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Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of
Proposal for Creation of the Low Power FM
(LPFM) Broadcast Service
Docket No. MM 99-25

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To: Federal Communications Commission (FCC)

Comments of John L. Zolkoske,
President, Cascade Range Radio Corporation
July 28, 1999

These comments are made in reference to Federal Communications Commission (FCC) Notice of Proposed Rulemaking Docket No. MM 99-25. I wish to state my support of the proposal as outlined in the Petition for Rulemaking (RM-9242). I am very enthusiastic that the FCC will establish Low Power FM Radio and allow small business people such as myself an opportunity to participate in the broadcast industry. I have previously made comments in support of the creation of LPFM - specifically RM-9242. The comments I will address here are related to my personal experiences a small business person attempting to enter the broadcast industry in a post-deregulation environment and an addressing of the proposals put forth by the FCC in its comments.

Need for Service/Programming Issues:

Commercial vs. Non Commercial Only Service:

I very much believe that the LPFM service should have provisions for commercial and non-commercial allocation. One proposal put forth has been to create LPFM as a non-commercial only service. I believe this would make it unnecessarily difficult for most LPFM entities to support their operations. If a non-commercial only service were created, LPFM operators would be forced to compete against existing non-profit entities to secure operating

funding. In today's environment of decreasing availability of local and national governmental support, this may cause hardships for existing charitable organizations, and especially a non-commercial LPFM looking for a piece of an already small charitable-giving pie (especially in rural areas). This is unnecessary since radio is more than capable of supporting itself commercially, and has done so for over 75 years. It would also be unfair to small business people such as myself who do not wish to operate as a charity, but as a viable commercial enterprise.

More importantly, a valuable opportunity would be missed to provide effective advertising outlets for local business. As a former small-market broadcaster and business person, I know that many smaller business entities would be more than willing to advertise using an affordable medium such as LPFM that could directly target their potential customers. In my former experience in radio sales, I found many local businesses eager to advertise, but restricted budgets made it difficult for them to purchase an effective advertising campaign on a full-power station. LPFM can be that outlet. This increased advertising exposure would provide a stimulus to the economy of smaller communities, especially those that lie on the fringes of larger metropolitan areas where radio advertising from distant cities beckons residents to travel to the larger city or town to do their shopping.

Competition to Existing Entities:

Competition has driven the commercial broadcasting industry since there was more than one station in each market. In our society, competition is generally seen as good, as it is the basis for our economic system. Certainly, the mega-groups that are consolidating entire broadcast markets into two or three group owners need some competition. The only concern I have are for some small-market broadcasters who may already be marginal operators. I have read the proposals for allowing divesting of an AM station if it operates with under 250 watts night-time and giving it an LPFM frequency. I think this alone is not an adequate test of whether an

existing AM station should get an LPFM over a new entrant. There are too many other factors to consider. First, it is commonly known that an AM station broadcasting with under 100 watts at 550 kHz can have much better coverage than a station with substantially more than 250 watts broadcasting at 1600 kHz. An AM station may be profitable, yet see LPFM as an opportunity to sell valuable land where the AM tower(s) sit, especially in urban areas. A station may be able to 'divest' of the AM and obtain an FM frequency where the antenna can be placed on an existing tower somewhere else. Also, an AM station - even with low nighttime power - in a particular area may be already highly profitable, but the operator may see LPFM as a way to be even more profitable and at the same time make a large sum of money by selling the AM station. This likelihood defeats the purpose of LPFM, which (I believe) should be to allow new opportunities for small business people and programming diversity. When an AM station is 'divested' to yet another group operator or other 'big money' entity, this does not serve diversity. Over all, I believe the way to solve this question is that any operator finding its operation unprofitable should 'divest' itself of its holding now or at any future time. Then it would be free to obtain an LPFM license in the future. I oppose special treatment for these existing license-holders.

However, if the fear of excessive competition to existing local media outlets threatens to stop commercial LPFM from happening, as a last-resort I propose an alternative which is to place profit limits on LPFM as opposed to non-commercial only status. For example, LPFM's could be restricted to a certain number of spots per hour of commercial time (such as is done with existing translator regulations: 30 seconds for acknowledgment of contributions) (See CFR 74.1231 subpart g.). I suggest a five to eight minute limit per hour of paid commercial spot material. This would allow the LPFM license holder to meet expenses while keeping an LPFM from becoming a wall-to-wall commercial machine, as commercial radio has become. It should also reduce the worries of existing small-town broadcasters, and reduce the desirability of

LPFM's for purchase by 'big-money' corporations. This would be far more desirable than creating a non-commercial only service.

