Radio Board.

Radio has always held a special place in my heart. Since I was a boy, it was how I interacted with the outside world. Each station that I listened to was a new experience for me. Now my grandchildren have the Internet, satellite radio, cell phones, texting, Twitter, iPods, and other mediums to interact with.

It is a far different world today
than it was many years ago. There are more options to choose from. Today radio shares the marketplace with many other mediums. Each new technology consumes a slice of the available audience pie, but the new technology expands the opportunity for radio to nurture listeners and grow audience share.

Radio is separated by its unique underlying responsibility to the community. Its mission to serve the public interest is a valuable platform for our communities. Free over-the-air broadcasting is the only medium with an obligation to serve the public interest.

The past two years have been very difficult ones economically for the country. Our communities have experienced layoffs, high unemployment, business closings, and home foreclosure crisis.

During times of crisis, local radio's commitment to inform and enlighten the community shines bright, be it local news, election coverage, participation in amber alerts, weather, raising funds for education, feeding the hungry, providing valuable information on health care, and the local high school sports.
Glory Communications stations are committed to making a difference. During the recent foreclosure crisis, we kept listeners abreast of information on mortgage relief programs.

During the Presidential election, we provided live pre- and post-coverage of the first Democratic presidential debate at South Carolina State College and the Republican debate at the Cobra Center. We aired live coverage of the first address before the joint South Carolina Legislature by an African-American Congressman since Reconstruction.

Over the past four years, the Glory Communications stations have raised and awarded $1,500 scholarships to 30 underprivileged high school seniors attending college through our future leader scholarship program.

Each year we provide Thanksgiving meals for hundreds of families during our Share the Spirit of Giving campaign, and during Christmas gifts for hundreds of children that otherwise would not have received anything.

This year, one particular family was brought to my attention, a family of eight, both
parents unemployed, the father had suffered a stroke and was very ill; the mother, in her 30s, was battling cancer and was under hospice care.

There were six children ranging in ages two to ten. The mother was so overwhelmed with appreciation she took a moment to share her story with the staff members. Needless to say, it was very touching.

In the local markets we operate, there have not been any changes to speak of in concentration over the past four years. The markets have settled into a variety of different formats.

The combined ownership of multiple radio stations in a single market has proven to provide faster response in emergency conditions over multiple formats. This increases the number of stations with access to vital information for the public.

The competitive landscape ensures a constant search for niche formats that will attract new audiences. The marketplace demands a variety of formats to satisfy the diversity of each community. It makes good business sense to seek an underserved segment of the population to
provide programming suited to their lifestyle. Diversity is alive and well because radio is always in the hunt for new opportunities. In the Commission's quest for greater local service by broadcasters, please be mindful of the unintended consequence of overregulation.

Serving the local community is a broadcaster's path to success. It is driven by the need to fulfill a demand. It makes good business sense to serve the public interest. It is what separates radio from all other mediums.

FCC policies have the ability to assist radio stations in providing greater community service. Rules that will not create or increase burdensome reporting requirements allow broadcasters more resources for other valuable services.

How, when, and where the public gets news and information has changed drastically. There are many media choices that deliver news anywhere, anytime. The dominance newspaper once enjoyed has given way to the Internet and other mobile news services.

Some days I can't believe the size of the daily paper. The market has made a swift
change away from the paper being its main source of the news. It is probably time for the Commission to consider further relaxation of the cross-ownership rules.

I would like to mention a couple of actions by the FCC that have been very helpful to radio ownership, AM on FM translator. This action by the Commission has breathed new life into AM stations.

Once-dying daytime AM stations now can provide 24 hours of programming to their audience. This means more news, more local coverage, and public information to those communities. It would be helpful to resolve the translator backlog and rule in favor of continued AM use of FM translator.

Secondly, I want to thank the FCC for its diversity initiatives of the '90s. It was through this Commission's efforts that increased diversity -- let me repeat that.

It is through the Commission's effort to increase diversity in broadcast ownership that I was able to enter ownership. Based on today's landscape, other minorities do not have the same opportunity afforded me.
As much as possible should be done to ease entry for females and minorities. This will help to ensure diversity and media ownership. The NAB's educational foundation BLT program is doing a great job preparing minorities for ownership. Several people I know have completed the program and raved about its effectiveness. They are provided information that they would not normally have access to.

My youngest daughter, who is here with me tonight, has worked in the family business for 15 years. She is now enrolled in the program. We hope the knowledge that she gains through the program and her work experience will help improve her chances for broadcast ownership.

As an African-American, it was difficult for me 17 years ago, but today it will be next to impossible for her and other females and minorities wanting to enter ownership. As we look ahead to the future of radio ownership and what it will look like, we look for a balance that will reflects the cultural makeup of this country, one that is economically strong, technologically advanced, and regulatory compliant.

Thank you again for coming here
today and for the opportunity to speak with you.

MR. WALDMAN: Thank you very much for really excellent statements. What we're going to do next is have some questions from the FCC staff, and then after that we'll open the floor up to questions from the audience.

MS. SMITH: I'd like to follow up on a point that Alex made about concentration, and I wanted to hear from some of the others on the panel about what they're seeing as far as concentration in the marketplace.

Has that changed in the last four years and what impact, if any, has it had on local news and other local content?

MR. MILLER: Commissioner, I would say that it's slowed down a good bit. The situation in South Carolina has left just a handful of locally owned stations out there.

The activity, as far as marketplace changes that have been move-ins or move-outs, are stations purchased that are remaining locally owned or owned by an individual or a company that wants to sell off that only owns one or maybe two AM/FMs.

And I think the economics of the
last few years have also affected that too.

People are not out buying stations like they used to. Although there's some movement, there's nowhere near the movement there was three years ago.

I think it's somewhat -- I would say somewhat stabilized; although there's some slight movement, but it is not, in my opinion, enough to say there's been any dramatic swings.

One I can think of, for example, would be there was a station that moved from down the road into Columbia and became a sports station and recently -- they are doing a good job, but that added to the Columbia market landscape, a 50,000 -watt channel. That would be a move into a market that had an effect on the market, for example.

But you don't see those kind of opportunities happening where you used to have two, three, four, five of those going on. That's not going on anymore as far as South Carolina is concerned. I'm just not as knowledgeable with the other states to be able to present that to you.

MR. WALDMAN: Could I follow up on that? You said there were only a handful of
locally owned stations in South Carolina. Is that a positive or a negative or a neutral? What do you make of that?

MR. MILLER: When I say a handful, I don't mean just five or six. For example, we have 15 stations which are all locally owned, South Carolina corporations, all South Carolinian-owned companies. But I don't think it's been necessarily a negative.

It's changed radio's landscape, but I think what we're seeing now is the strong will survive, the weak will not. When those stations -- I think, if you're looking -- this might be changing the gear on you a little bit.

I think, if you're looking for diversity, where the issue is the problem, stations will become available. I think the financing and the money is the issue here.

There's always going to be stations available, and as time goes on, I think you'll see a lot of these consolidations, maybe some of those will be spun off. Who knows. But the bottom line is I think we need to enable the people that want to get into this industry to have access to the funds to be able to get into this.
MR. SNIPE: If I could jump in for a moment. I think Harold's point of reference is compared to what it was 15 or 20 years ago. Harold has been involved with radio in South Carolina for a number of years, probably 20-plus years.

So when we attend the Association meetings, at one point there was probably ten managers or owners in a community like Columbia or maybe Charleston, whereas now that's reduced to maybe three or four, in some cases five.

So I think, when you look at the reduction from that perspective, it's a small number. But it has not changed over the last four years; it's relatively stable.

The same people or the same companies that have owned stations in Columbia or Charleston are still there. But the point of reference was from maybe 15 or 20 years ago, where there was a general manager and sales manager for each station and perhaps seven or eight owners in the market, and that's what makes it seem like a handful.

When we look around and look for other managers and owners to get involved in the
Association, then it's very slim because there are fewer owners, but that's something that's across the country.

MR. LAKE: To follow up further on this question of concentration, I think when the Commission reviewed its rules four years ago, there was a great deal of concern in some quarters that massive consolidation was occurring and that this was a threat to some local or diverse values.

I think, at the national level, some sense of that trend has slowed, if not reversed, and that there's some deconsolidation going on. Bringing that question down to the local level, do any of our broadcaster panelists think that if we relaxed our rules, would we see more consolidation in this local market, or is it all basically happening as a result of market forces rather than our rules at this point?

MS. PIGG: I'd like to comment on that. I think it comes down to money. As far as serving the communities, a good broadcaster, whether it is a local owner or a national owner, is going to serve that community.

A person in New York can have a manager in a South Carolina radio station to
thoroughly serve that community. I don't believe that's the issue.

As far as the multiple ownership, it gets down to the money. If a person can get the money, he or she can go into broadcasting, but it comes right down to the money, which is a -- that is the stumbling point at this time.

MR. SNIPE: I think, from my perspective, the marketplace is driving the changes that we see, or the lack of changes. I think that, even if the rules were relaxed, you wouldn't see more combinations or more concentration at this point in time because, you know, it has to make sense in terms of money.

So I think that the marketplace is dictating the activity that you're seeing, or the lack of.

MR. WALDMAN: The FCC, when it determines rules like this, it has to think not only about what the current economic climate is but also what it might be two, three, four years out.

So the question then is: When we talk about well, it's really economic forces that are limiting the numbers of consolidation, are
those economic forces the current recession, in
other words, something that will change hopefully
in a year or two, or are they something more
systemic that will stay there three or four years
down the line?

MR. SNIPE: I think that flat will
be the new up. I don't think that we're going to
get back to the days that we used to have some
time ago. I think that the market has changed too
much.

I think that we are in a bad
economic situation that we are hoping will
improve, but it will not improve to the point that
we will have the same Wall Street interest and the
same kind of investments that we had before. So I
think you will see --

MR. WALDMAN: Why do you think so?
MR. SNIPE: Why I do think that it
won't?

MR. WALDMAN: Yes.
MR. SNIPE: One of the reasons is
that we're sharing the market with so many other
mediums, so that's one major reason. And
investors look for the newest technology, the
newest thing that's working, and right now radio
There are a lot of positive things on the horizon. HD radio hopefully will offer some other opportunities and things that hopefully the Commission will do in the future will probably drive some investors back to radio, but I don't see that it will reach I guess where we were before.

MR. WALDMAN: Did you have any questions?

MS. TATEL: Not right now.

MR. WALDMAN: Jane, when you mentioned, in theory, a station owned by someone in New York can do a perfectly good job serving a local community if they have the right manager on location, so that raises the question not so much -- not just of concentration but of whether or not it's concentration that's locally owned versus nationally owned.

And your view, as you said, was that nationally owned radio chains can be just as good as locally owned chains at serving local areas.

So, first of all, I wanted to see what the rest of you thought of that. Do you feel that nationally owned chains -- has the track
record been that they serve local communities as well as, say, South Carolina owned chains or local individual stations?

