

**TESTIMONY OF
JERALD N. FRITZ
SENIOR VICE PRESIDENT, LEGAL AND STRATEGIC AFFAIRS
ALLBRITTON COMMUNICATIONS COMPANY
ARLINGTON, VIRGINIA**

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
“FUTURE OF MEDIA WORKSHOP”**

**“FUTURE OF MEDIA AND INFORMATION NEEDS OF COMMUNITIES:
SERVING THE PUBLIC INTEREST IN THE DIGITAL ERA”**

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I am fortunate to have observed and participated in the over-the-air television industry for over half of its 80+ years and I have been watching and helping to move the Public Interest pendulum for a good part of that time. That pendulum appears to swing in a 20-year, generational arc and has had a “wobbly” effect on what Americans see and hear.

Some of us on this panel lived through the 1960s kabuki-like, regulatory ritual of the government attempting to guide programming indirectly by:

- Mandating formal issue ascertainment efforts (including both detailed community leader questionnaires and random market surveys every three years); and
- Adhering to license renewal processing guidelines for specified program categories; and
- Directing content oversight through the *Fairness Doctrine* regime.

We witnessed the feckless and essentially ineffective attempts to increase program diversity through structural limits like that monument to unintended consequences – the Newspaper/Broadcast Cross Ownership rule. This failed experiment forced the sale of the only competitive newspaper in Washington, DC so that, in the shadow of Congress and the backyard of the FCC, we were left with a monopoly newspaper town! That sure did a lot for diversity.

I was part of the team in the 1980s that reevaluated that regulatory model and saw that it had collapsed under its own weight. The result was a restatement of the Public Interest defined by the “**Public’s** Interest” – a marketplace rationale for regulation. Broadcasters were charged with and accepted the responsibility of determining the interests of their audiences rather than paying lawyers to cross examine a witness concerning a community leader survey, asking whether a meter maid interview was done to support the “government leader” or “law enforcement” category – as if that had *anything* to do with programming.

Now the pendulum swings again and we seem to be experiencing an ominous revival of sorts with the government reasserting *its* view of what constitutes the Public Interest by imposing new

requirements from Children's programming to incomprehensible indecency limits. We look around at the sea-change in how our citizens receive news and information and suddenly there is angst over the viability of traditional platforms. So the question becomes: should the Commission resort to attempts at "fixing the broadcast silo" by imposing *its* programming ideas or letting the market meet the needs of the audience across all distribution platforms.

Notwithstanding historical attempts to impose someone else's idea of "necessary" programming, broadcasters, as content creators, monitor what the public wants on a daily basis. We evaluate who they are, what they watch, where they watch, when they watch and how they watch. We even speculate on why they watch. The trick is to amalgamate large enough audiences that advertisers will pay to reach and offset the expenses necessary to provide that programming. And we follow those viewers – relentlessly.

- When the Commission, for example, told Joe Allbritton that he could no longer keep the **LOCALLY-OWNED** *Washington Star* newspaper and radio stations in Washington, he looked to enhance his news and programming operation at WJLA-TV to keep that audience. So we tracked down viewers as early as 4:30 in the morning, and began our news then. You couldn't find that 30 years ago. Now it's taken for granted.
- And when Allbritton saw the broadcast audience leaving for cable, he built -- out of whole cloth -- the first independent, local all-news cable channel in the nation – NewsChannel 8 -- and zoned it with different content to meet the local interests of the different parts of the market.
- When he saw the opportunity to reach some TV viewers who weren't in front of TVs, he struck deals with local radio stations to program what the government wouldn't let him own. So now, for example, all-news WTOP radio here in Washington has the sophisticated weathercasters and resources of WJLA – 24 hours a day.
- When newer technologies began to siphon away those TV viewers, Robert Allbritton explored alternatives like EON, Datastream, Streamvision, Terastream, Streampipe, Zatso, Cell Now and Geocast. That drive to innovate has led to the soon-to-be-launched hyper-local website in Washington that will move to the next generation of news coverage and reverse the information flow. Instead of TV stories populating the websites, the web stories will program the TV stations.