Finally, I wish to state the LPFM is a good compromise to swing the pendulum back from the torrent of consolidation that has taken place since 1996. If LPFM does not become a reality for any reason, I propose that radio should be re-regulated to pre-communications act levels to allow new entrants into the broadcasting industry. I see that there are only two possible reasons that LPFM may not be allowed. First is interference potential. If the oppositions theory of interference were somehow validated, it would be further proof of the scarcity of broadcast signals, highlighting the need for very strict ownership regulation (a main tenet of the Communications Act of 1934). Secondly, would be the competition issue. This would only serve to highlight the fact that the gigantic corporate entities have achieved a choke-hold on the industry, either squeezing the small operator or flexing their powerful muscles to try to prevent any competition, no matter how insignificant. I predict increasing sentiment for re-regulation of the radio broadcasting industry should LPFM not be implemented.

Local Programming:

I believe a certain amount of local origination should be required for all LPFM stations. I would recommend about eight hours each weekday minimum. (My concept of local origination is that programming may be pre-recorded or otherwise automated, as opposed to only being 'Live', but would not be allowed to be syndicated or satellite delivered). This would mean the station would be more inclined to program local news and events in the context of a daily program. I personally do not care for the concept of LPFM running satellite fed network or syndicated programming, but since full-power stations are afforded this opportunity it is not fair to preclude LPFM's from this option. LPFM's should definitely not be used as translators. Requiring some local origination would reduce the 'temptation' for group entities to use LPFM as thinly disguised translators, perhaps only inserting an ID every so often over satellite delivered

programming to keep it 'local'. Local origination requirements would help preserve the integrity of LPFM. It will also aid in one of the goals of LPFM, which is programming diversity. I believe that any operator unable or unwilling to commit to local origination for at least part of the day is not prepared to take part in LPFM for the betterment of the community. Local origination will be advantageous in assuring that LPFM does not become similar to the sterile 'cookie-cutter' formula driven formats that pervade the radio dial today.

Alternative Outlets (i.e. Internet):

I have explored many 'alternatives' to providing my community a signal. Keep-in mind that my community no-longer has a main studio for the one radio (AM) station located here. It was consolidated with another station over 30 miles away. I have tried Carrier Current AM, which only covers about ¼ mile without additional transmitters and are very expensive to install. I have tried part 15 transmission, which reaches only a few hundred feet at best. I tried to talk the local cable company into leasing me an FM channel or putting my signal on the public access channel. I was refused, and told that since my content 'cannot be controlled' it was too risky for the cable company. When I persisted and ensured them of my roots in this community and that my intentions were to provide a quality product that would be community oriented, I was told that if they let me do it, they would have to let everyone do it. Another factor to consider is that many cable companies sell local ad insertions on various cable channels, and would certainly be reluctant to welcome unregulated competition on their own bandwidth.

I am now considering Internet streaming audio as an option, but research shows me that I will be limited to about 40 listeners at one-time given current affordable technology. I also find it very unlikely that an Internet only station would be able to support itself with local advertising. I do believe an Internet station will be a great companion for an LPFM station. However, alone, a narrow-cast Internet station is just a hobby which cannot effectively reach my community or

provide any income of even modest significance. Internet is stifled from being truly competitive in a particular market because it cannot be received by mobile receiver units.

Programming Summary:

In summary of the general proposal LPFM, I strongly believe it is a proposal whose time has come. The deregulation of 1996, has made it almost impossible for the small-business person to purchase a radio station or obtain a license to build one. The power and money behind the large corporate entities, aided by economies of scale when purchasing a number of stations in a market, has stacked the deck against 'entry level' broadcasters - even in very small markets. One simply need look at the increasing price paid for broadcast holdings since deregulation took place. It has simply become impossible to gain access to purchasing a broadcasting station except in areas that have very little economic value (i.e. extremely rural or depressed areas). LPFM is certain also to carry a wider variety of programming than the 'formula' formats that have been implemented by the larger entities. I see no technical reason why this proposal cannot become reality, as will be outlined in the following paragraphs.

