MS. SMITH: (Sounds gavel.) Good afternoon and welcome to the National Press Club.

My name is Sylvia Smith. I'm the Washington editor of the Fort Wayne Journal Gazette and president of the National Press Club.

I'd like to welcome club members and their guests in the audience today, as well as those of you who are watching on C-Span. We're looking forward to today's speech and afterward, I'll ask as many questions from the audience as time permits. Please hold your applause during the speech so we have time for as many questions as possible.

For our broadcast audience, I'd like to explain that if you do hear applause, it may be from our guests and members of the general public who attend our events -- not necessarily from the working press.

I'd now like to introduce our head table guests and ask them to stand briefly when their names are called.

From your right, Jerry Krell (sp) of Arturo Productions and producer of the National Press Club's centennial documentary; Gloria Minot of WPFW-Pacifica Radio; John Hechinger, Jr., chairman of the WETA Board of Trustees and guest of our speaker; Betsy Fischer, executive producer of "Meet the Press"; Paula Kerger, president and CEO of PBS and guest of our speaker; Melissa Charbonneau of CBN News and vice chairwoman of the NPC Speakers Committee.

And skipping over our guest for just a minute: Andrew Schneider, associate editor of Kiplinger Washington Editors and member of the Speakers Committee who organized today's lunch -- thank you, Andrew. Les Crystal, president of McNeil-Lehrer Productions and guest of our speaker; Marilou Donahue, producer and host of "Artistically Speaking";
Ben Wattenberg, moderator of "Think Tank" and senior fellow of the American Enterprise Institute.

Welcome everyone. (Applause.)

Forty years ago last November, President Lyndon Johnson signed into law the Public Broadcasting Act of 1967. In his remarks on signing the bill, Johnson spoke of the tremendous potential public broadcasting held as a force either for good or for ill. He said, "At its best, public television" -- he spoke of public radio as well -- "would help make our nation a replica of the old Greek marketplace where public affairs took place in view of all the citizens, but in a weak or even irresponsible hands," he said, "it could generate controversy without understanding. It could mislead as well as teach. It could appeal to passions rather than reason."

For many, the past four decades of public broadcasting have stood as a monument to those founding hopes. They have brought forth high caliber, intelligent programming that would have had a difficult time finding a home in the world of commercial broadcasting. News coverage and analysis such as that of "The NewsHour" and "Washington Week". Award winning documentaries such as the work of Ken Burns. And as we've often had occasion to see and hear over the past year, informative and thoughtfully moderated debates on some of the most important issues of the day.

But public media have also served as a lightening rod for controversy. At one end of the spectrum, it's faced questions of public television's responsibility to avoid promoting childhood obesity, with the result that Sesame Street's Cookie Monster has switched to a more balanced diet.

At the other end, its journalists' determination to ask difficult questions, to probe sensitive subjects and to listen to the widest possible range of perspectives has brought it into direct confrontation with political forces determined to limit discussion on the public airwaves to those who share their own point of view.

From the Nixon administration down to the present, public broadcasting has repeatedly had to defend itself from threats to its independence. The importance of public media as a watchdog of democracy is rarely on more open display than during the presidential election season.

That's why we're fortunate to have with us today Sharon Percy Rockefeller. For more than 25 years she has served as a leader and policymaker in the public broadcasting community. She's been a member of the board of directors of the Corporation for Public Broadcasting for 12 years, including four years as its chairwoman. She was elected to her fifth term on the PBS board of directors in 2006. And since 1989, she has been president and CEO of WETA -- Washington, D.C.'s flagship public television and radio station.
Please join me in a warm National Press Club welcome for Sharon Percy Rockefeller. (Applause.)

MS. ROCKEFELLER: Thank you very much.

Good afternoon. I'd like to thank the National Press Club for inviting me to speak today about the role of public media in our democracy. I'm very pleased to be here among my colleagues from The Corporation for Public Broadcasting -- and here's the litany of names: The Public Broadcasting Service, thank you Paula; trustees from the WETA board; some of our most loyal donors; and a cross section of our corporate and foundation underwriters.

I would also like to recognize Gwen Ifill; my sister Gail Percy; my son, Justin; and my very loyal husband, Jay, who's heard more about public broadcasting than everyone in this audience put together. (Laughter.)

Today I'd like to focus on the roles that WETA and the public media are playing this year in 2008 -- a critical and spellbinding election year. Then I look forward to an open dialogue and question- and-answer session with you.

