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**MARKETPLACE**

**SHOW: Marketplace (6:30 PM ET) - SYND**

**January 2, 2003 Thursday**

HEADLINE: Dr. Martin Kaplan discusses the issue of lack of diversity in media ownership

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DAVID BRANCACCIO, anchor:

This is MARKETPLACE. I'm David Brancaccio.

The deadline is now for anyone with an opinion on which companies own what media in the country to share their views with the government. The Federal Communications Commission is on the verge of making it easier for companies to own more outlets. Many media companies believe cable, satellite, Internet and other technologies make government regulation of ownership obsolete. But some content producers and consumer groups worry about too much information being channeled through too few boardrooms. Business of media commentator Martin Kaplan is Associate Dean of the USC Annenberg School for Communication.

Dr. MARTIN KAPLAN (Associate Dean, Annenberg School for Communication, University of Southern California): The public has an interest in a diversity of sources. That's the idea. But currently, there is no diversity of sources. All the big fish have gobbled up the little fish, and so now basically, five or six companies, conglomerates, create and own virtually everything that comes out in the media.

BRANCACCIO: These are companies we've heard of: AOL Time Warner, Fox News Corp.

Dr. KAPLAN: Yes. Disney, NBC, Viacom--that's five. If you add in Liberty, you've covered almost all of the cable product, as well. And if then you throw in Clear Channel, you've basically got radio covered.

BRANCACCIO: And these broadcasters are nudging the FCC to allow them to own even more.

Dr. KAPLAN: They don't really have to nudge them. There's been a kind of deregulatory role that's been going on roughly for 15 years, and it's only accelerated under the Michael Powell chairmanship of the FCC. Right now just about every single rule governing ownership and consolidation is up for grabs. Last year, the FCC announced they were going to look at whether, for example, one network could buy another; could NBC buy CBS, or whether newspapers could own TV stations or vice versa without limits. Could television stations dominate individual markets? Right now there's a 35-percent cap, but maybe there shouldn't be any cap. And the question is: Is it in the public's interest to let all this stuff be done by the marketplace, or is there an important public interest that gets served by regulation?

BRANCACCIO: So there may be dark suspicions that the fewer companies own the media the more limited the universe of news stories that are covered. But what happens in practice?

Dr. KAPLAN: Well, not only news, but also entertainment. If you look at, for example, NBC this year: of its new shows, a hundred percent come from organizations that they either own or have a big financial stake in. It's risen in 10 years from something like 15 percent to something like 75 percent of ownership.

In the case of news, the greater the diversity, the more voices. That's the theory. But the problem is that there is less diversity of voices, less diversity of content.

BRANCACCIO: Even with 225 cable and DirecTV channels? Even with the Internet, where I can go anywhere in the world and read whatever I want?

Dr. KAPLAN: The question is whether your impression of diversity of content is enough to build a democracy on. I mean, currently, the arguers for the deregulation scheme say, 'Well, it's fine if there's "The Sopranos" and there's the "The West Wing" and then there's "The Bachelorette" for people who like reality television. Look at all this marvelous diversity of content.' The question is whether we are content to let that kind of outcome be based on the vicissitudes of the marketplace, or whether there should be some rule which makes it tyrant-proof, so that in case there's some owner who only wants to bombard us with the lowest common reality show denominator that we're protected. And so far, the best such rule is diversity of sources.

So what's happening today, since the filings are due today of the comments on this FCC ruling, is that the creative community--the writers, the producers, even the advertisers--are getting in the act, saying that there should be some minimum quantity of programming coming from outside, independent sources.

BRANCACCIO: All right. Marty, thanks.

Martin Kaplan is also director of the Norman Lear Center at USC.

What could be the FCC's last public hearing on media ownership is being set up for next month in Richmond, Virginia.

LOAD-DATE: February 4, 2003