



## Fiber: Important To Your City's Economic Health

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# PEG Tripod Needs Three Legs; May Be Lifeboats for Big Media's Sinking Ships

By Mark A. Hart

**L**ike legs on a tripod, Public, Educational, and Government (PEG) cable channels need to stand together or they may fall alone in the face of regressive legislation and hard economic times. In addition, mainstream media downsizings make causes related to open government and free speech like PEGs all the more important now.

Nowhere is that more apparent than in Florida, long a leader in media trends and where the state Consumer Choice Act of 2007 has potentially legislated PEGs out of existence. “The truth is that the bill is not consumer friendly and will not produce lower cable TV rates,” said Louise Thompson, Executive Director of the Tampa Bay Community Network.

“Along with removing local controls over rights of way, the bill negatively impacts local government revenues and the ability to monitor service, permits discontinuation of cable service to some residents, and does not guarantee service to all residents,” Thompson said. “Most importantly, the bill marks the beginning of the end of PEGs and,

with that, Government-in-the-Sunshine and free speech on the cable-waves of Florida.”

The Tampa Bay Community Network is now the only public access channel remaining in Florida. By 2012, Florida public access stations may be retained only by a majority vote of all subscribers, not just all poll respondents, in a given service area. Not even popular political candidates can garner that kind of majority from among all registered voters, regardless of whether they cast a ballot or not.

PEGs in Florida must also comply with programming requirements not applicable to commercial TV; specifically, they must be on-air at least 10 hours daily, with at least five hours of non-reruns and excluding

“bulletin board” announcements. That’s an especially heavy burden on educational and government access.

Elsewhere, Illinois’ model cable franchise bill ensures that PEGs can’t be “channel-slammed” into harder to find triple-digit, high-tier channels unavailable to basic subscribers lacking converter boxes. Other affected states should follow suit by adding legislative provisions if needed to prevent PEGs from being numerically separated from other basic service channels. In addition, cable franchise laws that allow for elimination of PEGs, as well as for minimum programming requirements, should be amended.

In the meantime, the national flagship for converging print, TV, and on-line news operations is apparently sinking in Tampa. Media General Inc. announced first quarter earnings declined earlier this year attributable to Florida operations. The company also recently offered buyouts and severance packages to Florida employees as a cost-savings measure. Three newly elected Media General board members have thus vowed to have the *Tampa Tribune*, WFLA-TV, and TBO.com properties sold, and perhaps they should be. Research by advocacy group Free Press shows cross-ownership tends to stifle competition. Other TV stations in the market often find they can’t compete with a cross-owned TV station. So they cut their local news coverage up to 25 percent in favor of sports, weather, and entertainment.

Most people rely on TV for local and national news. Research also shows that cross-owned operations don’t necessarily report more local news when combined than they would have separately. Nonetheless, the prospect of the *Tampa Tribune* ceasing publication is alarming in what is arguably the state’s most competitive media market by virtue of its daily competition with the *St. Petersburg Times*, also facing downsizing.

Times Editor Paul Tash recently

expressed cautious optimism that Florida newspapers, once called “the best under the sun” by *Time* magazine, will eventually recover from the downturn. Tash called for new measures providing greater citizen access to public records, and requiring local governments to provide time for public comment at all meetings. If he understood the situation, Tash might have called for more protection for PEGs as well.

There are many other reasons to be concerned about the effects on journalism of major corporations taking over U.S. and international media. Red flags abound. Examples include:

- *Chicago Tribune* Company CEO Sam Zell harshly criticizing the chain’s Washington, D.C. bureau for not being a profit center and for covering the war in Iraq too much.
- *Wall Street Journal* business reporting being down 50 percent since Rupert Murdoch took over.
- Content analysis showing 60 percent of the news articles in better British newspapers being rehashes of public relations releases.

British author Nick Davies has a name for what’s happening – “churnalism,” as detailed in his book, “Flat Earth News.” “In the book, I’m arguing that the commercialism of our corporate owners has undermined journalism in numerous ways,” Davies said. “The most important single example is the structural change that they have inflicted on us, cutting back our editorial staffing and increasing our output and thus reducing dramatically the time that we have to find and check stories.”

“Generally, this tends to reduce reporters to a passive role, recycling wire copy and PR material, often without really checking it. And in that context, it becomes much easier for intelligence agencies, government PR officers, et. al., to manipulate news coverage to serve their political

interests,” Davies said.

According to Davies, among by-products of churnalism is “flat earth news,” or major stories the public believes are true when in fact they are as false as a flat Earth, like the Y2K scare or weapons of mass destruction in Iraq.

Broadcast media are not immune from the effects of churnalism. For example, as recently reported in the *New York Times*, retired military officers with close ties to the Pentagon and defense contractors are being booked for network TV interviews as ‘independent’ analysts without media checking into their backgrounds. The story followed other reports that the venerable CBS News, once among the most important powers that be in American media, was considering subcontracting assignments to CNN, a proposal former anchor Dan Rather said would drive him to drink.

But perhaps nowhere are the effects of Big Media more generally apparent than in the rise of Clear Channel Communications and the fall of commercial radio. In the new book “Right of the Dial,” author Alec Foege contends that while Clear Channel perhaps didn’t ruin commercial radio, it came pretty close. Once comprised of 2,000 radio stations nationwide, Clear Channel economized, centrally automating music and news, which Foege contends was good for investors for awhile but bad for citizens and American culture over time. Now some 1,200 stations strong, Clear Channel is successful, controversial, and reviled in the music industry, or as one reviewer wrote, “American commerce and culture gone mad.”

What happened in Clear Channel markets was that local performers, who once got the air time needed on hometown stations to attract a following, got forced out in favor of music from corporate dictated play lists. Those same performers now rely upon lower power FM community radio or public access TV to showcase their talents.

Yet public access channels remain the most vulnerable PEG channels, especially in states with programming requirements that preclude reruns and bulletin board announcements in calculating air time for original content programming. Nonetheless, cable franchise agreements that allow for public access channels to be retained only by a majority vote of either all subscribers or respondents to a survey threaten all three PEGs, not just public access, especially if they are “channel slammed.”

The situation is a far cry from the early 1980s and the advent of cable TV heralded by Ted Turner starting the then fledgling CNN against all odds. Experts said CNN was as doomed to failure as Al Neuharth’s *USA Today*, also launched in the 1980s. Both CNN and *USA Today* not only succeeded but flourished. But

media giant Time-Warner now owns CNN, and *USA Today* parent Gannett Co. Inc. is no longer the nation’s only publicly traded daily newspaper chain.

Then, PEGs were touted as the great promise of cable franchise agreements with local governments because of their ability to provide the average citizen with greater opportunities to become active and involved in civic and public affairs. Overall, new video franchising framework must include stronger build-out requirements and consumer protections. Most anti-redlining provisions are insufficient to ensure low and middle-income consumers are not left behind. New franchising processes must sustain and support the continued viability of valuable local public services such as public access television, institutional networks, and consumer protection. Network

neutrality should be a central component of any pro-competitive broadband policy in any given state.

In response to the Florida Consumer Choice Act of 2007, one of the simplest—yet most compelling—calls to action for local government access channels was made by Anthony Riddle, former Executive Director of the Alliance for Community Media.

“And when you, the Governor, or the Mayor of a small town, or a legislator needs to frame the debate for his or her constituents, won’t it be important to have an unfiltered connection to your community?” Riddle asked. ■

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