My personal discovery of public broadcasting occurred in the early 1970s when my husband Jay was president of West Virginia Wesleyan College. At the time -- I think I was 29 -- I had no idea of the difference between ABC, CBS or NBC. I like to think I was a reader. But I was also a young mother raising three children under the age of five with little time to explore my own interests. So it was during this period that I found an important window on the world.

I'd been casually listening -- Justin wasn't born yet. I'd been casually listening while carpooling to an informative radio program, "All Things Considered". The college had the only public radio station in West Virginia and it was based in a town of 7,000 -- so that was the scope of people that the radio station reached at the time. Our toddlers were watching a charming and funny program, "Sesame Street" on television. And I watched every Friday night -- beginning with Paul Duke and Peter Lisagore -- "Washington Week in Review", "The Adams Chronicles", "Masterpiece Theater" -- but I had my favorites.

Standing in the kitchen one day, I had what we call an epiphany. I figured out that all of this programming came from a related source -- public radio and public television it was called. It meant nothing to me, but I developed an abiding gratitude for the breadth of programming offered to our family and quickly became a true believer in the power of television and radio to inform, educate and inspire.

Public broadcasting was my source for a world of ideas. My appreciation for the importance of public broadcasting has been magnified many times over since then.
Now, relatively few of us have the good fortune to devote our professional lives to the causes we hold most dear. And in that regard, I've been truly fortunate. Public television and radio are among America's most valued civic institutions. In my work with West Virginia Public Broadcasting, and when my husband was appointed governor, I asked for one thing: to go on that board. And he granted my wish. (Laughter.) Thanks, Jay.

I had been on the WETA board when they were searching during the early '70s for somebody who lived outside the Beltway, and I was considered eligible because I came from West Virginia. That was my good fortune. I also joined the Corporation for Public Broadcasting and PBS, and I've been privileged to serve the causes and the organizations that they represent.

Now, getting back to WETA. In 1959, racial inequities defined a landmark struggle for justice in the state of Virginia. A lawyer who specialized in these issues was named Ed Campbell. His wife Elisabeth was a school teacher.

WETA was founded by Elisabeth Campbell, in her early 60s, no less, by Austin Kiplinger's father, Willard Kiplinger, and a small group of visionary Washingtonians. They were encouraged by a man whose name you know, Newton Minow, who came from Chicago to chair the FCC under President Kennedy, and he's very well known for describing television as a vast wasteland in the early 60s. It's just more vast now. (Laughter.) When Newt moved to Washington, he said, "Where's WTTW?" That's the public television station in Chicago. And he spurred this group on and encouraged them and expedited getting the license. That was important to know the chairman of the FCC. So WETA was based on the principle that television could be a democratizing force.

Like other public broadcasting stations emerging in the late '50s and early '60s, WETA was conceived as the telecommunications company that would serve the public interest, not a profit motive. That remains exactly our mission today. Just as public schools and public libraries provide universal access for all of our citizens, so too does public media. Much has changed in American society during the last 50 years, and WETA has come a long way since those early days when we broadcast from Yorktown High School into Arlington. Back then, the green room -- which in television terms is the make-up room -- the green room for visiting dignitaries like Eleanor Roosevelt was converted broom closet -- room for one only, her.

WETA started in 1961 with a budget of $150,000 carefully raised by this small group, and we had Apache UHF signal on Channel 26, which no one could get. Now, we raise $70 million a year for our operating budget, and only 10 percent of that comes for programming reasons from the federal government either through the Corporation for Public Broadcasting, the NEA, NEH, the NSF sources of programming that we do for the nation. Our new upgraded digital production facility attracts tours now of international broadcasters from Argentina to Zimbabwe. But the fundamental purpose of public broadcasting remains exactly the same.
From the founding days of this nation, the United States has recognized that, along with the right of the people to share their own government comes the responsibility to have an informed, involved citizenry. In today's era of global access, we are increasingly more aware of world events. Nonetheless, I think ironically, our society is becoming more polarized. The media environment often contributes to that intellectual isolation. If you want to find a channel or a website for people just like you, you probably can. And at the very extreme, audiences can self-select media that reinforces only the beliefs and interests they already hold. Public broadcasting can and does counteract that social trend. Every citizen is enriched by gaining a general understanding of the intersection of politics, science, history and culture. The concept of civil discourse is not a quaint ideal left over from colonial days, but it's a necessary tool for bonding a country together. Public media can be a means for achieving that common ground of understanding by examining our American character, by examining our past and by examining our future choices.