Technical Discussion:

Bandwidth Restrictions:

I do not prefer this approach, especially if the current proposals set forth regarding minimum distance separation are adhered to. For Co-Channel and First Adjacent Channel separations, this is in reference to interference restrictions adhering to the 'receive no overlap' distance. These distances are generally far greater than the 'cause no overlap' calculations as seen on the LP1000 and LP100 Tables on Page 47 through 50 of MM Docket No. 99-25. There would be no reason to have bandwidth restrictions if the greater distances are adhered to, as the

distances are great enough to provide no potential interference to existing stations - at least no more than is currently allowed by existing rules.

I am interested in seeing the shorter 'cause no overlap' distance adopted for LPFM co-channel and first adjacent channel. This would allow many more LPFM stations to be licensed. However, there is obviously a great deal of concern about signal degradation for existing stations, especially on first adjacent channels (I will discuss Second and Third adjacent channels in a subsequent section). In this case, I can see the potential need for bandwidth restrictions, perhaps 10.5kHz (equal to AM NRSC maximum), instead of the current 15kHz restriction. To reiterate, I do not support bandwidth restriction, unless it would allow the Commission to site more stations than currently proposed. For stations that meet the minimum 'receive no overlap' distance, I oppose any bandwidth restriction. Perhaps a dual system should be in-place for the shorter spaced stations, that allow them to be licensed, but with bandwidth restrictions.

2nd and 3rd Adjacent Channel Restrictions:

There is a great deal of debate over this question as to whether second and/or third channel restrictions should be dropped. I only have my own knowledge to draw on this subject. It is my opinion that some restrictions are necessary, but not to the level as shown in the 'minimum distance necessary to cause no overlap' LPFM1000 and LPFM100 tables Page 47-50 of FCC 99-6. I have owned many radio receivers. I have seldom received any objectionable interference from a second adjacent channel on any FM receiver I have owned - and never on a third. I have owned many portable and table-top models made by Sony, Sangean, Sanyo, Grundig, AC Delco, Akai, Crown, and Zenith - to name some. In my experience, there are still poor quality receivers on the market today in which second channel interference can be a problem, but only if two very similar signal strengths are obtained the receiver. The huge power disparity between LPFM and full-power broadcasting makes any interference potential, in my opinion very minimal. - except in the very immediate area of the LPFM transmitter (i.e. ¼ mile

or less). In my area, I live equidistant (about 40 km from two class C stations that are 400 kHz separated) On a very poor receiver, the receiver may 'jump' from one signal to the next - depending on drift characteristics of the receiver. However, keep in-mind that these are full 100 kw stations at relatively close proximity. I cannot imagine an LPFM causing any interference to a higher powered station, because the higher power station will overtake the LPFM in all but a small radius. It should also be noted, in my experience, the quality of a receiver that will easily drift to second adjacent frequencies is generally so poor that long-distance reception is not possible anyway.

Once mileage restrictions are set in-place (whatever they may be), I strongly recommend that rules be adopted to protect the LPFM license holder from being taken off the air or prohibited constructing due to 'alleged interference'. I would rather see more stringent rules set-up with protections, than a less stringent mileage separation with carte-blanche 'complaint and shut-down rights' for existing broadcasters. This is because of a situation which I experienced: My corporation (Cascade Range Radio Corporation, had a translator application (BPFT-960624TB) which was dismissed due to complaints of a second adjacent channel license holder that our application would "cause encroachment upon the protected 60 dBu contour...". I performed engineering studies in which it was demonstrated that no overlap of coverage would occur. However, the application was dismissed because the petitioner simply met part two under CFR 74.1204 - "(2) that there is no contour overlap, but (a) the petitioner's signal reaches an area to be served by the translator and (b) the petitioner demonstrates through convincing evidence that it has listeners in the area of alleged interference." I draw your attention to the word 'alleged'. In this case, the petitioner simply had to 'allege' interference to put a stop to my application. Keep in mind that another translator exists in this area with almost the exact same power and mileage separation from a second adjacent channel with the exact power and TL of the station that I supposedly would interfere with. This translator has operated for several years

without causing actual interference, proving that my operation would not have led to undesirable interference. I truly believe these claims of 'interference' are used simply to eliminate competition before it starts, and seldom - if ever- are noticeable interference effects noticeable once a translator gets on the air. (For further information see FCC letter Re: BPFT-960624TB dated Feb 28, 1997). It is critical that the methodology used in part two of CFR 74.1204 be abandoned in favor of minimum mileage separation or other criteria which protects the new entrant from claims of interference by existing broadcasters even before the new station is authorized. The criteria used in CFR 74.1204 allows a more powerful entity to exert pre-existing power to prevent new authorizations.

