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July 23, 1999

Via HAND DELIVERY

Magalie Roman Salas, Secretary
Federal Communications Commission
445 12th Street, S.W.
Room TW-A325
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RE: Creation of a Low Power Radio Service, Notice of Proposed Rule Making
MM Docket No. 99-25; RM-9208; RM-9242
Comments Filed in Opposition

Dear Ms. Salas:

Sandusky Newspapers, Inc., through counsel, hereby files Comments opposing the creation of a low-power FM radio service, as proposed in the above-captioned proceeding.

If you require any additional information, please contact the undersigned.

Respectfully,


Kenneth C. Howard, Jr.
Jennifer B. Dine

Counsel for Sandusky Newspapers, Inc.

Enc.

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high quality audio programming will be available to listeners in their offices and homes and soon in their cars.⁴ There is likewise no doubt that this service will become more and more affordable to both web broadcasters and listeners as the price of Internet access devices declines.

Narrowcasting has simply never been freer, easier, or more affordable to offer.

3. On the other hand, a new LPFM service would seriously harm existing radio broadcasters in at least two ways. It would dilute their local economic base by siphoning away listeners and advertisers, and it would harm the technical quality of their broadcast service-harm that they can ill afford with Internet and satellite-based digital radio services poised to compete for listeners with CD-like fidelity and unlimited geographic coverage. These issues are discussed further below.

4. **Diluted Economic Base.** The NPRM specifically requests comment on whether the populations in proposed LPFM service areas could sustain an advertising base for both existing broadcasters and LPFM broadcasters. In its spectrum availability analysis, the Commission studied 60 cities and determined that a total of 428 1,000-watt stations could be accommodated in those cities as well as up to 1,383 100-watt stations.⁵ If the number of stations cited in the spectrum availability analysis were licensed to their respective cities, and a comparable number were licensed to other cities not included in the study, the sudden saturation of the spectrum by numerous small stations would have a significant adverse impact on the advertising market and would diminish all broadcasters' ability to offer quality programming.

⁴ See, e.g., Penenberg, "AM-FM-PC," *Forbes Digital Tool*, July 31, 1998, <http://www.forbes.com/tool/html/98/jul/0731/feat.htm>.

⁵ The analysis determined that 1,383 100-watt stations could be accommodated if translators are not protected from interference, or 1,155 100-watt stations could be accommodated if translators are protected from interference. LPFM NPRM at Appendix D, 57-59.

5. As noted above, over-the-air broadcasters already must share their economic base with new media, such as Internet broadcasting, and these new media will take an increasing percentage of the market. Emerging technologies, such as the satellite delivered digital audio radio service (“DARS”) will fragment the audience and the economic base ever further. Currently, an estimated 2,400 radio stations broadcast over the Internet,⁶ and are readily available to listeners with Internet access.⁷ The new competitors also enjoy significant advantages over terrestrial radio broadcasters. Internet broadcasters, for example, are not limited to serving specific communities within particular signal contours. DARS channels will broadcast nationwide, with compact disc-quality sound.

6. Over-the-air, Internet, and DARS broadcasters all strive to reach the same population and therefore tend to attract many of the same advertisers. LPFM broadcasters likewise would address that finite advertiser population. Therefore, implementation of a commercial LPFM service would further divide the limited advertising revenue available to traditional broadcasters just at a time when they must confront the challenge of immense new competition from the new audio media. Even implementation of a noncommercial LPFM service would further divide the listening audience, making commercial broadcast stations less attractive to advertisers. To implement a new broadcast service when the economic base is already splintering at an accelerating rate would offer a false promise to the new LPFM entrepreneurs and would disserve existing broadcasters' ability to serve their listening audience.

7. The effects will be most severely felt by the stand-alone stations and small group owners. These broadcasters, who have a local rather than a Wall Street perspective, are already

⁶ See BRS Web Radio (visited July 22, 1999), <http://www.web-radio.com>. (On-line directory of radio stations broadcast via Internet).

under extreme pressure from publicly-held national groups that are attempting to pre-empt national and local advertising dollars. The new LPFM broadcasters will be similarly squeezed as they endeavor to build their audience while attempting to cover their operating and capital costs.

8. **Harm to Signal Quality.** Importantly, further crowding in the FM spectrum would necessarily create serious new harmful interference problems. The Commission's proposals contemplate eliminating second and third adjacent channel protections while packing the spectrum with LPFM and one-to-10 watt microradio broadcasters. Although the Commission speculates that the LPFM service would not result in significant new interference, the only investigation of the harmful interference likely to result was a computer software program analysis of only 60 cities, which did not consider the factors necessary to accurately predict interference to existing stations. In simple fact, the addition of numerous new stations to a community, through the removal of interference protections, would necessarily compromise the quality of the existing broadcast signals available to the public. Deterioration of these signals will further exacerbate the dilution of broadcasters' economic base, since listeners will turn to other readily available sources of news and entertainment rather than listen to radio broadcast stations which cannot provide high quality service throughout their service areas.

9. Finally, the proposed LPFM service would hinder the transition to in-band on-channel ("IBOC") digital terrestrial technology. The Commission admits that the effects of LPFM on IBOC, or of IBOC on LPFM, are unknown because "no comprehensive operational

(continued)

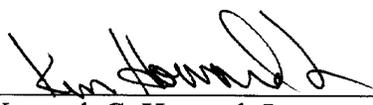
⁷ The Commission has recognized the ease of public access to the Internet. See Streamlining of Mass Media Applications, Rules, and Processes, FCC 98-281 (released November 25, 1998), 5.

test data is available for any form of IBOC system configuration.”⁸ Further, plans to institute IBOC are based on current interference standards, not on the proposed elimination of interference protections. IBOC, with high-quality digitally reproduced sound, would provide the public with a much greater service than the proposed interference-creating LPFM service. Development of a new LPFM service that could threaten or delay development of the IBOC system would thus conflict with the best interests of the public.

10. In sum, creation of an LPFM service would pose grave risks to the integrity of the FM broadcast spectrum and would significantly harm terrestrial broadcasters' ability to serve their local communities. As importantly, the goal of the proceeding—to provide expanded opportunities for community-oriented audio service—is being addressed in a superior way through the rapidly expanding and unregulated medium of the Internet. Accordingly, Sandusky Newspapers, Inc. opposes the Commission's proposal to create a low power radio service.

Respectfully submitted,

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⁸ LPFM NPRM at Appendix C, 53.