WETA's proximity to the Nation's Capitol affords us the opportunity to analyze our federal government at work. We bring American history alive and we also capture spectacular cultural events. The recognition of WETA's special responsibility to create public affairs came in 1973. The New York City station WETA and an fledgling PBS started with the cover of a group called NPACT -- and this is important -- the National Public Affairs Center for Television because they knew they were about to do something dangerous and they needed and wanted insulation from the federal government. This group, especially WETA and NPACT, decided to cover the Watergate hearings gavel to gavel, not knowing at all at the outset how gripped the nation would become to watching the unfolding drama. We carried 51 days of hearings and the existing stations cancelled their children's programming to carry these gavel-to-gavel. It was a radical concept, and essentially, I think, put public television seriously on the map. Now living in Central West Virginia, Jay and I were among the millions who were captivated. With that pivotal event, WETA's unique role in providing excellent live broadcasting and analysis was confirmed. Analysts Robin McNeil in New York and Jim Lehrer at WETA were professionally and evermore joined at the hip. Our editorial independence from government was established and has never been tarnished.

WETA now produces two icon public television series in our Shirlington studios, The News Hour with Jim Lehrer and Washington Week with Gwen Ifill and National Journal. We also produced dozens of short series and documentaries. A veritable parade of international leaders, newsmakers and members of the press participate in these programs. WETA's the third largest producing station, creating more than 350 hours of national programming every year. Our projects are quite ambitious, and we pride ourselves in this. Just over a year ago, WETA produced a series conceived by the Corporation for Public Broadcasting entitled America at a Crossroads. It was controversial and we knew it. The project encompassed 20 separate films exploring America's role in the world post 9/11. Each film is a highly independent take on a
subject from the National Endowment for the Arts' Operation Homecoming, which explored the writings of our soldiers in Iraq and Afghanistan, to a film we're now just finishing and hasn't yet aired on the trial of Saddam Hussein.

Now those of you who know me really well or who watch or listen to WETA understand that WETA and I are equally passionate about the necessity for arts and culture in our lives. I do not believe that we can reach our full potential without celebrating the power of the arts to engage our minds, explore our humanity, and speak to our inner spirit.

So WETA's civic role goes beyond public affairs. We produce a vast array of performances -- events from the White House and the Kennedy Center, those from the Mall, the Memorial Day concert and the Fourth of July concert, and we share them with the rest of the nation.

For over 10 years WETA has sort of specialized in creating high-definition television programs on major art exhibitions at our leading museums, mostly the National Gallery in Washington.

Now, we cannot replace the magic, but high definition comes close. The magic of seeing an exhibit like Mary Cassatt or a "Van Gogh's Van Goghs" in person at the National Gallery of Art, but with care and with technical advances, we can share these cultural treasures far beyond the audiences able to enjoy Washington's institutions.

I'm so proud that WETA is able to share the legacy and beauty of classical music on our radio station, Classical WETA 90.0 FM. In our first year as an all-classical station we've gone from being 17th in the market to being fifth. We've brought local concerts to listeners through our Front Row Washington series. These broadcasts feature all the performances that are going on around this city that we never have time to go see, from the Barns at Wolf Trap, the Library of Congress, and the National Gallery. This April we added our production of the National Symphony Orchestra monthly concerts to this schedule.

We know that celebrating artistic achievement is an essential part of our American story. Now, exploring the national character with us, of course, is the very well known Ken Burns -- and highly acclaimed. WETA is at the forefront with Ken's work and our own work of the documentary field. Our 20-year partnership has yielded the Civil War, jazz, baseball, Lewis and Clark, Thomas Jefferson, Frank Lloyd Wright and other American biographies and, most recently, his series on World War II titled simply "The War."

On WETA we also air other esteemed series. I've been watching, of course, the American Experience biographies of 20th century presidents from Franklin Delano Roosevelt to George H. W. Bush. And I'm especially looking forward to Frontline's (in depth ?) profiles of the Republican and Democratic candidates, now that we know them, and that program will be called "The Choice." It will air in October. It'll be a single
documentary on the Republican candidate and another on the Democratic candidate -- what makes them tick, what their lives have been like, how they arrived at this day.

Now, this brings me to the role of public media in giving context to current events. First, I want to salute the outstanding news coverage provided by National Public Radio - and thank you, Kevin, for coming today. NPR programming is distributed via satellite to more than 860 stations nationwide, heard here in the District on WAMU and with news breaks on WETA.