MR. MILLER: Absolutely. And, in addition to that, they've been good partners in the South Carolina Broadcasters Association. A lot of stations have actually hired former South Carolina managers.

Secondly, the people that have transplanted into South Carolina have become valuable partners in our Association and helped the Association grow and prosper and have been good broadcast stewards and very active. There are always a few, there's a few in every industry.

MR. SNIPE: Well, I think that it's a matter of the culture of the company that has stations in a particular market than the manager that's actually on the ground in that market and his interest in the community, and I think that they can serve as well.

I like to think that because I'm a local person I can do just a pinch better because I attend church in the community, I care about the families that are there, I've grown up in it.
So I think that there's an advantage that someone who has grown up in a community and lives in that community may have, but in terms of being able to do the same job, they are capable.

During my experience at NAB, I met a lot of the larger broadcasters and I've attended several of the awards, banquets, the Crystal Awards, the Marconi awards, and there's a big emphasis on serving the community because it does make good business sense, and particularly in times like we're in now.

So I think that all companies are reaching deeper into the community. I'm just a little biased and think, because I'm here, I can do a better job.

MR. WALDMAN: A number of you talked about news, news and information or providing information to community through crisis situations.

And, of course, the context that we're -- the broader context that the media landscape is showing is that newspapers are contracting and other forms of media are having trouble.

Do you feel -- what do you see as
the basic trend lines for radio, specifically in terms of the question of providing local news and information, is this something that's been what about it was five, ten years ago and where do you see it going in the future?

MS. PIGG: Local news is not where it was five or ten years ago; this is more due to economics. When radio stations have had to cut back personnel, many times news reporters were cut out, and, in some instances, news departments were cut out. It is a matter of economics more than anything else, in my opinion.

MR. MILLER: We tried to get creative in a number of instances; for example, we married the newspapers and we married local television stations.

They have certainly the assets to go out and gather -- we could never compete with the news force they have. They do a very good job of providing that to us. We can carry that same news on the stations, they can use it to promote their news or promote their stories.

It's a partnership. We can raise the quality of our newscast; they can get the promotion for people to watch their news or to
read their news. It seems as though there's a big
place for more and more of this partnership to
come together.

MS. SMITH: I guess a follow-up
question to that would be, you talked a little bit
about some of the private things you've done to
kind of help facilitate the local development of
news, and Jane has talked about the fact that
local news is not where it was five years ago.

What can the Commission do, how
should the rules be changed to help facilitate an
increase in local news?

MS. PIGG: I still believe it comes
down to money. If broadcasters cannot get the
money to operate in the black, they will not be
able to function and serve the community and have
the local news.

In a small market such as mine,
where I'm somewhat isolated, my radio station --
my newspaper has a website. My newspaper comes
out once a week. And you can go to breaking news
on my newspaper website.

But my radio station is the only
place that local citizens can get local news 24
hours a day. If it is a major news story like an
officer getting shot, a television station is going to come in from outside the market to cover it, but just on a day-in, day-out news basis, my radio station is the only place for that news.

MS. SMITH: So there's not really much for changes in the current rules that could help?

MS. PIGG: I don't see that the current rules would help other than relaxing some of the ways it takes to get into the industry, such as the auctions.

It's very -- you start out by having to bid on the auction, and that's very expensive, and then, of course, it's very expensive to furnish a radio station with the equipment. And it just comes down to money, which, in the current economic climate, the money is just not there.

MR. SNIPE: If I could chime in here. I think there is one thing that can be done. News has changed in the way that we get news now.

Most conservative news -- people will get their news from conservative talk stations, that's where they find out everything.

We have three stations here in Columbia, one is a
combination of ministry and praise and worship
music, the other is a combination of black talk
and traditional gospel music, and the other is a
music-intensive inspirational station.

And on our station that does the
black talk, that's a form of news for the audience
that we serve. This is something that was not
available three, four, five years ago; it's
something that is emerging because of the need and
the interest that's in the market.

We're living in historic times, and
people are consuming news in different ways. I've
got a friend who is working on an older car, and
he is a staunch conservative. And every night I
call him he tells me what Obama is doing, every
night.

He says, Alex, you know what they're
doing now? His news is coming from -- I mean,
it's true, it's a true story. But we can have
conversations. I would like to think that the
audience that we serve with black talk, that
they're getting their news from us on what is
actually going on around the country.

So I think news, in the sense that
it used to be done at the top of every hour, 12
hours a day, I don't think it's going to happen like that, but I think it's going to come in the form of formats delivering news on a regular basis.

And if the Commission allows AM to continue to use FM translator, if that's able to continue, I think you'll see more of that on AM stations that aren't doing anything now and it will give them an opportunity to be live for 24 hours.

So that's one of the reasons I'm kind of pushing for that. Because if I have a translator for this particular station, even though it has 100 watts at night, you can't pick it up three, four miles away.

So having a translator on that station will allow us to serve the greater part of the metro if we were able to do that.

MR. WALDMAN: Maybe this isn't what you're saying, but do you feel like if more of that were occurring, that talk-based formats would be likely the most popular iteration event?

MR. SNIPE: Absolutely.

MR. WALDMAN: Why is that?

MR. SNIPE: Because most AMs, other
than the dominant conservative talk AM in town, is not really making a lot of money. So you can only spend so much in AM technology to try to improve it, because you're just not going to get the return; but having the FM translator opens up an entire new world, it gives you an additional 12 hours a day to provide programming and possibly have a chance at obtaining revenue.

MR. WALDMAN: And the programming would likely be talk versus music?

MR. SNIPE: I would think so. You can't compete with a music station with a translator, you can't compete with that.

MR. MILLER: May I add one thing? Mr. Snipe certainly taught me the value and the power of African-American, black gospel music, and I guarantee you it certainly outpowers conservative talk radio.

He runs a very successful operation. But I do agree with Alex. If we can make more outlets, we can be more diverse. This is the name of the game. It's no different than the Internet. You can do so many different things on it, we just need more ways to reach.

The translator issue, if I may.
You've granted the availability of translators to AM stations, but then you said you can only use the ones that were prior to March, I think, of '09.

Well, there's not a -- not a ton of translators out there for everybody. That creates an issue. It's sort of like inviting 100 kids to Disney World who all have the same birthday but only having 20 gifts. People are desperate to get them because they know it will make the difference.

For example, when I put one on WDXY, my news talk station, it wasn't long after that that I was invited by the general of Shaw Air Force Base, which is a strategic strike Air Force base in the Mideast, to come in to be a voice for them to talk back to the town of Sumter to give to that Air Force base.

They wanted a voice. They wanted to get people on there to say things, like the airmen who come back to tell his story of what it's like in Afghanistan and then to have his wife to tell what it was like to be there waiting on him so anxious and their children or talk about an airman who won some awards or somebody who saved
somebody's life, the personal side.  

Now the third Army is coming in there. It's going to be a very large -- and your father has had a lot to do with this too.

MS. SMITH: It's actually her father.

MR. MILLER: Thank you.

COMMISSIONER CLYBURN: We get mixed up all the time.

MR. MILLER: The bottom line is:

What we would like to do is try to help that situation if we can. Excuse me for that, by the way.

COMMISSIONER CLYBURN: No problem.

MR. MILLER: Is to help that situation if we can and make availability and be fair, also be fair to other applicants and people who are desirous of other opportunities.

MR. LAKE: If I can change the topic just a bit. We hear so much about the new media these days, and it's clear that some of the new media present alternative sources for music and entertainment, even the iPod is to some extent, is a competitor to radio.

When you talk about news and public
events, public affairs, do you see any glimmerings of alternative sources on the Internet, for example, of the kind of news and public affairs programming that you provide other than radio stations or newspapers' websites, you know, that are independent sources of that kind of programming that are arising on the Internet, or is it still the broadcast world and the newspapers?

MS. PIGG: I would like to answer that. We have embraced new media. We use Facebook, we use Twitter any way we can to get our message out; however, the local news, the local sports, the local coverage, the immediacy, it's going to go back to your local over-the-air radio stations.

I personally do not believe that a satellite radio station will ever be able to deliver for the local market. There will always be a place for local radio in the local market.

I love music, music is great, I like to listen to music; but in a local station such as mine, what is said between the songs, that's why people listen to my radio station.

MR. SNIPE: I don't know if that
model is figured out yet, but I'm certain that they're working on it. And I'll probably have to consult with my children or grandchildren to get an answer for you.

But I would think that they're working on it, I just question how effective they will be able to be. But, you know, with Twittering and texting now, you know, information is flowing to so many places so quickly, I just don't know how they're going to tailor it to meet the immediate needs to the local community, but I'm sure someone's working on it.

MS. TATEL: A couple of you have mentioned working with your television broadcasters in your communities or with newspapers in your communities, partnering to improve service over your radio station.

We have a couple of cross-media rules that are the subject of this review here. I was wondering, when looking at those in particular, if you think that further relaxation of cross-media rules would give you additional opportunities to do that kind of partnering and if that, in turn, might address some of the financial issues you're talking about and help in that way?
MR. MILLER: Certainly partnering with the TV and newspaper has helped fill the void for the news person that we probably cannot afford to put on right now.

But as far as cross-ownership, I think, as technology marches forward, it's almost comparable to the days of one AM and one FM, a broadcaster owned against 500 cable channels back then and the technology and the Internet coming off -- growing by leaps and bounds.

I would assume, provided that it's done correctly -- and that's a big provided, if it's done correctly -- that it would be a good thing, because there's so much -- I mean, in other words, supposedly the newspaper is having a hard time, you've got the news reporters that can go right on the air, also television is gathering news.

So I think it could all help each other, done the right way. Now, that would have to be left up to you to learn at the FCC to figure out.

MS. PIGG: I will say that owning a radio and newspaper, weekly newspaper, has been a tremendous asset to us. We are able to not double
our coverage but more than quadruple our coverage.

We have our radio people working with our newspaper people, our newspaper people working with our radio people.

MR. MILLER: You can certainly reinforce ads in the paper by promoting it on the radio.

MS. PIGG: Absolutely.

MS. SMITH: I wanted to ask a little bit about new entrants and trying to get more diversity of ownership. Are there particular things that we can do with our rules that would help facilitate new entry into radio markets or diversity of ownership?

MR. MILLER: I'm sorry. Can you repeat the question?

MS. SMITH: I was saying that I wanted to talk a little bit about new entrants and how we could facilitate having more new entrants into these markets and are there things we could do to help have more people or more diverse voices come in and own some of the stations?

MR. MILLER: I know in the latest auction -- maybe I said that a while ago, I can't
remember -- there were 37 stations that were not bidded for. That's just one thing I'd like to mention.

I don't know how you would go about rationing those out to maybe minorities or females. Secondly, I think though, if you look -- even if you had the radio stations, you've still got to build it, you've still got to operate it, it becomes a financial issue.

I think that is the key, getting in and being able to survive and getting the station going is what needs to happen, and that's where the help needs to be given. There used to be some former programs that would help this, but through the years they kind of dwindled away.

