Future of Music Coalition
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"Radio Deregulation: Has It Served Citizens and Musicians?"

Statements from Academics, Unions, Musicians' and Consumers' Groups on the Effects of Radio Deregulation

Below are statements submitted by a broad and diverse range of individuals and organizations articulating the negative effects of radio deregulation on their memberships and their support for the FMC radio study:

"Radio is so broadly accessible, so inexpensive to produce and transmit, and so limitless in its potential for diversity that it ought to be America's great democratic medium for culture and commentary. Yet, because of decisions by the federal government that promote conglomeration and homogenization, radio is bring robbed of its potential to be a positive force in our daily lives -- let alone the illuminating force that it could be. The Future of Music Coalition has exposed the extent to which concentration of ownership and rank commercialism has denied the democratic promise of radio. This is a breakthrough study that will be referenced for years to come as the document that quantified a growing sense of unease with what radio has become. If will also serve as a vital tool for those in Congress and communities across the United States who want to change the rules so that citizens, rather than corporations, benefit from the governmental and business structures that shape our media."

- John Nichols, co-author (with Robert W. McChesney) of *It's the Media, Stupid!* (Seven Stories, 2000) and *Our Media, Not Theirs* (Seven Stories, 2002)

"While the dramatic increase in consolidation in the radio industry since the passage of the Telecommunications Act of 1996 has become obvious to virtually all observers of the industry, this study brings a particularly strong combination of research methodologies to assess the impact of radio deregulation. It shows trends in ownership at both the national and local levels to demonstrate the dramatic increase in concentration in the industry and its impact on the music marketplace. It confronts each of the major claims for deregulation with a sharply focused research question. For example, it uses financial analysis to dispel claims that concentration is necessary for economic viability of the industry. It uses play lists to specifically reject the claim that concentration increases diversity and makes a clear distinction between variety and diversity, which is at the core of media policy. It adds the unique dimension of a statistically valid, national random sample public opinion poll, which shows that consumer needs are not being met."

- Mark Cooper, Director of Research, Consumer Federation of America

"This important study of radio deregulation does a superb job of documenting what struggling musicians have seen over the last several years. The unfortunate fact is that radio deregulation has not fostered innovation, competition or programming diversity. Instead, it has reduced the number of radio station owners across the nation and in each geographical market. And, it has enabled those stations to flood the airwaves with the same few 'hit' songs that are well-funded and heavily marketed. What gets left off the airwaves is everything else -- music that is varied, innovative, independent, less well-funded or only locally known. The AFM and its 100,000 members know that this situation disadvantages musicians who are reaching out for an audience. The Future of Music Coalition study beautifully demonstrates that what is bad for musicians in the radio industry also is bad for American society -- and, what is more, that consumers don't like it and want it to end. Musicians and consumers deserve a radio industry that serves the public better. The AFM looks forward to working with the FMC and other music industry groups to bring about positive change."

- Thomas F. Lee, International President, American Federation of Musicians

"Radio has always been a critical for the music community – it's the way new music can reach a world of listeners. But over the past years, radio has becoming increasingly closed to large segments of local and regional artists. It's very important for the government to fully understand how consolidation not only impacts the corporations that own stations and the advertisers who market products on these stations, but also the musicians and music fans who have relied on them for decades."

- Bernie Cyrus, Louisiana Music Commissioner

"Congress and the FCC promised the public that the cost savings of consolidation would be passed on to the public in the form of better and more diverse service. This study shows that the cost savings were passed on to the oligopolies that own the radio stations."

- Andy Schwartzman, President and CEO, Media Access Project

"The adverse effect of the 1996 Telecommunications Act is a major issue. Media concentration impacts everything from artistic creativity and diversity and local input in the music industry, to reduced consumer choices and increased concert ticket pricing. The AEC opposes anti-competitive behaviors that have put artists and local interests on an unfair playing field. We also want to ensure that the quality and quantity of music art and culture available to the community is improved. We applaud the efforts of the Future of Music Coalition in their examination of this issue."

- Tracey Walker, Director of Public Affairs, Artist Empowerment Coalition

"RAC hopes the FMC Radio Consolidation Study will lay the groundwork for a serious public policy debate on the impact of radio ownership consolidation. This study should be a positive point of reference for all parties genuinely interested in improving the quality and breadth of music heard on the radio."

❖ Jay Rosenthal, Legal Counsel, Recording Artists' Coalition

"The Association For Independent Music, the organization of the independent recording industry in the U.S.A., is extremely troubled by the massive consolidation of ownership of commercial radio stations. At this time, there is less variety of music being offered on commercial radio than at any time in the last 30 years. Virtually gone from the commercial airwaves are such musical genres as classical, jazz, folk music, blues, etc. Americans are being fed a very limited musical diet, and not being exposed to vast numbers of recordings and whole styles of music.

"With consolidation has come centralized programming of music on radio. This severely limits the opportunities for local and regional artists on independent labels to win any kind of significant airplay. No longer can an artist's local popularity earn local airplay, because the playlists of many radio stations are being drawn up hundreds or thousands of miles away.