The news coverage provided by NPR reporters is absolutely stellar, as we've been so poignantly reminded during the recent tragedy in China, while we listened to Melissa Block's and Robert Siegel's live reports about the earthquake and the valiant rescue efforts.

And now I'd like to turn to analysis and context provided by Washington Week and the NewsHour with Jim Lehrer. The NewsHour is WETA's flagship program. It's broadcast every single weeknight from our WETA studios and is produced by MacNeil-Lehrer Productions -- I told you they were joined at the hip forever -- and WETA.

This year has been especially active for MacNeil-Lehrer Productions because of documentaries like these.

For example, Generation Next, a project reported by Judy Woodruff, who traveled across the country in a bus providing insights on the concerns and aspirations of young people.

Another program was an examination of citizenship in the 21st century, in partnership with Colonial Williamsburg, as part of the By The People dialogues. Another was a series of televised debates on immigration, security, privacy, religion, and health care with the University of Virginia.

There's also a dynamic Web site co-created by National Public Radio and the NewsHour to help us follow what's going on this year.

Now, you can see I get excited by lots of the content on WETA. In fact, as I look back over my life, it seems to have been organized by my first 15 years when I was a normal person -- (scattered laughter) -- and then the rest, which was controlled by politics.

My dad ran, highly unsuccessfully, for governor of Illinois in 1962 and was resoundingly defeated. But that allowed him to spring back and run for the Senate in 1966. In fact, Barack Obama has the seat he then occupied, and I remind Barack about his responsibilities -- (laughter) -- should he forget that I'm watching him.

When I married Jay, I had been campaigning around Illinois for eight years in a bus called "The Chuck Wagon." (Laughter.) Yeah, bad. Really bad. That's why he lost.
(Laughter.) What that meant is the five kids in our family were free labor. (Laughter.) None of us had ever really been out of Chicago, and so -- (chuckles) -- the rest of the states seemed to notice that -- and we went to all the state fairs for the next four years -- (laughter) -- as a group.

I remember vividly one of my first experiences of handing out brochures and about 100 percent of the people throwing them on the ground -- (scattered laughter) -- not taking a look, not caring, not knowing who he was or what in the world I was doing spending my summer vacation standing there.

It led me to go to the Republican convention as a page in 1964 when I, again, vividly remember Nelson Rockefeller, who certainly -- we hadn't met Jay by that time -- was booed off the stage at the Cow Palace in San Francisco. And it was really the beginning of the schism in the Republican Party between more conservative voters and more moderate voters.

When Jay and I met, which was about that time, I stopped being pages at Republican conventions and I started being -- (Laughter.) You can't believe this. When we came back from our honeymoon, two precinct workers followed us down the driveway to see how I would register. (Laughter.) It's literally true. I can't make this stuff up, right? (Chuckles.)

But anyway, then I started attending with Jay every single Democratic convention since -- as a delegate often, as a whip, or as a superdelegate. Those were the days when no one knew who the superdelegates were. (Laughter.)

There was drama in those conventions, particularly 1968 -- we remember that year well -- when Senator McGovern was nominated at the ideal television time of 3:00 a.m. -- (scattered laughter) -- and the rest of the campaign struggled from there.

Now, what I know from personal experience is it can be chaotic and it can be messy on the floor and in the caucus rooms. But what I tried to do more recently is go find the NewsHour booth so I can watch television. Because being there isn't really half the fun; you don't know anything that's going on. We only know by the vehicle of television. So you'll be seeing the NewsHour cover this convention as well as all the others this year in Denver and Minneapolis, starting at 8:00 p.m. through 11:00 p.m. Monday through Thursday.

By the end of that week, and then by every other week, it's time to examine what really matters from the Sturm und Drang of the political process. Every Friday night on Washington Week with Gwen Ifill and National Journal, we gather the journalists, including Peter Lisagor -- and thank you for naming a room after him -- who've been covering the events of the week for a conversation from their insider knowledge, inside perspective. That means they know more than most of the rest of us.
My office -- and the best perk I have: My office is just a few doors down from Gwen's, as it was from Paul Duke's. So I am privy to the energy and drive of the four-person, "Washington Week" team who puts the show together. This year we've had generous support from AARP the underwriter -- an underwriter of the program, who allowed us to create nine road shows in every geographic region of the country. We held live tapings and Gwen drew questions from audiences of 300 to 1,000, followed by a webcast and a local program in that market.