And I really feel that the more valuable or the better off radio is and television, the more people could be -- the more the financial markets will become interested in them and the more people would sell them because they would become like houses going up and people would be more interested in buying things and, as a result you get turnover, and then, if minorities could afford to get the loans to go in to buy them, then that would open up turnover. Right now
it's just hard to get a loan for anything.

Mr. SniPE: If I could jump in here,

I think this is my spot.

Mr. Miller: Thank you, Alex, you

took me off of mine.

Mr. SniPE: Well, this is my spot.

The minority tax certificate would be a great help

if there was some encouragement from the FCC to

Congress to move on this action. I think it would

do a lot to encourage a lot of the larger

companies to sell to smaller companies, women and

minorities, if there was some incentive for them
do that.

I think that that's one of the main

things. I think there are a number of proposals

that have been sent to the Commission by the

Minority Media Telecommunications Council that if

some attention could be paid to those proposals, I

think that they have quite a few ideas on how we

could increase minority ownership in broadcasting.

That would be something good to pay

some attention to. I think I got a copy of a

letter that was sent out to the Chairman last

week, I think there were maybe 23 or 26

organizations that signed on to that letter.
I think that would be a good first step along with the minority tax certificate. You know, there's a small problem of discrimination in advertising that could help the minorities that are now in ownership that have stations that are serving the African-American community.

There are no-urban, no-black dictates that that's still alive and well. If there's some way that could be addressed by the Commission or enforced by the Commission, I think that would be helpful to those minority owners that are already in place.

But there are a number of things that could be helpful, and I think the proposals that the Minority Media Telecommunications Council have put forward would be a good place to start.

MS. PIGG: I think anything that the Commission can do to help the smaller owners. And it boils back down to money. Tax credits, tax certificates, anything in that way to help. A broadcaster is a little bit different than a banker, and a person who is a true broadcast professional is going to put the good of the community first. But we have to be profitable or we can't serve the community.
MR. WALDMAN: This is a question that I'm stealing from Bill, who asked this at the last panel. But if you had to pick one change in the current FCC regimen that you think is the most important thing to change, what would it be, or is it all perfect?

MS. PIGG: Well, I would say that, in light of the economic climate, perhaps the regulatory fees could be reduced. Anything that you can do to put more money in our pockets, that would be a good thing.

MR. MILLER: Also, speed up processes that could help us make money; in other words, focus on the financial part to be able to let radio and television stations keep more of their money right now to -- maybe a moratorium on owner spectrum fees for a while, maybe a reduction in the fees.

I know not everyone is filing applications right now, that's maybe not the biggest contribution, but, for example, I mean, there's a number of applications that take so long that if we had those construction permits and we could move forward on them immediately it could mean revenue and help us earn revenue.
It's not that we want y'all to come down and pay our way, we just want y'all to help us get the thing up and running so we can make money. Sometimes delays take a long time. But we do understand y'all have a pretty tough job up there with everybody wanting everything tomorrow. So I think focusing on the financial part of it right now is the hardest part for the broadcaster.

MR. WALDMAN: In terms of the ownership rules, it sounds like from what we're hearing that obviously all of you feel like this shouldn't be tightened. Do you feel like, on balance, they're about right where they are or that they should be loosened? And I guess make the distinction in this case between the overall ownership caps versus the cross-ownership type rules.

MR. MILLER: I think radio is okay. Television, I'm a little -- I'm not as versed on that, but I feel the -- as long as TV broadcasters get the same opportunities that the radio broadcasters have got.

MR. WALDMAN: But your base feeling
is that the way it is currently is about right?

MR. MILLER: As far as radio.

MR. WALDMAN: Do you feel the same way?

MR. SNIPE: I was thinking about that. I think it's been driven by the market. And, you know, relaxing radio even further, I don't see what the good would be in it at this point, but it doesn't mean that there wouldn't be some good.

I'm thinking about it from my market perspective. That could be very different than the top 10 or top 20 markets. I'm speaking for Columbia, I'm not speaking for New York or Detroit.

I didn't speak up on the one thing that I would change at the Commission, but the one thing that I would change that would create the greatest opportunity for me, for my company, we have five AM stations, and I would like to see them become vibrant, and it would be to change the position now that, after May, the AM stations will not be able to use those other translators that may be coming forward.

So that would impact my company, so
that would be the one change I would make at this
point.

MS. PIGG: I am a graduate of the
NAB's broadcast leadership training program, and
many of my fellow graduates have expressed
interest in owning AM stations.

Recently, there have been a large
number of AM licenses that have been turned in
because the owners could not make a profit on the
station, they were not viable.

From my personal experience with an
FM translator on an AM station, it can breathe new
life into an AM station. I also would like very
much to see that.

MR. MILLER: Not only can it breathe
new life, it can raise the value of AM stations.
Immediately, after we put ours on WDXY in Sumter,
the stations became profitable, not just a break-
even entity.

We were able to hire people, and now
we're being asked to do all these shows. And we
have great community involvement, politicians on a
regular basis. We had all the presidential
candidates coming through Sumter on the radio
station, we're out at Shaw Air Force Base.
So now we feel like we're doing our job because we can be heard. And keep in mind, when I say this, this is 1,000-watt day-and-night station built probably back in the '40s when Sumter was five miles wide.

And at night, it's on a community channel, you can probably hear it about four and a half miles, and the ground system is very old. But the bottom line is the technology is just outdated. Thank you.

MS. PIGG: I would echo everything Harold said on that. Because 93.9 FM has turned into such a valuable entity in the market.

MR. LAKE: Thank you. We might just give each of the panelists an opportunity to give us any parting thoughts, it is your opportunity to speak to the Federal government. We're here to listen.

COMMISSIONER CLYBURN: Do you want to do parting thoughts before the --

MR. LAKE: Oh, yes, before the --

and then we'll have the public --

COMMISSIONER CLYBURN: Just a suggestion, maybe something somebody might say --

MR. LAKE: Let's move to the public
open mic. You folks have sat and listened long enough. Before we turn it over to totally open mic for members of the public, we've invited a small number of individuals to speak to us briefly just for about two minutes. We didn't have room for that many people on the panel here, but we would like to hear from these individuals.

The first is Stephen Varholy, President and general manager of Gamecock Alumni Broadcasters, WXRY-LP. If you'd like to approach the microphone.

MR. VARHOLY: I'm instructed -- I used to be a litigator, so I'm instructed for our stenographer to, first of all, say my name. It's Stephen, S-T-E-P-H-E-N, middle initial F, Varholy V, as in Victor, A-R-H-O-L-Y. I'm with Gamecock, that's one word, Alumni Broadcasters, Ltd., Limited, WXRY-LP here in Columbia, South Carolina.

And, first of all, I want to thank you all for coming to Columbia, South Carolina, hopefully you'll enjoy yourselves here. Second of all, Chief Lake, Chief Tatel, and our advisors -- I don't think you realize what great broadcasters you have here on the panel.

These are some folks that are
really, really, really doing it right. When I used to work for Clear Channel back when they had ten stations, one of which was the big DM here in town, Steve Patterson, the general manager, was always pointing to Mr. Snipe about how wonderful and what a sharp broadcaster he is, and that is absolutely true. He's a great guy.

I just wanted to share some good news with you. The first thing is we're one of two low-powered FM stations in the Columbia, South Carolina area. We are probably one of three that are financially viable and successful in the United States of America.

First, there's KXQZ in Texas and WRAR in Richmond, Virginia. We have had a fantastic year in 2010. We are up to our revenues month to month, from last year up 25 percent. Our audience went from 1,000 folks when we signed on five years ago. Our fifth birthday is going to be St. Patrick's Day this year.

We went from 1,000 people cumulative, we're up to about 20- to 25,000 a week. So we're definitely having an impact. And, in fact, we have really been able to really impact the community by virtue of our special status as a
noncommercial entity.

We're owned by a nonprofit organization, a private foundation founded by alumni of the University of South Carolina. As the executive director of the nonprofit art house theater in town, Nickelodeon, said, Larry Hembry said, You're the radio station that does the most for the most nonprofits in Columbia, South Carolina. And that certainly is true.

We don't concentrate our -- we take our mission to build and serve the community very seriously. And that means we have a lot of public service announcements. And instead of just having one show dedicated to public service, we bring folks on in the largest time period that we have available in the afternoon to come and share their thoughts and issues on the community, and we've been fairly successful.

Just one example, we were the pioneer to decide to locate on Main Street in Columbia, South Carolina. In 2004, you probably ran to your car at 4 o'clock in the afternoon just so you wouldn't be stopped by somebody or were afraid of getting shot.

We like to say that our downtown, if
you manage to take a trip through it, in 2010 is very vibrant, and we were the first media outlet. We're now joined by the free local News Weekly and also the ABC affiliate here in town, and it's a real vibrant neighborhood to take place in.

In fact, in 22 years of broadcasting, I will say this, I have never seen an audience so passionate and so grateful that we exist in the community. We actually tell people -- they come and say, We're so glad you're here. Our landlord, who we run a grant announcement for every hour, says, "We constantly get calls and e-mails thanking us for supporting you." And it's truly been great to be embraced by the community.

I know I'm running short of time. I did want to address a couple of issues. In terms of the ownership, you've got the noncommercial world and you've got the commercial world.

First of all, the commercial, in terms of the local, at this time, the Commission should consider not doing anything with the local ownership caps.

In Columbia, South Carolina we've got a great local broadcaster, like Alex; we've
got Harold on the fringes with a couple rim shots;
and then we've got basically three consolidators,
Citadel, which is in bankruptcy, and Clear
Channel, and then Inner City as well.

There are some competitive issues
because of this concentration. And I'll just give
one example. We try to be involved in a lot of
community events because that's very important to
us. We like to be able to participate in
broadcast from and we draw attention and
attendance to these nonprofit organizations.

In at least three occasions over the
past year, we've been told that we are not invited
to participate because the organization has struck
a deal with one of the consolidators, whereby, for
a break on paid advertising, no other broadcaster
is allowed to participate in these community
events and we're disinvited.

Another occasion, one of the local
breweries specifically has made sure that the
nonprofit organization not allow us to participate
because of their relationship with another
broadcaster.

And those sorts of things concern
me, because these sorts of groups need the
exposure more than the average 10 to 15, maybe 20
percent of the market. And that kind of concerns
us greatly, because we're here to serve first.

Second, I'd like to speak a little
bit about the FM translators. Our goal is to try
to extend our mission, and that's our primary
focus rather than, you know, seeing how much money
we can choke out of shareholders, because we don't
have them.

As to the translators, we are
actually at a technical disadvantage with
translators. Although we both share a secondary
regulation class, what we would like to be able to
see is to be able to use a contour method to
upgrade our facility to allow us to use the
interference contours just as a translator does.

Alex's translator, great signal.

250 watts at a great height, same class. He's got
a much better ability to serve the community,
whereas we're limited to -- I think we're -- ERP
is about 17 watts or so. We like to say we have
the most watts per person -- I mean, the most
people per watt in the community.