"Beyond this, the "cost of entry" – the fees that must be paid to independent promoters who are hired to convince radio to add new records – have grown so large with radio consolidation that these costs are now out of the reach of most independent labels and artists. With the decline in locally-based programming decisions combined with the increasingly hit-song, short-playlist style of radio that national consolidation has nurtured, the fees paid to independent promoters have grown extremely high, as the number of songs and variety of songs played on commercial radio has grown smaller and smaller.

"We at AFIM, speaking for the independent recording community, believe that national consolidation of commercial radio cuts off most opportunities for aspiring artists to receive airplay and makes it ever more the case that only those recordings with huge promotional budgets will be heard on the radio. The result is that the American people are being deprived of hearing some of the finest music being recorded and released today."

❖ The Board of Trustees of Association For Independent Music

"Royalty artists are a significant part of AFTRA's membership, and radio consolidation has harmed them. The FMC study has proven what recording artists have known -- radio consolidation has resulted in less variety of music being played on the radio, shorter playlists, homogenization of playlists, and less local music being broadcast. Also, consolidation has exacerbated the payola demands placed on artists (or their producers) because group owners establish exclusive relationships with an independent promoter who must be paid if the song is even to be considered for the playlist at their multitude of stations owned across the country. Each of these results causes fewer artists to receive airplay and severely impacts the ability of artists to succeed. As the FMC study shows, this is not only an industry issue -- the public cares and is very concerned about the limited variety of music broadcast, shorter playlists, the inability of local musicians to access their supposedly local stations, and the selection of material to broadcast not on merit but on how much the artist or label can afford to pay. Importantly, the study shows that the public wants to see these problems remedied."

- Ann Chaitovitz, National Director of Sound Recordings, American Federation of Television and Radio Artists

"Radio consolidation has been a disaster for diversity of ownership and content and has destroyed localism in radio broadcasting. As large companies gobble up more and more local radio stations, they replace live and local announcers with canned 'voice-tracked' announcements. Radio consolidation doesn't just harm recording artists and disc jockeys, it hurts the listening public, as well."

- Tom Carpenter, National Director of Broadcast, American Federation of Television and Radio Artists

"This report is a wake-up call, for the same FCC policies responsible for radio's decline into homogenous oligopoly are now being imposed upon the high-speed Internet. If allowed to proceed, this radical deregulatory agenda will result in the Clear Channelization of broadband, threatening online openness and competition, reducing diversity of expression and inhibiting democracy."

- Mark Wahl, Project Director, Center for Digital Democracy

"The FMC's study confirms what most Americans already know – that consolidation of radio ownership has reduced the diversity of viewpoints and music available over the airwaves. It is time for Congress and the FCC to reverse the damage caused by the 1996 Telecommunications Act, and prevent any further theft of the public airwaves by Clear Channel, Viacom, and other media monopolists."

- Alan Korn, National Lawyers Guild, Center for Democratic Communications

"Activists and consumers that care about the quality of their radio have been waiting for an opportunity like this for a long time. The Future of Music Coalition's study will provide community media makers with clear statistics -- statistics they need to convince their legislatures that commercial radio crowds out their voices."

- Hannah Sassaman, Prometheus Radio Project

"The National Federation of Community Broadcasters, a 27-year-old organization of over 150 community radio stations, supports local diverse media. We are concerned that the concentration of media, particularly in radio, that has occurred since the 1996 Telecommunications Act has eliminated many local voices from the airwaves and decreased the diversity of ownership and voices on the air. This has hurt the radio industry and means the citizens have access to fewer points of view. The report, "Radio Deregulation: Has It Served Citizens and Musicians?" provides critical information to be considered as the FCC evaluates the impact of the 1996 Telecommunications Act and as Congress examines how radio is serving the people of the United States."

- Carol Pierson, National Federation of Community Broadcasters

"It is of great value to have statistical evidence to back up the common sense notion that less is not more for radio listeners, artists or broadcasters in general. This study supports what we've long heard in person from listeners and artists in grassroots communities across the US: people are bored with the programming choices currently offered by radio and their local artist's works are left out of the equation. Further, they are frustrated that their local flavor, opinions, community identity and listener interests are being under recognized and under served by the consolidated radio broadcasters. It seems the only example in this equation of less actually being more for everyone involved would be less consolidation resulting in more diversity and access."

- Brian Austin Whitney, Founder, Just Plain Folks, a 20,000 member Grassroots Music Organization

"The Future of Music Coalition must be congratulated on their research into Radio in the States. It supports our worst fears and prejudices about what seemed to be happening. Indeed it is worse than we thought. What is even more alarming is that what happens in America today happens in the rest of the world tomorrow. Objective information in this area is rare, consequently this research is invaluable and helps to cast some light in to corners that are kept deliberately dark."

- Peter Jenner, Chairman, International Music Managers Forum