When Gwen's on the road, she's busy. She's always busy, because she spends her time with journalism students, the local press, station viewers, members and major donors listening to people's concerns with intense interest and knowledge, from which "Washington Week" and "The NewsHour" benefit. So far this year, "Washington Week's" been on college campuses and in civic centers in St. Louis, Los Angeles, St. Petersburg, et cetera, et cetera. In two weeks we're going to the Georgia State University in Atlanta and then we'll wrap up, after the conventions, on September at George Washington University Lisner Auditorium. So I hope to see you there.

This remarkable span of humanities explored through the ubiquitous media of television, radio and the web, is available to every citizen essentially free of charge. The actual federal cost per person per year is $1.33 -- a total bargain! We provide the necessary context for informed engagement in civic life.

Public broadcasting's role is to serve as an editorial or curator in creating and presenting a wide array of subjects. You might call us the home for lifelong learning and for those with curious minds. We provide the means for citizens young and old, rich and poor, urban and rural to have a better understanding of our current American values, our achievements and our dilemmas.

Now, I described my personal life, which was sort of upset by government in some ways and put on track. I was asked to be married, by my husband, with a firm date in mind. And it was April 1st, 1967. I didn't really answer for a little while, but I thought it might be an April fool's joke -- (laughter) -- and I didn't know. And I went back in a few hours and said, "Jay, why have we chosen this date?" "Oh, Sharon, it's easy. The West Virginia legislature adjourns the Saturday before and I'll be free to come to Chicago to get married." And that should have told me -- (laughter) -- what it was going to be like. It's been a glorious ride, Jay! Really fun. We also had our children in 1969, 1971 -- (laughter) -- You've got it -- 1973 and 1979. These were off-election years -- (laughter) - - and this time I was available.

So we know what governments can do and I'm about to surprise you with what's coming up on February 17th of next year: Analog transmission will cease and the dawn of digital television will begin. Now, this is good news once you figure out how to do it and have gotten it done. So I'm encouraging you: I finally bit the bullet and did it about a month ago and I was scared to death and I was going to wait until February 18th, just like everybody else.
But no -- for many viewers across the country who want to deal with this in your lives -- and it won't be as hard as you think -- but public television will now have the chance, as WETA does, to provide four channels. We've been multicasting for five years to get it right. And the digital transition allows us to have a kid's channel -- all kids, all day long, 24/7. That means our five grandchildren have some place to go, something to watch on their own. It also means we've got an HD channel. We've got a "WETA Create". And we have a prime time channel where you can watch "Charlie Rose" at noon or something like that. But all day during the day we're going to be programming for adults like us. Next year will mark my 20th anniversary as president of WETA after several years as the chairman. WETA's at the forefront -- and of course, we love being there. We refine public service. We keep public television and radio current. We respond to opportunities. We provide relevant content that people trust. From "Masterpiece" -- the new title for "Masterpiece Theater" to "Frontline" or "Nova"; from "The NewsHour" to "Washington Week" to "Great Performances"; from "Nature" to "American Experience"; from Handel to Shostakovich on "Classical WETA 90.9", we create and broadcast the finest programming with consistent quality.

At our best, our programming elevates civic discourse, demonstrates the values of diversity and inclusion and promotes an informed citizenry. As Fred Friendly once said: "We give you the opportunity and we force you to think."

We continue to find new ways to enhance and improve our service to the public. We keep our standards high and we remain as devoted to our mission as we were in 1961.

So thank you very much for this opportunity today and I look forward to your questions. (Applause.

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MS. SMITH: Thank you very much.

Before we get into some of the more substantive questions, I've just got to ask: Why have they changed the name of "Masterpiece Theater"?

MS. ROCKEFELLER: Actually, Paula Kerger had better answer that.

MS. SMITH: That's all right.

MS. ROCKEFELLER: I think -- okay, my version, in that I've never missed a Sunday in 35 years, is that there were contemporary dramas, "Mystery" was folded in as a separate series. There are period, historical classical dramas. And the word "theater" then became a little bit anachronistic, because what they had in common were they were all masterpieces of their own genre.

MS. SMITH: Okay.
MS. ROCKEFELLER: We'll never get used to it -- ever, okay?

MS. SMITH: Aside from the "Choice" -- the program that you mentioned and the biographies -- what plans do you have for pre-election programming in the model of Gwen Ifill's and Jim Lehrer's programs?

MS. ROCKEFELLER: What other election programs?

MS. SMITH: Mm-hmm. (In agreement.)