So those are the two things I really
thought -- I'd also like the Commission to not buy
the -- what we need to get bigger in order to be financially viable. I'd say that's old wine in new bottles, but it's actually old wine in old bottles.

We first heard that during the docket '80-'90 proceedings, then in the '80s and into the '90s and also preceding the '96 act as well, and look where it's seemed to have brought us now.

So those are my comments, and I'd like to thank the Commission for their support and for supporting low-power FM. We'd like to bring Senator Jim DeMint along at some point. We're a worthwhile entity as well. Thank you again, and thank you for coming to Columbia.

MR. WALDMAN: Can I ask a follow-up question to you --

MR. VARHOLY: Absolutely.

MR. WALDMAN: -- about something you said at the very beginning in your introduction?

MR. VARHOLY: Yes.

MR. WALDMAN: You said that you were one of the few break-even or profitable low-powered FM stations in the country.

MR. VARHOLY: Yes.
MR. WALDMAN: Why are there so few
and why are you different?

MR. VARHOLY: Well, one, is, first
of all, it's your market and where you're located,
technically. We're very fortunate. We're on a
ridge, we're in the center of the populated area.

We cover about 60 to 70 percent of
the populated area in the Columbia metropolitan.
We don't cover all of those counties, but we come
pretty close to populated areas. If Harold's 99.3
weren't our co-channel, we'd probably cover a
little bit more, but that's probably just
squeaking things through a little bit.

By the way, his station is good. I
just wish he wouldn't come over us sometimes. But
a lot of it has to do with programming and
identifying an audience. You have a lot of
community groups that are well-meaning, but they
aren't experienced broadcasters.

And like Harold told me on the phone
one time, it's all about the dollars. And it is.
It is. I mean, you cannot serve -- like Jane
said, you cannot serve the community unless you're
financially viable. We've been lucky.

I mean, we've -- since -- after nine
months in, we were completely self-supporting, and
now with the salaries of two full-time people, one
of them myself, we're actually -- we're still in
the black. Thank you.

MR. LAKE: Thank you.

I'd next like to invite to the
microphone Diane Bagnal-Moody, Manager of
Development of Special Programs Palmetto Health,
Children's Hospital.

MS. BAGNAL-MOODY: Good evening.

How are y'all? Good, good.

Since 1989, when I first began
working at Children's Hospital, I've seen the
exceptional growth and change in our hospital,
making us the best, in my mind.

We've been able to grow subspecialty
services from 11 subspecialists to 31, ancillary
teams such as child life, pharmacy, pediatric
sedation, and, most recently, we've become the
first free-standing children's hospital in the
state.

All of this growth and change is, in
a large part, due to the commitment that we've had
in our community. This commitment includes both
private and public support.
My first true experience with support from radio happened when B106.7 stepped up to the plate and provided us with the opportunity to air our very first radiothon.

The dedication that we witnessed over the years from these wonderful people at this station is phenomenal; in fact, it would be very difficult for us at Children's Hospital to accomplish our vision and our mission without the support and dedication that we've received and continue to receive daily from B106.7.

Through them and their voices, they've become our advocates. And people truly believe them when they say how wonderful we are; of course, we think we are. They also set the stage for our patients, our families, our doctors, and our staff to be able to tell our stories and educate the community on children's health care issues.

This annual interaction by radio has not only impacted our ability to grow and expand program services within the hospital, but it's also impacted our ability to market our exclusive children's services to the 17 counties we serve in central South Carolina.
Palmetto Health Children's Hospital, because the best care matters, it's the place to seek care for your child when the condition is considered serious and the best specialists, equipment and talents are needed. When it comes to your child, the best care that's available is always what's desired if hospital care is needed. And when the outcome of care is in question, Children's Hospital provides the best option. And our relationship with the broadcast media in our community has ensured that we continue to be the best option. Thank you.

MR. LAKE: Thank you very much.

Next we're happy to hear from Captain Chris Cowan, Community Services Division Commander, Richland County Sheriff's Department, and Chairperson for Crime Stoppers.

MR. COWAN: Good evening. The best-laid plan is just that, it's a best-laid plan. And, in order to implement those plans, we need the media. And one of the things that we wanted to mention to y'all tonight was that all of the programs we have in Richland County and we have in law enforcement across state are not successful
without the relationships with the media.

And one of the things that Sheriff Lott and myself and several other people do is we go across the state and convince law enforcement that we need the media more than the media needs us.

And one of the things that we are trying to do across this state and through Crime Stoppers and through many other programs is to continue to develop that relationship with the media and through the media be able to introduce information, introduce plans, introduce initiatives and programs and services to the community. So it's imperative that we utilize our relationships and build those relationships with the media.

So I guess, in essence, what I'm saying is that without the media we can't be successful in law enforcement. And one of the things that we've done through law enforcement and through Crime Stoppers is build the relationships and the communications and the partnerships so that we can, in turn, get information out, whether it's about a wanted person or whether it's about a safety issue or whether it's about a program or
it's about a new service that we're able to provide.

So, again, in saying -- in saying -- what we're trying to tell you basically is that without the media we wouldn't be successful and we can't be successful. So we appreciate any assistance you can give us in continuing our relationship. Thank you.

MR. LAKE: Great. Thank you very much.

Now we will hear from the Honorable Grady Brown, South Carolina State Representative and radio talk show host -- or music show host.

MR. BROWN: And a very pleasant good evening. I am Grady Brown. I live in Lee County. And I've had the honor and distinction of representing Lee County and Sumter County for the past 26 years in the South Carolina General Assembly, and the honor has been all mine, it's been a pleasure.

It's an honor tonight to be able to be with you and to speak before this distinguished group. We of the General Assembly extend a warm welcome and a warm welcome home to Commissioner Clyburn.
Commissioner Clyburn, in looking and doing some homework, I won't give dates, but I did my first radio show a few months after you were born. Again, we won't give dates.

But I have been honored to know Commissioner Clyburn for a number of years, and I have watched her with great respect and admiration as her public service career has developed from her posting at the South Carolina Public Service Commission over ten years ago to her recent appointment to the Federal Communications Commission.

South Carolinians are fortunate to be the recipients of her outstanding civic generosity and leadership by Ms. Clyburn and, of course, by her father, the distinguished Congressman and Majority Whip of the U.S. House, James Clyburn.

The Clyburns have many contacts and many relatives who live in Lee and Sumter County. They're friends of mine, and I'm glad to call them friends and constituents, Commissioner.

In my role as a legislator and public servant, I have been afforded the opportunity to observe the broadcast industry and
the vital role it plays in the lives of South Carolinians from the coverage of political processes, voter awareness campaigns, Chamber events, amber alert notifications, to public affairs programs, local charities, and as serving as the foundation of our public warning system, which is so critical in an area that is frequently the target of dangerous hurricanes and other severe weather.

I go back to the days of radio when, if you did a radio show -- and for those of you who did, you had a camcorder, or not a camcorder, but a recorder on each side with a 4-by-8 piece of plywood with a little tape, and you kind of -- and you whomp, whomp. Those were the days when we cued those little tapes.

So, you know, radio has some so far in just a few short years. I've had the opportunity to observe the industry from the other side as a host of a local radio show, a beach music show on Sunday evenings, networked across South Carolina on five radio stations.

I experience a personal hometown connection that exists between the broadcaster and their listeners. I guess I'm boasting. But the
rating industry says I have many thousands of listeners, and I'm proud to be a part of that process, I want you to know that tonight.

I personally see how much the public depends on local radio, I see how dedicated conscientious station managers and owners are, and I see the loyalty to the public of station employees. I also see the enormous challenges that local stations face today to keep their business afloat. I can't put enough emphasis on that.

To keep employees on the payroll and to continue to offer the level of community service that we have all come to expect and appreciate, any regulatory or monetary relief the FCC can provide to assist local broadcasters would be a godsend.

The people of South Carolina depend on free over-the-air local radio and television, and we do not want to let them down. Again, Commissioner, it's an honor for me to be able to be here tonight. And please note that you are welcome in Lee County or Sumter County or South Carolina any time you can come home. God bless you.
COMMISSIONER CLYBURN: I appreciate it. I'll see you soon.

MR. LAKE: Thank you very much. And, on that note, we will open the microphones. We welcome comments or questions from anyone in the room. If you'd like to make a comment or ask a question, please just approach one of the microphones in the aisles.

I will ask you to try to limit your comments to two minutes, please, and to start by stating your name and any affiliation. Welcome.

MR. MILLER: Good afternoon. My name is Howard Miller. I'm a student of Professor Fodder's politics and media course at University of South Carolina, and I have questions for Mr. Miller and Mr. Snipe.

Mr. Snipe, you said we need to watch out for the dangers of over-regulation. In what way does the FCC currently over-regulate you?

MR. SNIPE: I was speaking of future regulations. We're in a difficult climate right now, and if broadcasters have to spend more time and money to process reportings of our activities, it will drive the cost up for us, and that money has to come from somewhere.
So we will have to sacrifice services of some kind to meet that need, and that's what I was referring to.

MR. MILLER: So you also mentioned the problems about diversity ownership. My question is -- and I'm going to kind of side with Ms. Pigg here, she's pretty plain and forthright about what matters, and that's dollars and cents.

So my question is: If a minority group or person has the money, what's the problem, why can't they bid on the station and own it?

MR. SNIPE: Is that a question for me?

MR. MILLER: Yes.

MR. SNIPE: My number is up.

COMMISSIONER CLYBURN: You said you were the one.

MR. SNIPE: Well, if you have the money -- take when I got started, for example. Back then I was fortunate to work for a good company that allowed me to pursue my dreams and goals and didn't fire me, allowed me to continue to work for them.

Steve Patterson, who is here tonight, was the general manager that I worked
for, and he knew that I had applied for a station, and he allowed me to continue to work. And when I received the station, he let me continue to stay there until I could get it built. I think the challenge is if you have the money then you have to personally participate in the process. There have been several auctions that I have personally participated in. There were two auctions that I think my daughter participated in. So it's a matter of getting involved. People like myself would probably be helpful to you. I'd be happy to share any information that I could.

So, if you have the money, you really don't have a problem, you're just lacking the information so that you can engage.

MR. MILLER: I also had a question for Mr. Miller. Sir, you said centralization has been very cost effective for you. In what way has it been cost effective for you?

MR. MILLER: Well, it's sort of like you have everything in one place so your engineer can work on everything in one place, your production guys can cut the commercials and we can distribute them to all radio stations in one
place.

So it's sort of like having a giant restaurant that can serve many, many people, and you're doing everything in one place, cooking everything, cleaning everything.

So, in other words, we're centralizing our -- in South Carolina, we're actually classified as a manufacturer, we're manufacturing air sound, it's hard to see, but it's there.

The bottom line is: It takes our manufacturing efforts and puts them in one place. Let's say there's an emergency. It's much easier to put it across four or five radio stations located in once place and you've got a news man who can flip one switch and all five stations come up and you're reaching -- I mean, if you lose your contact lens at night, would you rather have one flashlight or would you rather have four other friends with you and have five flashlights looking for your contact lens?