IBOC Digital:

Certainly a digital system should be implemented which reduces interference, not increases it. I cannot imagine the FCC would implement an IBOC system that cannot handle LPFM as it is currently proposed. If the IBOC system cannot handle LPFM, it would also not be able to handle the current FM spectrum as it stands. Therefore, if there is any question, I propose to allow LPFM as it is proposed (with the more strict mileage separations/and 2nd and 3rd channel protections) and then allow less strict spacing later when testing with IBOC proves that no interference with LPFM will be caused. My priority is that LPFM go forward, and I do not believe IBOC Digital should preclude LPFM from happening when going forward with LPFM as it stands will not increase digital interference potentials at all.

Secondary vs. Primary Authorization

It is noted that LP1000 stations would be given primary status. This means that protection would be required for the signal of an LP1000 station, but not that of an LP100 station. The comments made within NPRM 99-25 are inferred that the expense of constructing an LP1000 would be higher than that of an LP100 station, and thus this would be a reason to

grant LP1000 primary status while granting an LP100 only secondary status. This may be true in some cases, but certainly not always true.

Regarding cost of construction of LP1000 vs. LP100, there are certain basic costs that are inherent to the process. Engineering and legal fees, studio equipment, staffing costs would be considered to be roughly equivalent. If spectrum auction fees are taken into consideration, an LP100 station in a congested market could cost considerably more to acquire than an LP1000 frequency in a more remote area. So this is difficult to predict. However, all things being equal, and looking at equipment and engineering costs, I do not believe an LP1000 would cost substantially more to construct than an LP100 station - perhaps only an additional \$10,000. As a small business person, and former radio station manager, I can vouch that a small broadcast entity tends to make due with the funding available. If faced with the challenge of putting on a 1000 watt station versus a 100 watt station, a way can usually be found to accomplish it within budgetary constraints. This may mean purchasing used equipment instead of new, for example.

It is noted that LP1000 stations would have more regulatory requirements, presumably minimum operating hours, EAS compliance, etc. I believe both LP100 and LP1000 stations should both be required to maintain the same high broadcast standards in a manner in which the public service and safety are maintained. It is noted in MM Docket 99-25 that LP100 stations would have a harder time meeting the cost factors of stations with larger coverage area. It should be contingent upon the seeker of the license to determine if the establishment of a facility justifies the operating expenditure that will be incurred. I believe retaining high standards will discourage 'hobby' use of the spectrum in favor of legitimate public service interests - whether it be LP100 or LP1000.

Therefore, to summarize, I believe an LP100 station would be nearly as significant of an investment as an LP1000 outlet, or more in some cases. As a potential applicant, I am concerned that I may invest a substantial sum in an LP100 station and at some future date be forced off the

air due to an upgrade by an existing facility. If I cannot 'squeeze in' an LP1000 signal and establish an LP100 station, I am very concerned that they will eventually be displaced by stations upgrading their signal. My reason for concern is the impetus for lower class stations (i.e. C3 and C2) in metropolitan to be very interested in upgrading to higher power levels to maximize their urban coverage - and especially to maximize station dollar value. In some recent cases in my area, large broadcasting entities in the Portland, Oregon market have paid stations in other less-populated areas costs associated with downgrading their signals in order that the Portland station can upgrade. While this may be financially beneficial to the station upgrading, I believe this activity would be unfair to an LP100 with secondary status which went on the air with good intentions of serving the public. The LP100 license-holder could literally be 'caught in the middle' of a large broadcasting entity upgrading its signal. This does not even include the possibility of 'negotiated interference' regulations being proposed by the FCC. If an urban located station 'negotiates' with a higher class rural station - where is the LP100 left? Therefore, I propose that an LP100 not necessarily be given primary status, but that any station upgrading its signal be forced to accept interference from a pre-existing LP100 signal (on any first, second, or third adjacent channel) - if no alternative frequency can be found for the LP100 station. Certainly, a small 'hole' in the coverage is a small price to pay for the increased coverage afforded to the large station. Also, the LP100 station would be forced to accept any new interference from the upgraded station. Keeping with this, I believe LPFM stations should never be allowed to 'negotiate' interference or be in any way compensated by a dominant primary station to cease operation or lower power. Certainly, the goals of LPFM are defeated when the 'big get bigger' by upgrading - especially when this is accomplished by downgrading the signals of other stations.

