

on this point, it excludes cable from the DI to simplify its general analysis.¹⁸

279. *Weighting Different Media.* The Commission has concluded that various media are substitutes in providing viewpoint diversity, but the Commission has no reason to believe that all media are of equal importance. Indeed the responses to the survey make it clear that some media are more important than others, suggesting a need to assign relative weights to the various media. In view of the Commission's focus on local news and current affairs, it chooses to base its weights on survey responses to the question asking respondents to identify the sources, if any, "used in the past 7 days for local news and current affairs." The Commission recognizes that this is not a perfect measure, and that it requires some adjustment. The Commission justifies these adjustments and assumptions, however, by emphasizing that it is using the DI only to inform itself of general market trends, not for precise measurements.

280. The average respondent uses three different media for local news and current affairs information. It is likely that, for a given respondent, the three are not all of equal importance. If media differ in importance systematically across respondents then it would be misleading to weight all responses equally. Unfortunately, the Commission does not have data on this question specifically with regard to local news and current affairs. The available "primary source" data address local and national news together and do show that different media have different importance, in the sense that primary usage differs across media. Because "primary source" data are not available for local news and current affairs alone, the Commission uses the data identifying sources of local news and public affairs programming to weight the various media to reflect relative usage. This leads to lower shares for television and higher shares for radio than the "primary source" shares reflect.

281. The local response summary data, Table 97 of MOWG Study No. 8, include five categories of media—Internet, magazines, radio, newspaper, television. Magazines account for 6.8% of responses to the questions on source of local news and current affairs. We exclude magazines as explained above and normalize the shares of the four remaining media to sum to 100%. The

resulting weights are television (33.8%), newspapers (28.8%), radio (24.9%), and Internet (12.5%).¹⁹ The local response summary data do not break down the television responses between broadcast television and cable/satellite television. Nor do these data separate out usage of daily and weekly newspapers. We make use of other FCC MOWG Study No. 8 questions to apportion the newspaper shares further.

282. Although the responses to one question in MOWG Study No. 8 suggests that cable is a significant source of local news and current affairs, other data from the study casts some doubt on this result. The following discussion explains the reasoning that leads us to exclude cable/satellite television from the current analysis of local news and current affairs for diversity purposes. DBS currently provides little or no local nonbroadcast content. The Commission will review the status of cable as a local news provider in the 2004 biennial review. The Commission's review will include a follow-up to MOWG Study No. 8, which will include more detailed questions regarding the use of nonbroadcast video media for local news and current affairs.

283. With regard to newspapers, MOWG Study No. 8 indicates that 61.5% of those who cite newspapers as a source of local news and current affairs acquire that information from dailies only, 10.2% from local weeklies only, and 27.3% from both. The next biennial review will provide the Commission with an opportunity for re-examination of the role of weekly newspapers. Accounting for the additional information on newspapers results in a revised set of weights. They are: broadcast television 33.8%, daily newspapers 20.2%, weekly newspapers 8.6%, radio 24.9%, and Internet 12.5%.

284. The most detailed analysis of MOWG Study No. 8 comes from the Consumer Federation of America (CFA). CFA agrees that citizens get viewpoint diversity from multiple media. Their comments refer to the "two dominant political media—daily newspapers and television," although CFA asserts that these media "appear to play very different roles." Television has the largest weight in the DI (33.8%) and daily newspapers also loom large at 20.2%. Although the radio weight is somewhat higher at 24.9%, the fact that markets generally have far more radio stations than daily newspapers make the Commission's weights consistent with

CFA's conclusion that newspapers are among the two most influential media. CFA finds that the Internet plays a small but growing role in citizen acquisition of news and information, a finding not inconsistent with the relatively low weight of Internet in the Commission's DI. CFA quotes statistics on daily use of television, newspapers, radio, and Internet that yield usage shares not too different from the Commission's DI weights. Drawing on two surveys, CFA suggests that people spend 4 minutes per day on average gathering news from the Internet, 25 minutes reading newspapers, 15 minutes listening to radio news, and "over half an hour" watching television news. Ascribing half an hour to television leads to shares of 40.5% for television, 33.8% for newspapers, 20.3% for radio, and 5.4% for Internet. These are fairly close to the Commission's DI weights of 33.8%, 28.8%, 24.9%, and 12.5% for television, newspapers, radio, and Internet, respectively.

285. Although CFA does not dispute the proposition that different media address the same issues and stories, it asserts that they do so in different ways, suggesting, *inter alia*, that television is "the primary source for breaking news," that newspapers have a larger role in "the follow-up function," and that talk shows are a new and significant element of radio's role in disseminating viewpoints. Although CFA does not discuss the role of radio as a source of breaking news, the Commission acknowledges that different media do present information in different ways. Thus, CFA appears to conclude that media are substitutes for some citizens and complements for others.

286. The Commission disagrees with CFA's conclusion that the DI is invalid because some citizens may consider certain media outlets complements rather than substitutes. In the technical economic sense, two goods are substitutes if an increase in the price of good A (which leads to a decrease in consumption of good A) leads to an increase in the consumption of good B. In the context of the Commission's diversity goal, the Commission is concerned with the question of what happens when one or more media outlets refuses to transmit a particular viewpoint. If most citizens accessed only one type of outlet, *e.g.*, radio but not newspapers or television, then its diversity goal would prompt us to analyze separately the structure of the "radio marketplace of ideas." If, on the other hand, most citizens access multiple media, then the Commission can rely on the reasonable probability that, if, *e.g.*, the local newspaper refused

¹⁸ As with magazines, we will review this issue in the next biennial review, and may collect at that time more accurate survey data on consumers' use of cable for local news and current affairs.

¹⁹ The "primary use" weights, excluding magazines, are television (57.8%), newspapers (25.8%), radio (10.3%), and Internet (6.1%). When magazines are included their weight is 0.6%.