You're going to cover more territory. So the theory is here -- the name of the game is how fast can you get that information out to the most people because it's critical. And
central location of assets has allowed us to do that.

When we first started doing this, I had no idea that this -- two things, A, that it was going to provide an overwhelming positive effect during emergencies; and, two, after you give out as much information as you can possibly give out, then you turn it into letting neighbors talk to neighbors across the network, they'll help each other, you don't have to do a thing but moderate. It's unbelievable.

MR. LAKE: I've certainly had occasions where I could use those five flashlights.

MR. MILLER: I have a follow-up question on that, sir. Centralization is obviously working for you right now. But I'm kind of concerned.

Can centralization work against the people in terms of, okay, everything is coming into one office, you've got one editor that says, For all the stations, this is what you report? Is there a danger in that?

MR. MILLER: One editor?

MR. MILLER: I'm just saying, could
you possibly have one person distribute to all
stations, subordinate stations, this is what you
report as news because you're so centralized?

MR. MILLER: We don't -- right now,
we take our news from the television and
newspaper, television companies and newspaper.
They can do a better job with it than I can right
now because of my staff. They've got the assets
to cover it correctly.

If I did have a news director and he
was doing something like that, I can guarantee you
he wouldn't be there very long, I'm not going to
allow that. I mean, that's crazy. I wouldn't do
it. You know what I'm saying? I have the same
concern you have.

MR. MILLER: Yes, sir, I
understand.

MR. MILLER: I have the same concern
you have.

MR. SNIPE: When he's saying
centralization, he's talking about in terms of
cost as it relates to -- in my case, I have three
stations in Columbia, one is licensed to South
Congaree, one is licensed to Cayce, and one is
licensed to Columbia.
They're all located in one building in Columbia, so rather than paying rent for three locations, utilities, telephones for the multiple locations, they're all in one location.

MR. MILLER: So it's not about --

MR. SNIPE: No, not in terms of diversity of format or programming content.

MR. MILLER: I have one last question, and this is for Ms. Lugo. I'm sort of curious, what does a Chamber of Commerce do and why does there need to be a Hispanic Chamber of Commerce?

MS. LUGO: I'm sorry?

MR. MILLER: What does a Chamber of Commerce do and why does there need to be a separate Hispanic Chamber of Commerce?

MS. LUGO: Let me address that this way: When you look at our neighbors, like Georgia, they have a Hispanic Chamber 25 years old. And how they serve the community, they not only serve the Hispanics, but they serve even the English speaking.

And it was encouraging to me when I went to Georgia and spoke with Sada, and she encouraged me to have a Chamber here and how well
they serve the community.

The other area that you go to and you see how they have grown and how they're serving is in El Paso, Texas. Of course, we're talking here about communities that are there for years and they are growing and serving the community.

But let me tell you, they have been through struggles like anybody else because it's not accepted, why a Hispanic Chamber when you have a regular Chamber. But you have to look to this as a particular culture in how we do business.

It's not that we're going to do our own things, it's just that we understand each other and it has to be in English, of course. But we understand each other, and sometimes it's better for you to come to me, that I speak Spanish and I understand the system and I want to understand the system and I want you to do the right thing.

So the Hispanic Chambers really do a great job serving the Hispanics, but, at the same time, serving the community that wants to do business with the Hispanics, understanding how to reach them better.
MR. MILLER: Thank you.

MR. LAKE: Thank you very much.

Do we have other questions and comments? We welcome them. This is your chance to talk to your Federal government face to face.

MR. WALDMAN: By the way, you should become a journalist.

MR. JENKINS: Yes, ladies and gentlemen, Mel Jenkins, M-E-L, J-E-N-K-I-N-S. I live here in Columbia, and I have about three or four pages of notes, but I'll try to stick to the two minutes. That's broadcasting, you're supposed to hit your mark.

Thank you, Ms. Smith, for your recognition that radio news has some value, because radio news did produce a different product than print or television. It's a different approach and a different result.

I hope that your being here will accomplish a number of things, first, that you will get some good information; second, that we will learn your procedures. And I'm learning about them, I'm seeing how you work, and that's illuminating.

Third, that it will get to be more
of a communication between us, the people here who
have knowledge of the past years of radio, and I'm
going to address that, and television and the
Internet. And we can look at the future coming
out of that past.

I'll simply say, I have to be
confrontational a little bit, you people broke it,
now we're going to have to try to fix it. We had
a good working model in broadcast in this country
which got broken as it went to the auctions and it
went to bidding up the prices of these station
licenses and that sort of thing.

You broke it, now it's going to have
to be figured out how to fix it. Well, don't
forget, the airwaves were defined as belonging to
the people of the United States. It's a natural
resource, a limited natural resource, that's why
we set up the system we did.

In other countries they set up
different systems, but here it was a mixed system.
What can we do? Well, I think we need to look and
find how we can have more voices, and I say that
again and again. We need to have community
involvement.

You have come in here sort of like
on a whistle stop, and you'll get coal and water
and then you'll pull the train out of town, and
that will be that. And we need to do it a bit
differently.

So that's where we're going to try
to head, that's where I'm going to try to head.
I've talked to some low-power FM people today, and
I think we'll try to start some dialogue going to
try to deal with these things, because you can't
just whistle stop in and out when there's no good
dialogue coming from the community to the FCC.

Thank you.

MR. LAKE: Madam Commissioner?

COMMISSIONER CLYBURN: I wanted to
address that particular thing, and I might get up
one more time about my friend, the broadcaster,
about the whistle stop. I want to address that,
and I was going to say this anyway.

This is our first hearing outside of
the Beltway as it relates to this particular
issue. As was mentioned, this was part of our
Quadrennial Review. Every four years, we look at
our rules and kind of, I mean, really, look for a
change.

The Federal government says, Okay,
we're not 100 percent sure that the current rules, the way we've been doing things for the past some-
odd years, we're not sure if it's kept up with the marketplace. So we're going to look at ourselves, we're going to evaluate ourselves.

And one of the things in the Chairman's wisdom that we decided to do was get out of the Beltway to come to see -- it's not just coming home, I love to come home, but it's not just about coming home. It's coming and seeing real people, real consumers of this product.

But it does not end here, sir, and everybody else. This is an ongoing interactive process. Again, this is the first outside-of-the-Beltway stop. You have the opportunity to call, write, we still open our mail, Twitter, tweet, whatever, you know, and e-mail.

Because we're on live right now. Persons who are not here are viewing us live, they're listening to us live. So this is not but one stop. And I know you didn't say that to necessarily be maybe overly critical -- uh-oh, I called him back.

I'm just saying, it doesn't end here, that the comment cycle is not closed. The
comment cycle technically will never be closed, but it's not closed as it relates to this review process.

So I wanted to reaffirm that at this point so no one would think that if they didn't want to come up now that they cannot email, call, or write later.

MR. JENKINS: Thank you very much. I know your father, I've worked with him, and I know that you speak in the same approach that he has. And I will take that as an invitation, and I hope that a lot of the other people will too.

Because I think that is something that's very lacking in all parts, not just the FCC world, but that community involvement is how we will make things better.

Thank you.

COMMISSIONER CLYBURN: Thank you. I appreciate it.

MS. SMITH: Can I also say one thing just to really drive the Commissioner's point home? When the Chairman came to the FCC, he was very clear that this was going to be an agency that would be very open, very transparent, and very committed to having an open dialogue.
One of the early things that he did and he recognized was that it wasn't that easy, quite frankly, to have comments on the web or to otherwise engage with the Commission.

We immediately opened up some Twitter, Facebook accounts, we immediately redid the website so that you could post comment. And Bill is going to talk about how you can actually have comments in this proceeding as well.

So we want to make sure you know that this is a Chairman who is absolutely committed to hearing what you have to say. And we want you -- we're going to hold you to it as well, that we want to hear from you, we want to hear your suggestions.

MR. LAKE: I think that's my cue for a commercial announcement. Our website is fcc.gov/ownership, that is an open portal into our ownership docket in this proceeding. And we'd welcome anyone in the room, if you don't feel like standing up and saying something in public, just post it to that site and that will be part of the record of the proceeding.

And please tell all your friends as well, because we do very much want to hear from
the people who are affected by our decisions.

MR. WALDMAN: Can your station give me 15 seconds for a PSA?

In addition to that, there's a second project going on at the FCC on the future of the media and the information needs of the communities, it's in coordination with this ownership review, it's slightly broader.

And, for instance, it's going to look very carefully at the whole question of what is the public interest obligation in the digital era, what happened to that structure that we had before, what should we have in the future. So there's -- the website for that is fcc.gov/futureofmedia.

MR. BROOMFIELD: Good evening. My name is John Broomfield, and I'm a small business owner, minority broadcaster. There's a lot of problems I think that we're facing now, but the most important one is access to capital.

I think with that we probably would be able to handle a lot of the others. One of the -- my question is: What is the FCC doing to help the SBA guarantee the loans or get the banks to actually make the loans?
MR. LAKE: We're very aware of the fact that if we -- if we weren't aware before, we certainly heard it today, that money is a substantial part of the problem in these times. And we're looking into that very closely as part of this inquiry.

We did hold a full-day's workshop in Washington specifically on the question of access to capital for broadcasters and particularly for minority and women broadcasters. I don't have any solutions for you at this point, but this is something we're looking at.

MR. BROOMFIELD: I understand that SBA makes the loans or they guarantee the loans, but they don't actually have the money. The banks have the money, and the banks won't make loans.

I actually have an SBA guaranteed loan for one of my stations, but that was during the time when banks were making loans, now they're not.

MS. SMITH: But I think one of the things is recognizing that there is a problem and trying to understand what the problem actually is. I think we'll all acknowledge that even in the last four years since the last ownership
review, things have substantially changed. That was one of the reasons we did have the day-long workshop last fall to really try to get a full understanding of what's happening on the ground, what's going on with the SBA, what's going on with access to funding and we have someone who's in charge of thinking about this and coming up with ideas and solutions. And we hope to have some ideas soon.

MR. BROOMFIELD: I think the banks -- if you talk to the banks, their problem is that they're regulators. They don't want -- the regulators are telling them not to make the loans.

COMMISSIONER CLYBURN: It's not this regulator.

MR. BROOMFIELD: Well, I don't know which ones.

MS. SMITH: It's not us.

MR. BROOMFIELD: I've gone to at least 25 banks. Because the SBA will guarantee the loans, but the banks will not make the loans. And they're saying that they -- well, there's different -- I don't know what all their problems are.
But they're telling us that the regulator is saying that they need to clean the books and they need to do all of this and they can't make the loans.

COMMISSIONER CLYBURN: I would ask them which regulator or what regulatory body is saying that. The unfortunate part about where we are in today's climate, it's hard for everyone -- now, he scared me. I'm usually pretty good, he scared me.

