FCC Commissioner Mignon L. Clyburn Response to Additional Questions for the Record July 25, 2017 Hearing before the Subcommittee on Communications and Technology "Oversight and Reauthorization of the Federal Communications Commission"

The Honorable Yvette Clarke

- 1. Unlicensed spectrum for uses like Wi-Fi provides incredible value to the economy. By one estimate, that value will reach \$547 billion this year, provided that sufficient unlicensed spectrum is made available. But a February 2017 study by Quotient Associates forecasts a Wi-Fi spectrum shortfall in the United States of between 788 MHz and 1.6 GHz by 2025, and predicts a particular need for more contiguous Wi-Fi spectrum to support 160 MHz "Gigabit Wi-Fi" channels.
 - a. What can the FCC do to maintain U.S. leadership in Wi-Fi technology and ensure that sufficient unlicensed spectrum is made available to support ubiquitous access to Gigabit Wi-Fi among American consumers?

Thank you for the question, Congresswoman. The value of unlicensed services is indubitable. They complement licensed services, serve an ever-increasing range of consumer needs, and contribute billions of dollars each year to our economy. We have learned that if our rules promote flexible, interoperable use of spectrum, we encourage market entry by small businesses and expedite deployment of new wireless services to consumers.

The Commission's overall spectrum policy should seek to achieve a balance of licensed, unlicensed, and shared access spectrum to enable established industry players as well as entrepreneurs to develop innovative service offerings for consumers. To that end, as the Commission researches additional spectrum bands for wireless use, we must ensure that identifying bands to support unlicensed services remains an integral part of that process. We have done so in both the Spectrum Frontiers proceeding as well as the recently-initiated Mid-band Spectrum proceeding, but as you correctly point out, we must remain laser focused on this issue in order to ensure we have sufficient unlicensed spectrum to support innovative and novel use cases that will benefit American consumers.

The Honorable Tony Cárdenas

1. I have concerns about the potential merger between Sinclair and Tribune. I particularly worry about what this merger will mean for diversity in the media, something that I have worked to be a champion for as a legislator and as co-chair of the Multicultural Media Caucus with my colleague Congresswoman Yvette Clarke. It's troubling that the combined Sinclair/Tribune would have access to 72% of the households in the country.

a. Can you walk us through the FCC's role in approving or denying mergers like this one? What are the particular harms to consumers you'll be looking for?

Thank you for the question, Congressman. The Commission's merger review standard is based on whether a proposed transaction is in the public interest. For me, the first question when evaluating a merger is: how will consumers be impacted? I follow up by asking will the transaction enhance viewpoint diversity and will it increase opportunities for new competition? Any transaction which results in a company exceeding the 39% national ownership cap established by Congress and leaves consumers with fewer unique local voices is one that would be deeply concerning to me.

It is also my view that a transaction of this magnitude warrants a vote by the full Commission and should not be adopted at the Bureau-level. I continue to strongly advocate for each Commissioner to review and vote on the Sinclair/Tribune transaction.

- 2. One of the hallmarks of the broadcast industry is localism—the idea that local stories and news ought to be covered. It's also one of the FCC's legal responsibilities to promote localism (as well as diversity, competition and public interest). I've heard reports, however, that Sinclair Broadcasting has recently started pushing so called "must-run" content to its stations. Not only does this must-run content undermine the local nature of the broadcasting, I also understand much of this content is politically charged. This is very disturbing to me.
 - a. Do you have similar concerns about the apparent waning importance of localism and the increasing prevalence of politically charged must-run programming being distributed over the nation's airwaves?

Broadcasting from its earliest days has been about localism: delivering local news, weather, and emergency information to a station's community of license. While the internet has created new ways to access news and other information, traditional legacy media including broadcast television, radio, and newspapers are still the primary sources of information about local governments. The Communications Act requires licensees to operate in the "public interest, convenience and necessity." So yes, I do have concerns about reductions in local news because I believe that serving the public interest is a core responsibility of being a broadcaster.

b. Do you have concerns about this merger's potential impact on competition in broadcasting at a national and local level?

Without speaking to the specifics of a merger that is currently before the Bureau (not in front of the Commissioners, where it should be), I will reiterate my long-expressed view that we need greater, not less viewpoint diversity in broadcasting. Today, African-Americans own less than 1% of full power commercial television stations. Similarly, Latinos own only 4.5% of full power commercial stations, despite making up 17% of the U.S. population. So there is a simple question we must ask: will media consolidation

increase opportunities for women and minorities to enter the broadcast business or will it make it even harder to compete with large, established players? I am of the view, based on what we have seen from past transactions, that the latter is true.