NEWS MEDIA ALLIANCE

March 27, 2017

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Written *ex parte* presentation in MB Docket Nos. 14-50, 09-182, 07-294, 04-256

Dear Ms. Dortch:

As the News Media Alliance ("NMA") repeatedly has shown,[1] there is no rational explanation for the FCC to continue the 1975 Newspaper-Broadcast Cross Ownership rule. The rule—which was promulgated to advance competition, diversity of ownership, and localism—now does none of these. We have previously demonstrated how the cross-ownership ban undermines localism.[2] Today, we discuss how the rule prevents newspapers from competing effectively in today's complex media landscape.

Newspapers face competition today from sectors that did not exist when the cross-ownership ban was instated. Today's media markets are literally flooded with information from powerful digital platforms, multichannel video programming distributors ("MVPDs") and hundreds of MVPD channels, digital publishers, and more broadcasters than existed in 1975. Newspapers face stiff competition for readers' attention and advertisers' funding from every side—they must compete with social media and search companies for advertising dollars. As the National Association of Black Owned Broadcasters ("NABOB") stated in its recent ex parte filing in support of the National Association of Broadcaster's petition for reconsideration, its members "must compete against the new [I]nternet giants, such as Google and Facebook, for audience and advertising revenues."[3] NMA's members must as well. We further agree with NABOB's statement that "if the broadcast industry is too tightly constrained in its ability to

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[1] *See, e.g.,* Comments of News Media Alliance in Support of NAB Petition for Reconsideration, MB Docket Nos. 14-50, 09-182, 07-294, 04-256 (Jan. 24, 2017).

[2] Letter from Danielle Coffey, Vice President, Public Policy, News Media Alliance to Marlene Dortch, Secretary, FCC, MB Docket Nos. 14-50, 09-182, 07-294 (Feb. 27, 2017).

[3] Letter from James L. Winston, President, NABOB, to Chairman Ajit Pai, FCC, MB Docket Nos. 14-50, 09-182, 07-294, 04-256 at 2-4 (Feb. 24, 2017).

compete against these new players, the industry as a whole, both large and small broadcasters, may suffer."[4] The same threat hangs over the newspaper industry.

A threat to the newspaper industry is a threat to the American people. When asked which news source they trust the most, Americans rank print newspapers above all others, and newspapers' websites a close second.[5] But the cross-ownership ban prevents newspapers from receiving the investment they need to be able to compete against the social media giants who are free to invest, acquire, and merge at will. This investment is more important now than ever because of the current phenomena surrounding "fake news." We strongly believe that real, reputable, and trusted news content is the true remedy to fake news. Our members include premium publishers whose reporting demonstrates the principles of verification, accuracy and fidelity to facts. These values should be revered and encouraged, not punished by regulatory overreach. Social media platforms have the global scale to attract the advertising dollars on which newspapers used to rely. Furthermore, these companies in part attract advertisers because they display newspaper content. Newspapers must be given the freedom that every other media industry has to fairly compete.

Without any prohibition on investment, newspapers would finally have a fair chance to achieve the scale necessary to compete in the digital space. This scale could be achieved in multiple ways. For example, newspaper and broadcaster content could feed into digital properties which would be both go-to sites for readers and more attractive to advertisers. Given the current spotlight on the importance of newsgathering and the digital tools available to both broadcasters and newspapers, it would be exciting to see what these innovative companies could come up with given the opportunity to compete freely.

The Commission should grant the National Association of Broadcasters' petition for reconsideration. Lifting the cross-ownership ban will permit newspapers to engage in the full scope of investment possibilities, fairly compete against tech companies, and produce more and better content for all Americans.

Respectfully submitted,

DaCoffey

Danielle Coffey
Vice President, Public Policy
NEWS MEDIA ALLIANCE
4401 Wilson Blvd., Suite 900
Arlington, Virginia 22203

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[4] *Id.* at 4.

[5] Ipsos/Buzzfeed (Jan 12-13 2017).

Kurt Wimmer
Hannah Lepow
COVINGTON & BURLING LLP
One CityCenter
850 Tenth Street, N.W.
Washington, DC 20001
202-662-6000

Counsel for the News Media Alliance

cc: Mr. Matthew Berry
Ms. Michelle Carey
Mr. Brendan Carr
Ms. Robin Colwell
Mr. David Grossman
Ms. Allison Nemeth