It is hard for people to -- with good credit to buy a home. I mean, it's the whole marketplace, I mean, the whole United States. I mean, seriously, and I'm not trying to be funny. Everyone is having the same type of issues.

I think you hear and see that one of the variables which we can control, which would be -- some people used to call regulatory uncertainty.

The reason why we're being -- you know, the Chairman is being so transparent and open and having these type of dialogues and focusing on some of the key issues you're talking about is because we want to erase that part of the equation, that we don't want to be seen as a
barrier to you attempting to do business, that we are open to review, we're open to looking at ourselves, to review ourselves, and to make the tweaks or make the adjustments going forward so we would not -- we don't think we are, but we try to ensure that we are not one of the barriers to entry, to success for you.

So you've got our commitment, I wouldn't be on live feed saying this to you. You've got our commitment in terms of our universe, what we can do, we will do. I have a love, a passion for radio.

The guy sitting behind you in the chair, we once almost blew up a radio station, but I'll talk to you about that later. That's how much I love radio. So, you know, you've got persons who are passionate and committed to the viability of this space.

That public interest option that has been mentioned is one of the reasons why I was so passionate about saying yes to coming to the FCC, not to have "Commissioner" before or behind my name, it's because I have a love for this space and love of this universe.

So let's each keep in touch. You
know how to get in touch with me. But I assure you that we're going to do our part in making sure that your life, in terms of your medium, is easier.

MR. BROOMFIELD: Thank you. I appreciate that. My question still with -- as far as the SBA, because I am currently working with the SBA, I'm currently trying to get SBA funding for another project that I'm doing, and SBA is on board, but, obviously, you have -- you have the preferred banks and then you have, I guess, just other banks that SBA guarantees.

I'm not sure if you understand what I'm saying. The preferred bank -- I don't know the difference except for I understand that usually the preferred banks can approve the loan and then the banks will accept the loan from the preferred bank.

Is that correct or not?

MR. LAKE: I think, yes, there is some stratification in that regard in the banking industry. Are you suggesting that there is something specific that SBA could do that it's not doing or that we could be doing the same?

MR. BROOMFIELD: My understanding is
that the government, not FCC, but the government, had extended the amount of loans, guaranteed loans, they would do. I don't know if you know what that amount is or not, but I might be talking to the wrong party maybe.

MR. SNIPE: Maybe I could offer just a couple thoughts. I think one of the issues is, in terms of getting the banks to release the money, it may relate to a collateral and value issue.

Radio stations values are down now considerably, and we are unable to use our license as collateral. And as one banker said to me, We're looking for bricks and mortar. And when you have a radio station, you don't really have bricks and mortar that will serve as enough collateral to make the kind of loan that you probably need.

This is just a perspective. The regulatory body that you're referring to is the banking industry regulatory body. Banks -- all banks are under scrutiny now for the bad loans that they have made, and because of those bad loans, they have to have a loan loss reserve, which is now much higher than it was in the past.

So their obligations to their
regulatory body has increased considerably, so
they are very cautious now when you come to the
table with a radio station and you don't have the
kind of collateral that you need to collateralize
the loan, what they're looking for.

And that's why they're not -- based
on what I have been told, that is the issue, and
the Commission will not allow us to use the
license as collateral.

MR. BROOMFIELD: I appreciate it.
Any help you can give on not passing the
performance tax would help as well.

MR. LAKE: Thank you very much.
MS. DOYLE: Hi. MY name is Brandy
Doyle, and I work with the Prometheus radio
project. And we help to build and support
low-power radio stations across the country.

And I wasn't planning on speaking
tonight, but I wanted to respond to the question
that Mr. Waldman asked Mr. Varholy about the
low-power service.

We work with many stations, there
are about 800 low-powered radio stations licensed
across the country, and WXRY, the station here in
Columbia, the LPFM station, is among the most
economically successful, and I think that has to
do with its strong ties to the business community
and the nonprofit community.

They're right there on Main Street
and they're able to do real local service. And so
that's true. And I think that also there's
another point to make, that there's not many LPFM
stations licensed in the mid- to large-markets in
the country due to restrictions on third adjacent
channel; however, you know, we work every day with
low-powered broadcasting across the country, of
whom there are many, many economically sound,
viable, and successful stations and on different
models.

Some of the stations are run by
churches, a great number are run by churches, many
are run by emergency responders, by schools and
colleges, and a lot of local government. So --
and many of them -- you know, these news
underwriters, they use on their pledge drives and
other models for raising money. So there's quite
a number of them.

I used to work with WSLR down in
Sarasota, Florida before I was with Prometheus,
and, you know, that station is doing quite well
with its strong community support there.

This year marks the ten-year anniversary of the LPFM service, and so, you know, throughout this year we'll enjoy sharing more success stories with the Commission and also ways that you all can improve the regulatory landscape to make it easier for LPFM stations to thrive.

MR. WALDMAN: Can I ask you a question about that? One of the things that's happening in the media landscape right now, of course, as you said, newspapers have contracted, there's an incredible abundance of interesting new web startups, hyper-local blogs or news-oriented startups.

Have you seen any signs that these local websites are hooking up with low-power FM and doing partnerships? Has that happened yet or is that something that ought to be encouraged or are there limitations for why that would happen?

MS. DOYLE: It's definitely something that could be encouraged. More, we've seen it from the other side where low-powered stations are looking to expand their broadband capabilities as access points to help community members come in and have that be a local computing
center. LPFM stations make a natural community
hub, people are already familiar with the radio
stations, so it gives them access that way.

We've done some work to try to
figure out how to help stations do more streaming
and also to try to help build their news and
public affairs departments, both on air and
broadcast and broadband. So that's something that
we're certainly looking at as well.

MR. LAKE: Thank you.

Welcome.

MR. WHITE: Good afternoon, ladies
and gentlemen. My name is Marion White, and I am
the control room manager at Benedict College
locally here in Columbia, South Carolina.

And I want to, again, thank you for
coming out, because I know you have a very busy
schedule. As I listened to your speeches, I can't
help but notice that you are talking about
commercial radio stations.

I'm from the noncommercial era, so
to speak. My first question -- I have several.
My first question to the panel, anyone can answer
it, is: What do you feel is the role or impact of
noncommercial radio stations in today's community?
MR. MILLER: I feel it's a valuable service. I feel, A, education; two, information; C, a vehicle to raise money for charitable organizations; an outlet for government or city government or churches or -- in other words, it's educational service or religious service, if I could fall back to the beginning of it, with expansion into the new day. Certainly low-power FM would be taking that to a new place.

Is that an answer?

MR. WHITE: I guess that's a start.

MR. MILLER: College would certainly be another category, but that falls under education. You're familiar with WUSC. Do y'all have one at Benedict?

MR. WHITE: Well, that's going to be my next question. Because in the past three years, we have been working on trying to get our own radio station. We have completed the forms to the FCC -- and, Commissioner, hopefully you can answer this question -- we've completed the forms, we've done surveys, we've done everything -- I think we've paid the fines or fees that we're supposed to pay as well, but still we're not able to receive any answer as to whether or not we can
receive a low-power frequency radio station for
Benedict College.

I wanted to know can -- are -- are
we going to receive a frequency and what the time
table is for knowing so.

MS. SMITH: Well, that's the
Commissioner. I'm the legal advisor to the
Chairman. So I think maybe the Chief of the Media
Bureau could probably answer that question.

MR. LAKE: I don't think I can
answer the question of how quickly we can act on a
particular application, but I do know that one
thing that this commission takes very seriously is
that -- and we're paid our government salaries to
make decisions and to make them as quickly as we
can.

I think this agency has not always
been famous for that. So we are very much
committed to cleaning up the backlog of things
that we have before us and to moving more quickly
as we go forward.

We certainly -- if we can't actually
help the industry, we want to make sure that we're
not in the way. And we're determined to act more
quickly than the Commission has historically.
MR. WHITE: Hopefully I can obtain a business card from you afterwards and we can talk some more.

My third question -- and, again, this is to you, Commissioner -- is there any way in which historically black colleges and institutions can receive funding from the FCC in helping build their program for their radio stations?

MS. SMITH: I'm going to let the Commissioner answer that. I keep getting promoted here.

COMMISSIONER CLYBURN: That particular -- the only granting opportunities that I'm aware of from the agency are health, telemedicine related. That's the only thing I'm aware of that we do at present.

So that is something -- you know, I always say if -- the person that helped raise me, whatever Congress tell us to do, we will do to the best of our ability.

MR. LAKE: We did have the authority to issue minority tax certificates, as someone on the panel had mentioned; unfortunately, Congress let that authority lapse. But we certainly would
administer any programs that Congress gave us.

MR. WHITE: I had one more question also. And I thank you for your patience in indulging me here. It has to do with language as far as what is acceptable language and what is not acceptable language as far as television and radio is concerned.

I've had students approach me saying that they can say certain words on the air, and to my knowledge, those words have still been banned, as far as I know, of being used on the air. So I'd like to know what are your thoughts on what is acceptable language and what is not acceptable language.

MR. LAKE: We have a statutory command to prevent indecency on the airways. That's a difficult thing to define. In recent years, before the current Commission, the Commission has issued a number of orders against stations that have used what were called fleeting expletives, the use of one bad word without necessarily great repetition.

Those cases are in the courts, and we're actually looking forward to some guidance from the courts over the next year as to what our
authority is to regulate indecency over the airwaves and what exactly indecency is.

MR. WHITE: One more question, please. Is it true that television stations have more leniency than radio does or is it the other way around?

MR. LAKE: No. They've governed by the same standards. We have, for the television industry, established a safe harbor, which is that between the hours of 6 a.m. and 10 p.m., we expect stricter standards of language because that's when children may be watching.

What you may be referring to is that our authority to regulate indecency applies to radio and television but not to cable. So cable and satellite TV are not subject to the same restrictions.

MR. WALDMAN: I wanted to also return to your question for a second about public broadcasting and noncommercial broadcasting. To some extent, we've been focused on commercial broadcasting because this hearing grows out of a proceeding that relates to the ownership of commercial stations.

But the topic of the fate of
noncommercial radio is a very important one, it's going to be very central to this Future of Media inquiry. And I'll say that as we've been doing workshops and interviews on the future of media, it's actually a very exciting and interesting time in the world of public radio.

There's a lot of discussion about how should we be doing things differently, how should the Corporation for Public Broadcasting be doing things differently, how should NPR be doing things differently.

Public radio has kind of been hit by a lot of the same forces, and it's a great moment to join that conversation because there's very creative thinking going on about what the role of public radio is right now.

UNIDENTIFIED SPEAKER: Good evening. My name is (inaudible) Jr. I'm a local pastor and a former broadcaster for some 27 years in some way, shape, or form. As a broadcaster and a pastor, the issue of religious programming always comes up.

When I was in radio we had what was considered to be a myth, that the FCC was going to be canceling out religious programming. This
continues to rise. Again, you do hear a lot of opposition by certain factions to religious programming.

A blunt question: Is religious broadcasting being protected by the FCC or is it definitely on life support?

