

Press Statement

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MMTC Congratulates FCC on the Elimination of the Main Studio Rule

WASHINGTON, D.C. (October 24, 2017): The Multicultural Media, Telecom and Internet Council (MMTC) congratulates the Federal Communications Commission (FCC) on today's vote repealing the 80-year old Main Studio Rule.

The Rule required each AM, FM, and television broadcast station to maintain a main studio located in or near its community of license. Since 2008, MMTC has marshaled two main arguments against retention of the rule:

<u>First</u>, the rule disproportionately worked to the deep disadvantage of diverse broadcasters. Diverse entrants into the broadcasting industry were relegated to serving large markets with inferior, often suburban stations each requiring its own main studio, while non-minority broadcasters who got into broadcasting decades earlier could serve these markets with several stations each operating from a single downtown studio. MMTC demonstrated that this "tax on Blackness and Brown-ness" drove capital away from multicultural entrepreneurs.

<u>Second</u>, through its operation of donated stations that were used to train multicultural and women broadcast managers for ownership, MMTC has come to realize that the Main Studio Rule is unnecessary. While the FCC should ensure that all broadcasters provide program service that meets local needs, the methods by which they do so should be left to the discretion and creativity of broadcasters. Public broadcasters, LPFM stations, and internet stations have chosen to invest in programming rather than in "brick and mortar" studio buildings that few visit or utilize. Technology has rendered the rule unnecessary and overdue for repeal.

Kim Keenan, President and CEO of MMTC, made the following statement:

The Main Studio Rule is a textbook example of a market entry barrier whose deregulation serves the public interest. In practice the Rule drove capital away from multicultural broadcasters who were unable to operate as efficiently as other broadcasters who could house more stations in a single main studio. The Commission has done the right thing by targeting this obsolete rule for repeal.

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About MMTC:

The Multicultural Media, Telecom and Internet Council (MMTC) is a non-partisan, national nonprofit organization dedicated to promoting and preserving equal opportunity and civil rights in the mass media, telecom and broadband industries, and closing the digital divide. MMTC is generally recognized as the nation's leading advocate for minority advancement in communications. The views expressed in this Press Statement are MMTC's institutional views and are not intended to reflect the views of individual MMTC directors or members.