- As technology allowed for digital broadcasting, the Allbritton stations are providing other programming options including a 24-hour, all local weather channel and experimental forays into all-local entertainment content. As mobile capabilities become further commercialized, that platform will be added to our growing list of Allbritton “Apps” on all mobile devices.
- And since the Commission wouldn’t let the Allbrittons own a daily newspaper in Washington, they followed the audience and created -- again out of whole cloth -- a niche newspaper/website operation that has captured the attention of the world interested in the product of this city – POLITICO. It has become in three short years the “ESPN of politics.”

What is stunning about all these efforts is that none – not one – emanated from the government’s mandate to serve the Public Interest. We constantly seek to serve the Public Interest in exactly the way the Commission endorsed in the 1980s. Our audience is a moving target and is not shackled to one distribution platform.

Our efforts to track that audience are propelled inexorably by technology. If we master it, we can adapt. The trends are illustrative. News has always embraced technology. The past three decades, however, were historic. With access to computer servers, shared area networks, non-linear editing, stable microwave and satellite electronic news gathering, hundreds of prepositioned static cameras, lightweight digital gear, and cell phone technology, staff can be used more efficiently. Newsgathering by “one-man-bands” permit multiple stories that can be edited on the fly and repurposed on several platforms. The technology is adapted by the journalist to write for broadcast, cable, radio and the web – meeting the needs of the audience wherever it is. We have fewer reporters now who produce much more content.

These adaptations are essential to relieve the pressure of rising costs and shrinking revenues. As you well know, there has been a dramatic fractionalization of audiences. There are hundreds of options. And Nielsen slices minute demographic data for advertisers so finely that the margin of error approaches 25%! We worry about retaining those advertisers and their lifeblood revenue. The networks have become super syndicators demanding payment and network compensation to us has virtually ended, further stressing the revenue line. Add a volatile ad base dominated by a single product – autos – and we see a fluctuating income stream. But, the costs for news and programming have increased far more than the revenue to pay for them. So the trend is to do much more with less. Programming for multiple platforms is an economic necessity to support the

infrastructure. Broadcasters are abandoning their single silos of distribution. And their content seeks to find the audiences on a TV station, its website, subchannels or mobile devices. This is a trend that will assuredly continue.

Again, note that our operating plan is to meet the *Public's* Interest in news and information. We don't need the government to tell us what that is. We don't need the government to tell us to add three hours of children's fare, for example, to a 24-hour, all-local politics, POLITICO – programmed, DTV subchannel – presumably that would meet even the FCC's idea of “good” Public Interest programming. I don't understand how, in a First Amendment shielded environment, that hierarchy makes sense. Kidvid has been elevated to a super favored status, trumping all other Public Interest programming. How is that statutorily or constitutionally possible?

I do understand that viewers sometimes don't like our program choices. It does not logically follow, however, that the government should force broadcasters to program their stations in neat and tidy defined categories. The FCC's infamous *1960 Programming Report* had 14 specific categories including religious, agricultural, educational, and minority programming. If Rip Van Winkle were to wake up today and read the proposed *Enhanced Disclosure* reporting categories, he would be astonished to see that they are virtually identical – 50 years later – blinking away cable, satellite, telco and Internet platforms! And every broadcaster in the country will be forced to hire a person to do nothing all day long but construct a daily report of programming on a segment-by-segment basis of how much is national, local, civic affairs, religious or geared to “underserved communities” (whatever they are) with zero statutory authority. And to what end?? Will the Commission now tell us that the teen pregnancy segment on *Oprah* doesn't meet the “local” needs since it's produced in far-off Chicago and not the local city of license?

A broadcaster's version of the Public Interest may be different than that of the government's. But the public is constantly moving and isn't tied to the neat boxes of only those platforms that the government oversees. I commend the Commission for looking at the program distribution environment holistically. I'm hopeful that it will resist the temptation to “fix” the individual broadcast silo. Broadcasters are following the public and attempting to serve it. Our sincere hope is that the Commission will have the considered, good sense to keep out of our way as we do.