MR. LAKE: I know of nothing that the Commission has done or would want to do to discourage religious broadcasting. And many of our licensees, as you probably know, are religious broadcasters and are doing a very important public service.

UNIDENTIFIED SPEAKER: Thank you. Because I've been in there, I get these calls all the time.

MS. SMITH: We still receive letters about the same thing. So let's reiterate the fact that we're not --

MR. WHITE: I'd like to dispel the myths.

MS. SMITH: Yeah.

UNIDENTIFIED SPEAKER: My second question is about the recent release of information about the 700 megahertz frequency that some of the cell phone companies will be taking
over, I believe effective June 12th.

A lot of churches who have more professional systems do have that particular band, and we understand that there will be no -- there's no protection for us, there's no grandfathering or anything of that nature.

What is the FCC's position on this and how much further can we anticipate this as cellular and VOIP continues to become more and more popular?

MS. SMITH: I think you're referring to the wireless mics issue.

UNIDENTIFIED SPEAKER: Yes, right.

MS. SMITH: There are a lot of nuances with this particular situation, including what mics will actually continue to work after the June 12th deadline.

What I would encourage you to do is go to the FCC website, because we've put up a website that is very detailed about what we plan on doing, what you can do if you have a mic that would be impacted by this decision.

It also gives you numbers and email addresses of people who work in our call center who can help answer any questions that you have.
UNIDENTIFIED SPEAKER: Thank you very much.

MR. WALDMAN: I have to add a comment on a personal level about your first question. Before I came to the FCC, which was just three months ago, I was the founder of Beliefnet, which is a religion website, it's actually the largest religion website on the Internet.

And since arriving here, I've found -- at the FCC, I've found absolutely nothing but the strongest possible support in the building for the importance of religious broadcasting, and, certainly, given my own background, mine as well.

UNIDENTIFIED SPEAKER: Stay there as long as you can.

MR. MCPHAIL: Hi. My name is Keith McPhail. I've been an account executive in the Dallas market for about ten years. And I'm concerned a little bit about the diversity of ownership, particularly as it relates to local ownership.

So if you look at the Dallas market, if you remove the urban stations, the religious stations, and the Spanish-language stations, the
entirety of the top 25 is owned by four different
 corporations, all national in scope, all executing
 roughly the same philosophies.

 A lot of these philosophies are, should we say, not of great benefit to the people
 who work in the industry, and, in a lot of cases, it seems like, well, they're a basket of radio
 stations, they might have some inspired choices in
 some areas, other stations fall into great
 neglect, yet they still maintain that signal.

 Is there any conversation about
 tightening the ownership limitations to free up
 some of these signals that are being held by
 corporations that could be then acquired by local
 ownership groups, and is there a possibility of
 moving to a more strict set of renewalship
 application process, where, if a station is --
 let's say, for example, I can tell you about a
 50,000-watt signal in Dallas, the number-five
 market in the country, that at one point got down
to one dedicated employee, and that employee was
 part time.

 Is that the kind of thing that then
 we could say, maybe we don't rubber stamp a
 renewal and we find a new caretaker for that
MR. WALDMAN: You asked a good question. Can I assume that you think that we should?

MR. MCPHAIL: Yeah, I'm actually surprised -- based on the conversations that I've been in, you know, with just other people in the industry, I'm surprised that I hadn't heard any voice towards that through this proceeding.

It seems like the conversation that I had heard was more about, should we make it loose or keep it the way it is. My thought would be that a very detailed conversation about making it a tighter set of ownership limitations so that we do have active caretakers for each signal, that we have people who are passionate about this, the signals that they have, and that do have an employee base that are focused on that signal would serve the community better.

If it's just sort of one more of five, how are you blocking other people who would want that other than by virtue of buying that license from somebody else, you have the right to do that.

And it seems, in several cases,
certainly two I can cite specifically in Dallas, you have stations that, because of economic conditions, are being starved of their resources, yet those individual stations are very healthy stations, I'd say two of them kicking out over $20 million a year, but, because they're part of a larger portfolio, the people who work for those stations are being punished and the resources are being pulled away from them and jobs are being eliminated even though that individual business is healthy.

MR. WALDMAN: There's two parts to what you're saying or two parts to what you're suggesting, one has to do with ownership rules and the other, if I'm hearing you right, actually has to do with the license renewal process.

MR. MCPHAIL: Right. Which, in my mind, seems to be two ways to free up signals for local ownership.

MR. WALDMAN: Yes, exactly. But I wanted to follow up on the second part. We talked a lot about the -- actually, I want to get a reaction to some of the folks on the panel to what you said about ownership, but I also wanted to follow up on the second point.
So there is this license renewal process that often results in renewal. If you were to change that and have the renewal process based on some factor related to the passion or commitment to the community, how would you do that?

MR. MCPHAIL: That would be a difficult question, how you would set, you know, the marks for how you would judge that. I suppose, for example, if a station -- again, focusing on a major market -- had a very small number of employees that were focused on the operation of that station, I think that would be -- you know, where to set the mark, I'm not sure, but I think that would be something that you look at.

I think the number of times you either rebranded or flipped the format of a station, I think that would be an indicator that you're not really operating that station with great success. Those would be two things I could point to that you could look at.

MR. WALDMAN: Does anyone on the panel have any response or reactions to -- I didn't catch your name.
MR. MCPHAIL: My name is Keith McPhail.

MR. WALDMAN: -- to Keith's comments?

MR. MILLER: Keith, the only question I would have is did somebody come up against them as duplicated in the marketplace?

MR. MCPHAIL: You bring up actually a very excellent point. Because I do think that is another area of concern. When you had a much smaller spectrum of ownership by fewer stations with a larger number of people owning them, very few stations were used as direct combat to something that's already in the market.

So if you look, again, into the market I'm at, there's quite a number of those signals, all of which are owned by the large corporations, where they're using a signal to limit the success of something that's almost exactly or a very, very similar format.

So they're repeating -- in terms of serving the community, I don't know that repeating, you know, Lady Gaga that's already out there is necessarily a service to the community. Not trying to bag on Lady Gaga.
But when you have four and five stations in a market that are only being used to limit the success of their other corporate competitors, and then they're really caught in a game that has more to do with securing ad dollars, haven't we gotten pretty far away from the public interest at that point?

MR. MILLER: Well, if that was the intent, sure. On the other side of the coin, somebody across town might think they can do country just as well or better. I don't know the circumstances. I mean --

MR. MCPHAIL: Right. And it's very hard to say --

MR. MILLER: It could be a number of issues. It could be sheerly financial and they've found themselves in a tough spot right now and they've had to lay off their staff. You know, it's no different -- and I'm not trying to make excuses, I don't know the circumstances, but it's no different than what the car dealers are going through. It's weird out there right now.

MR. MCPHAIL: For sure. And I'm saying, looking at some of the national corporations --
MR. MILLER: And let me say this to you --

MR. MCPHAIL: The question is really more an evaluation in which they acquired the stations more than -- certainly, I think, looking at Citadel and Cumulus, they bought at very high numbers right at a time when it was probably a difficult time to buy.

MR. MILLER: I think the bottom line there is diversity is the answer. If you want to be successful with a radio station, you've got to put something on there and you've got to be creative enough to draw an audience.

MR. MCPHAIL: Right.

MR. MILLER: And then that's going to draw your sales. So the focus has got to be on the radio station, whether you've got one person running it or 15 people running it. You've got to put something on there that people want to hear.

MR. MCPHAIL: Absolutely.

MR. MILLER: So, I mean, I understand. But the bottom line is I don't know how to answer your question. I think a lot of what you've seen of those kind of things are coming to an end, because now it's getting down to
the operations.

MR. MCPHAIL: Right.

MR. MILLER: Companies that are successful have broadcasters in there, that's what's making it successful, and have sellers in there who can sell, who've done it, who've been around the business, and managers who have been in the marketplace and know how to run the company, that's what's making it right now. One good thing about the small markets, we know our advertisers, face to face.

MR. MCPHAIL: That's one of the beauties, I think, of small markets and one of the dangers of large markets when you have corporations rolling in, is they're not building those same type of relationships between a car dealer that you know personally and a radio station that you guys are going to be living in the same community for a long time. There's a little bit different mindset to how you approach that business model.

MS. PIGG: Did I understand you to say that the station is billing $20 million and only has one employee?

MR. MCPHAIL: Those are different
stations. I don't know how you could possibly do that. You would need something more compelling to broadcast than one person could come up with to generate $20 million.

MR. MILLER: If he's doing $20 million, I want the employee's name.

MR. MCPHAIL: I don't know. To my way of thinking, it seems like a bright line rule that is the tightening the -- you know, the amounts that a national corporation can market would seem to make a lot of sense and certainly to have, you know, a greater opportunity where all your general market stations belong to national corporations, finding a way to correct that, I think, would be a great help to Dallas.

MR. MILLER: Let me say this: We've got a guy in this room right now that runs a cluster of stations in Columbia that everybody wants his ratings, Steve Patterson. He's a corporation in himself. He's doing a good job and he's a good broadcaster, and he supports South Carolina broadcasters, and he's in the community.

And, obviously, what you're talking about doesn't exist with Steve. I wish one of the stations was run by one person. But, anyway, I
guess what you're saying, there's good and bad
situations in every market, there's good and bad
situations in every business.

   So maybe, in this particular case,
not knowing all the circumstances and what you're
telling me, I'm trying to give you some answers in
a very vague way. I don't tiptoe very well.

   MR. MCPHAIL: Thank you.
   MR. LAKE: If I could answer your
specific question, we are looking at our rules
with an open mind as to whether we tighten the
rules, loosen them, or change them in some other
way. So this is why we want to hear from all
voices, and we're very happy to hear yours.

   One of the things we're trying to
get on top of is what relationship there may be
between concentration of ownership and the kinds
of quality of service that we're all seeking.

   MR. MCPHAIL: I think one of the
questions that comes with that is, is it a
question of the mechanism of a large national
owner or bad actors that are using that mechanism.

   And I suppose my final question
would be: What would be the appropriate way for
people who say that they feel like they have
something to communicate, maybe they feel like
they were wronged in a situation with a national
owner, to communicate that and get a voice with
the FCC?

MR. LAKE: If it relates to these
ownership issues, we welcome your comments
submitted to fcc.gov/ownership. If it's a
complaint about the behavior of a broadcaster, the
FCC receives complaints, so you can go on our
website and we'll direct you as to how to file
one. And we have an Enforcement Bureau that
operates to receive those complaints and to
consider them.

MR. MCPHAIL: Thank you very much.

MR. CLAY: My name is William Clay.
I live in Charlotte, North Carolina. And I'm very
glad to have the opportunity to come back to
Columbia, where I worked up the Hill at the Budget
and Control Board about -- a few years ago.

So thanks, Commissioner Clyburn and
Mr. Waldman, Mr. Lake, Ms. Smith, Mr. Tatel, for
coming down and escaping the confines of the
Portals.

