

NLWJC - Kagan

DPC - Box 027 - Folder 007

FCC - Unphoned

FCC - uphomed

cc: EK/Tom/CR/
Julie F.
Ideas? -BR

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

November 6, 1997

Mr. Bruce Reed
Assistant to the President for Domestic Policy
2d Floor West Wing
The White House
Washington, D.C. 20502

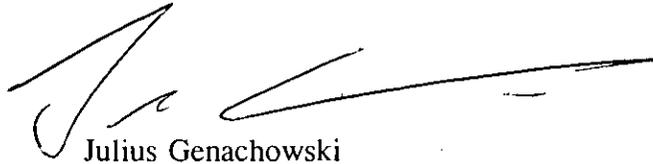
Dear Bruce,

I enjoyed our meeting the other day, as did Bill. Thanks for setting aside the time.

We chatted at the meeting about telephone penetration among diferent groups, and Bill asked me to send you the enclosed statistics. The contact for any follow up on this or other matters is Susan Fox, who can be reached in Bill's office at 418-1000. (I'm leaving the Commission soon.)

All the best.

Sincerely,



Julius Genachowski

cc: Susan Fox

Statistics¹

Household Telephone Subscribership in the United States

House -holds	Percentage w/ telephones	Percentage w/o telephones
-----------------	-----------------------------	------------------------------

Total	93.9%	6.1%
-------	-------	------

Annual incomes below \$5,000

Total	72.9%	27.1%
Whites	76.4%	23.6%
Blacks	66.0%	34%
Hispanics	64.4%	35.6%
Other ²	66.2%	33.8%

Annual incomes above \$75,000

Total	99.2%	.8%
Whites	99.3%	.7%
Blacks	99.2%	.8%
Hispanics	97.1%	2.9%
Other	97.5%	2.5%

¹These percentages for telephone penetration rates are the latest available from Industry and Analysis. Their current quarter report is not written yet. These percentages are as of July 1997.

²The Other category consists of Asian Americans and Native Americans. The percentages come from the FCC Telephone Subscribership Report--although Industry and analysis says that they are statistically unsound. They also noted that the Asian American population is concentrated in Hawaii, New York, and California.

House -holds	Percentage w/ telephones	Percentage w/o telephones
-----------------	-----------------------------	------------------------------

Racial Categories

Whites	95.0%	5%
Blacks	86.9%	13.1%
Hispanics	87.0%	13%
Other	92.4	7.6%

Cathy Sandoval indicated that Sen. McCain is most interested in Native American penetration rates. For rural Native Americans, their penetration rate is 55%, which is the lowest of any ethnic group. The Navaho Nation has a 35% penetration rate. For Navahoes in San Juan, Utah the penetration rate is 26.5%

Geographic Categories

Urban	(I requested that Industry and Analysis provide with this data. They are working at collecting it. When I receive it, I will forward it to you.)
Rural	

Marital Status³

Married w/ children	95.5%	4.5%
Married w/o children	98.1%	1.9%
Single woman alone	96.2%	3.8%
Single woman w/ children	82.6%	17.4%
Single male alone	87.8%	12.2%

³This data is the latest from Industry and Analysis. It is from 1993. These categories are for civilian (non-military) families.

House -holds	Percentage w/ telephones	Percentage w/o telephones
Single male w/ children	85.9%	14.1%

State Penetration Rates for Members of The Senate Commerce Committee

Arizona (John McCain)	93.4% ⁴	6.6%
Alaska (Ted Stevens)	93.5%	6.5%
Montana (Conrad Burns)	94.4%	5.6%
Washington (Slade Gorton)	96.6%	3.4%
Mississippi (Trent Lott)	89.8%	10.2%
Texas (Kay Bailey Hutchison)	91.7%	8.3%
Maine (Olympia Snowe)	97.4%	2.6%
Missouri (John Ashcroft)	93.7%	6.3%
Tennessee (Bill Frist)	94.5%	5.5%
Michigan (Spencer Abraham)	93.3%	6.7%
Kansas (Sam Brownback)	93.6%	6.4%
South Carolina (Ernest Hollings)	92.0%	8%

⁴These percentages are on a household unit basis. They encompass those households that actually have telephones in their units.

House -holds	Percentage w/ telephones	Percentage w/o telephones
Hawaii (Daniel Inouye)	94.6%	5.4%
Kentucky (Wendell Ford)	93.2%	6.8%
West Virginia (Jay Rockefeller)	93.4%	6.6%
Massachusetts (John Kerry)	95.7%	4.3%
Louisiana (John Breaux)	91.5%	8.5%
Nevada (Richard Bryan)	94.6%	5.4%
North Dakota (Byron Dorgan)	94.6%	5.4%
Oregon (Ron Wyden)	95.2%	4.8%

[I'm having Industry and Analysis to disaggregate these numbers for each state by race and rural/urban areas. I will provide them to you when they are ready]

Computers in the Home⁵

Whites	28.6%
Blacks	13.5%
Hispanics	13.1%

⁵Data from 1994 in survey by The Tomas Rivera Institute.

Computers in the School⁶

Whites	62%
Blacks	51% ⁷
Hispanics	52%

Small Business's Use of Computers⁸

	Total	Women -Owned	Minority -Owned
Desktops/personal computers	60%	52%	69%
Portables/laptops/powerbooks	10%	4%	20%
Computers with Modems	46%	38%	52%
Local area Networks	9%	4%	19%

Small Business's Subscription To Online Services⁹

America Online	36%	29%	31%
Prodigy	5%	-	14%
CompuServe	14%	5%	14%
Other	27%	33%	23%

⁶Id. Although the disparity between these numbers for computer use in school seems to suggest a move to equality in access, there still are quality of access issues. For instance, Cathy Sandoval has indicated that in the LA Unified School District for grades K-12, only 200 of 650 elementary schools have internet access. One teacher said that students only have one hour of access per week.

⁷In contrast, Chronicle of Higher Education article dated December 20, 1996 indicated that only 39% of Black students in public schools have access to computers in school as compared to 56% of white students.

⁸1996 Dunn & Bradstreet Survey of small businesses cited by Black Enterprise Magazine.

⁹Id.

Broadcast Stations ¹⁰	White	Minority ¹¹
AM Stations	96.2%	3.8%
FM Stations	97.2%	1.8%
TV Stations	96.8%	3.2%

Minorities now own 2.8% of all broadcast properties in the United States. Minorities own twenty-eight fewer broadcast stations than last year. The biggest decline has been in the number of FM stations; minorities owned 127 FM stations last year, as compared to 100 this year.

Women

Commerce does not keep broadcast license data by gender. During 1987-96, the number of firms owned by women in the communications/transportation fields increased by 140%.

FCC auctions have resulted in the sale of 495 licenses to women.

¹⁰United States Department of Commerce, Minority Commercial Broadcast Ownership in the United States (April 1997). The Minority Media and Telecommunications Council estimates that since the passage of the Telecommunications Act of 1996, minority ownership in broadcasting has declined by 15%.

¹¹Minorities own 322 of 11,475 commercial broadcast stations, representing 2.8% of total commercial ownership. Black ownership represents 1.7% of total commercial stations. Hispanic ownership represents 1.05% of total commercial stations; Asian ownership represents .03% of total commercial stations; and Native American ownership represents .04% of total commercial stations.