Further, regarding interference. I note the FCC's mission to operate in the greatest public good and to foster competition. Regarding interference, I believe the existing broadcasters wish to

continue to operate in a perfect world, having a pure unhindered signal even beyond the intended edge of their coverage area. This outmoded idea exists in a world where in all other areas we have come to accept a slight bit of 'imperfection' for the greater ideals of democracy and freedom. If we were in a perfect world, we could widen all of our streets and highways at whim to accommodate all the new population and business. But instead we all learn to get along even if it means it takes a few minutes longer to get to where we are going. If we wanted things to never change, the U.S. should have implemented strict limits on number of children and immigration years ago. But it is a matter of making decisions so that freedom can exist in a reasonable manner. I find it outrageous that a broadcasting entity wishes to protect its contour to such extreme levels, when it means the public would be denied quality usable signals from new outlets. The broadcasting industry seems to advocate 'involuntary sterilization' of the FM band so that the LPFM baby is never born and they can 'have the road all to themselves' weaving recklessly across all six lanes.

Broadcast Auxiliary Frequencies:

I believe any LPFM authorization should be allowed to apply to receive an auxiliary license for STL and other uses such as 'Marti' signal use for broadcasting local events. In respect to STL, I know of several mountain-top installations in which STL would be the best way to deliver a signal. I see no problem with giving LPFM secondary status for this privilege, if there is a shortage in a particular area, but only if no alternative is available.

Other Issues:

Ownership Restrictions:

I strongly support strict ownership restrictions. Definitely, no primary license holder should be allowed to hold the license of an LPFM. I also support ownership restrictions for LPFM license holders. The goal of LPFM is to diversify ownership, and certainly there would be no advantage in letting existing license holders also participate in this service. I also support

strict ownership limits for LPFM license holders. In support of local programming and diversity, I believe the ownership limit should be placed at one LP1000 per individual or company. I do not believe an individual or company should be allowed to own more than five LP100 stations nationwide. There may even be cases where this is too many if it prevents a new entrant from gaining access to a station, and I propose billing credit for new entrants (those with no LPFM license) should a new license window be contested.

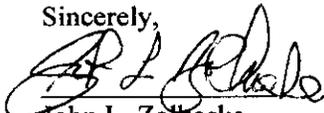
I see no reason to preclude existing license holders of secondary services, specifically FM translators, from seeking and obtaining an LPFM license. By nature, FM translators are not designed to generate substantial income, and are largely operated as a public service. Public service could suffer if translator operators abandon their stations in favor of hoping to obtain a future LPFM license. However, should a license-holder of an FM translator wish to convert to an LPFM (I believe some provision for this should be made as well), this may involve opening the process to competitive applicants, with some sort of compensation to the translator owner should he/she be displaced during that process.

It is also imperative that any potential abuses be avoided. I believe all applicants should certify that they will not be under the influence of or supported by any individual or entity that already has broadcast holdings. I fear that individuals who have vast backing from some 'vague' entity will begin to snap up LPFM licenses by bidding high prices at auction. I also believe that any ex-broadcaster or broadcasting entity that sold its properties in the consolidation frenzy should be excluded from ownership of LPFM (Basically any entity that has sold their station to a group entity since the 1996 Telecom Act went into effect. I believe that these people made their choice regarding their interest in broadcasting, and new opportunities should be left to new entrants.

In conclusion, I wish to reiterate that the time is right for LPFM. This will accomplish the goal of diversity in radio ownership and programming, and help undo some of the losses of

this diversity since deregulation. This helps further the goals of democracy in our nation which was founded on this premise and which the Federal government should nurture..

Sincerely,

A handwritten signature in black ink, appearing to read "John L. Zolkoske", written over a horizontal line.

John L. Zolkoske

President

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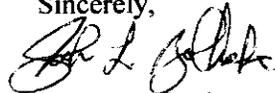
July 28, 1999

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Federal Communications Commission
The Portals
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**In Re: Comments - Notice of Proposed
Rule-Making #99-25**

I, John L. Zolkoske, representing Cascade Range Radio Corporation respectfully submits comments regarding the above mentioned petition. Please find enclosed an original and nine copies of the submitted comments, along with electronic format on floppy diskette in WordPerfect format.

Sincerely,



John L. Zolkoske
President
(503)-769-2886

CERTIFICATE OF SERVICE

I, John L. Zolkoske, do hereby certify that a true and correct copy of the foregoing " Comments on MM 99-25" was sent via Federal Express, to the following parties:

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Signed this 28th day of July, 1999:



John L. Zolkoske
President
Cascade Range Radio Corporation