I was up in your neck of the woods a
little before Thanksgiving to talk with some of
your staffers, including Rick Kaplan on the Commissioner's staff, about an issue that at first doesn't sound like an ownership issue, but we've heard several eloquent speakers talk about factors related to this.

Mr. Snipe said it most clearly, it's all driven by the market. And you guys have set a floor in certain parts of the market that have encouraged property speculation, which Keith was just talking about, or, as the gentleman across the way said, You've broke it, now we've got to fix it. I'm here to help.

Because while, in general, you face a daunting array of competing objectives and interests as you try to figure out how to foster our nation's civic and economic health, I've got something that's almost a no-brainer.

In ensuring the localism that Ms. Pigg and Mr. Miller and Mr. Snipe have all talked a lot about, as well as the people in the audience, and in putting a break on the consolidations that Keith is describing so eloquently -- and I'm going to ask for a little bit of patience, there's no way I can get through this in two minutes, but I'll stay focused.
What I'm talking about is the first local service preference in FM channel allotment. Mr. Lake may be familiar with this. I think I heard a moan of recognition behind me.

Actually, Prometheus and the Media Access Project and I have supported each other in comments in a couple of rule makings. I have not participated in the ownership rule making, but when you come so close to home, I couldn't resist.

The first local service channel allotment preference is a trump card that supports the FCC's frequency allocation process. It's been abused for 20 years to game your frequency allocation process for private gain usually, but not always, to the detriment of the public.

It has surely fed to the property speculation, the bubble of which we just talked about having burst. And it's one that will come back.

Mr. Waldman was being a little optimistic in one of his questions asking what happens when the current market conditions improve. I sure hope you're right. And, if it does, the problem will come back if you don't fix
So what's the problem and what's this easy fix? And I invite questions. I saw the Commissioner having a somewhat skeptical view. What's this guy talking about? What's a change in community of license? A radio station can change its service area at licensee initiative through a mechanism that cuts off any competition or practically any opposition.

It is justified on the basis of a public benefit showing that can be cobbled together by -- actually, I think it's usually cobbled together with a pair of scissors and some paste and a copy of the Yellow Pages by about two dozen attorneys in Washington.

But, at any rate, it is a totally meaningless public benefits showing, and I've filed lots of filings that go into the ins and outs of that, and it has to do with the same things that were wrong with what the court objected to in the Bechtel decision.

The way it works is a broadcaster picks an urban market he wants to move a rural station into. He looks around for a suburb that doesn't have a licensed radio station. He calls
up one of those two dozen guys in Washington, and
after waiting a year or two, he gets his station.

And by doing that it has completely
trumped a very carefully constructed and a really
very well-thought-out process of frequency
allotment. Now, the proponents of this say --

MR. LAKE: If I may, I am familiar
with this policy and the issue and would love to
speak with you further about it with you offline
as soon as we're finished.

If I may, I'd just like to hear
other comments from people who want to talk
specifically about the media ownership rules, I'd
like to move to them and would very much like to
continue this conversation with you.

MR. CLAY: Okay. I waited until
there was no one else brave enough.

MR. LAKE: Okay. Go ahead, but keep
it -- and just a couple more minutes.

MR. CLAY: I'm doing my best. Okay.
Typically, these proponents say the licensee is
improving his facilities. In many cases, and I
exclude Mr. Snipe and Mr. Miller, both of whom
have had move-ins like this where these things are
not all true; but, typically, what happens after
this facility is improved, you've got a new
transmitter site, often a wholly different
coverage area, a different studio, a different
call sign, a different format, and a different
owner, often a chain broadcaster who paid too much
for the station and now is in bankruptcy.

The only thing that stays the same,
quite literally, is the FCC facility ID. Nothing
else stays the same. To call that improving a
facility is violence to the English language.

Here in South Carolina, since 2000
-- I've got a show and tell -- 17 small towns, the
little red dots on this map, have lost their local
FM stations over the last ten years. Many of
those are county seats that provided the kind of
service that the sheriff's deputy was telling us
about earlier. Those voices are gone forever.

Now, there's still a radio station
there, but it's typically an AM daytimer and it
hasn't gotten its FM translator yet. So it's lost
a powerful full-time voice. That's a significant
hit to these little towns all over the state.

And if you look at this map,
although it looks complicated, it's very simple.
All those rural stations are being sucked into the
nearby urban area. And that is being driven by a market that is created by a frequency allotment system that you folks have allowed to be gamed almost without limit, the only limit is frequency spacing -- is the frequency spacing rules; if it weren't for that, we'd all be sucked into the urban market.

So my easy, no-brainer fix, define first -- first define local service. Local service is the trump card in this equation, but you have no definition for it. I have a definition.

The community to which you provide local service is the community or urbanized area in which the largest numbers of public listeners reside, the largest number of potential listeners reside.

Now, Mr. Snipe got his participation in the Columbia market by saying he serves Irmo.

MR. SNIPE: No, that wouldn't be me.

MR. CLAY: Your predecessor?

MR. SNIPE: No. Actually my station is South Congaree and Columbia. It was licensed in South Congaree, and it's still licensed to South Congaree.
MR. CLAY: I beg your pardon. That was Double O South Carolina Corporation. At any rate, one of Mr. Snipe's competitors got licensed to Irmo but he's serving the Columbia market. And you can pick any little suburb you want and put a license on it. So that is what I would suggest is the fix for this. You can bring -- you can guarantee localism.

We started off talking about ownership, right? Localism, concentration of ownership, you can work on both those things in a positive way. Easily, you've got three platforms ready to go.

You've got the rural radio rule making that's open right now, you've got the FM allotment streamlining that's still in reconsideration, and you've got at least seven facility adjudications that are contested and not yet final, any one of which, with the right decision, could turn this around and bring benefits to the whole United States easily, and you can get a plus and a pat on the back and then go on to the really tough questions. And I'm glad it's you and not me.

MR. LAKE: Thank you very much.
We'll be happy to take that into consideration. Do we have any further comments or questions? If not, we'll consider this a very successful and worthwhile and useful session, it certainly was from our standpoint. I hope you learned something and enjoyed something.

Do we have any final remarks prompted by any of this discussion from members of our panel?

MS. LUGO: May I say something? I'm addressing you, sir, about the access to capital. We are from the South Carolina Hispanic Chamber of Commerce, and even though we're a small Chamber and we are just starting, we identify that that is the critical part of a start-up or ownership of the business.

And I have asked my marketing staff to focus on that, because we have tons of institutions and people that will show you how to make a business plan, a marketing plan, and so on; but there's nobody out there that can lead you through how to access capital.

I know it's difficult, I know it's sometimes impossible, but I think that somebody has to come up and address the situation, not with
seminars, not with having the SBA and different people to explain how they do it, it's just to fix what they have and make it accessible to the start-ups and the businesses that they want to improve what they have.

And for me to be here has been a learning process, and I'm happy that I'm here today, because I'm learning a different aspect of the market and another kind of broadcasting and the radio and TV stations, that's a different market from the one that we are addressing.

But, certainly, this access to capital is important in every, every market. So I thank you for bringing that up, and I know it's been opened up here. And I'm taking this back to the Chamber and asking them again to really focus on this.

Thank you.

MR. LAKE: Harold, last thoughts?

MR. MILLER: Please. In working with the translators and the FM branch, I'd like to say thanks to these people who not only work with you but work hard to get you answers back.

It was Rob Gates over in translators and Peter Doyle, the audio-visual chief, Jim
Bradshaw, Rudy Genachowski and deputy chief -- Jim Bradshaw and Rudy Genachowski and Engineer Norm Miller. They have gone out of their way to really try to help me in many situations.

And thank you very much and thank y'all for having this in South Carolina and coming -- and going out of your way. Commissioner, thank you for coming.

The only thing I'd like to say to everybody is I want to make one statement about dollars. We talk about dollars a lot here. Dollars are employees' paychecks, they're their dogs, cats, mortgages, spouses, their food, their babies, their homes.

I want y'all to understand something. When people talk about profit, it's not about greed always, it's about survival. And it's tough out there right now, and the reason we say that is because we're all in it, I think all of us know that.

We probably -- we want to serve, we want to do the right things. And coming to a place like this and listening to all of you is a good thing. And I do appreciate all of y'all attending, and I've listened intently to
everything everyone has had to say, and thank you for sharing.

MR. SNIPE: I guess what I'd like to say is that I think we all want the same things from broadcasting. I think we all have a sincere desire to serve the public interest and do the best thing for the communities that we're located in, it's just that we probably differ on how that should be done.

In my case, I think we need to be careful in how we seek to plug the hole that we're seeking to control what may be done to correct something that the major large broadcasters are doing is going to have a major effect on the media small guys that are operating, because you cannot cast the net -- catch the shark and not catch the small fish in it as well.

So as we proceed into the future, I think we should proceed with caution that we all should be heard and everything should be looked into, but it's that unintended consequence that we must be so acutely aware of, because many of the things that we want to resolve really pretty much resolve themselves anyway, and it's just going to cause another effect. And as we move forward into
the future and we look closer at ownership, let us
move forward with caution.

Thank you.

MR. LAKE: Thank you. We were going
to have a couple of songs from our surprise guest,
Jimmy Buffett, but we'll hear from Jane instead.

MS. PIGG: I won't sing, but I would
like to thank everyone for coming out. I'd like
to thank everyone who is watching this. Radio is
your friend, and a good radio station is a
tremendous asset to a community.

We are going through a tough time,
but with God's help we're going to make it through
this and we're going to continue to have that
voice in the dark, we're going entertain you,
we're going to inform you, we're going to educate
you.

On behalf of the South Carolina
Broadcaster's Association, Commissioner, thank you
for coming; Commission, thank you for choosing
South Carolina to have your first 2010 hearing.
Thank you for being here, you're welcome back any
time.

MR. LAKE: Thank you to all of our
panelists and to all of you for joining us, for
offering your questions and comments. And we are adjourned.

(The proceedings adjourned at 8:38 p.m.)
CERTIFICATE

SOUTH CAROLINA:

RICHLAND COUNTY:

I hereby certify that the foregoing meeting was reported, as stated in the caption, and the questions and answers thereto were reduced to that written page under my direction; that the foregoing pages 1 through 134 represent a true and correct transcript of the evidence given. I further certify that I am not in any way financially interested in the result of said case.

Pursuant to Rules and Regulations of the Board of Court Reporting of the Judicial Council of South Carolina, I make the following disclosure:

I am a South Carolina Court Reporter. I am here as an independent contractor for Huseby, Inc.

I was contacted by the offices of Huseby, Inc. to provide court reporting services for this meeting. I will not be taking this hearing under any contract that is prohibited by O.C.S.C.A. 15-14-7 (a) or (b).
I have no written contract to provide reporting services with any party to the case, any counsel in the case, or any reporter or reporting agency from whom a referral might have been made to cover this meeting. I will charge my usual and customary rates to all parties in the case.

This, the 1st day of March, 2010.

________________________________

RITA A. DEROUEN

My Commission Expires

August 12, 2019