MS. ROCKEFELLER: I think I've mentioned most of them. WETA does so much through these two series that with the exception of starting a new program, which we hope -- and are encouraged by the Corporation for Public Broadcasting -- called "Your Week" that will be an intersection of the web and television as an experiment. That will start -- I think we're planning for August.

And I can't think of anything else right now, but if opportunities arise, we'll be there. MS. SMITH: Okay.

Any plans to cover the conventions differently this year?

MS. ROCKEFELLER: Well, I think the conventions will be different this year -- (laughter) -- because -- as the year has been different.

I don't know -- you know, they either reserve the vice presidential choice, each party, or maybe one this year would do it differently and announce earlier and I think McCain is leaning that direction. But I don't know and I'm not sure he knows. It matters who you choose. And most often and most traditionally, people wait for the last minute.

It's going to be -- it'll be an interesting summer culminating in the conventions, which I think this year are more important than ever. In some senses, "The NewsHour" filled a void by covering the conventions at all during the last, I don't know, eight or 12 years, because the networks dropped out. They saw them as too staged, too planned, too televised or made for television, if you will, without too much substance. But "The NewsHour" has always considered the coming together of so many rabid political people as an opportunity for them to express their views and share that passion with the nation.

MS. SMITH: You discussed your passion for arts coverage. Why don't PBS stations produce original drama?

MS. ROCKEFELLER: The cost. (Laughter, applause.)

MS. SMITH: Well, what would -- give us an example of that. What would it take to produce an hour-and-a-half original drama -- financially?
MS. ROCKEFELLER: Well, drama is the most expensive form of television that exists. So, anything you've got in mind, in terms of the price of the program, you can make it times 10 percent -- by tenfold. I think local theaters -- the fine regional theaters that we have, even ours in Washington, could definitely, and would love to be exposed on television.

It's just that often the funders for the theaters can barely keep the theater going, and it costs far more to televise one play, for example, than you can imagine. And so it's not done because it's prohibitive; and, really, because the commercial networks, they don't do drama like we would do.

We did the Shakespeare plays in -- I don't know, the late '70s or early '80s, and only PBS would do all of Shakespeare's plays. It's a good thing the BBC speaks English. (Laughter.)

MS. SMITH: You mentioned the gavel-to-gavel coverage of the Watergate hearings. That role is now generally performed by C-SPAN. Would you see WETA doing something similar these days? MS. ROCKEFELLER: The gavel-to-gavel coverage? Again, for cost reasons, it's probably not likely because the audience really -- some are home, but many aren't, and wait for the wrap-up at the end of the day, starting, of course, with the regular NewsHour at 7:00, so it's four hours per night.

Maybe if something extraordinary happens, we would be there -- we're there anyway. And I think it's going to be a pretty -- it'd be a good year to be a superdelegate. Why didn't I think of this before? (Laughter.)

MS. SMITH: The questioner asks, has C-SPAN stolen some of PBS's audience?

MS. ROCKEFELLER: Actually, I had a talk with Brian Lamb -- that I'm sure he doesn't remember, but a long time ago he said if Public Television had the air time and the channel space, he wouldn't have started C-SPAN because we already would be doing it.

The issue -- for example, for WETA, why not -- is that we only have one television channel. In New York, WNET has merged with WLIW on Long Island; in Boston, the same. Because of our geographic set-up -- we have Maryland Public Television, we have Howard University, WHUT, and we have some Northern Virginia stations, we have, more or less, five Public Television stations on your cable system -- you have to get cable to reach them all.

So the chance of WETA being able to afford another television station, unfortunately, is miniscule. We would love it. And we'd actually like another radio station too. (Laughter.)

MS. SMITH: If anybody's out there offering. (Laughs.)
What lessons have Public Broadcast Stations drawn over the years, of how to maintain their independence in the face of pressure to start their programming, as occurred under Kenneth Tomlinson's tenure as chairman of the Corporation for Public Broadcasting, someone wants to know?

MS. ROCKEFELLER: There have been examples, and occasions, and episodes over the years. When I was the chairman of the Corporation for Public Broadcasting we were aware of what somebody in the White House, or somebody at the FCC, or someone at OMB, or someone in the Congress would prefer.

You know, we get a lot of viewer mail (laughs). So, basically, we have such responsible institutions in Washington who can set the budget targets for Public Broadcasting, that WETA has, again, another unique responsibility. It's, it's not foreign to the nature of people in politics to want to exert pressure and influence. It's not that we're immune. But, for the most part, we have insulated ourselves. And I'd say, virtually for the full part. I can't think of a time we've caved in to pressure if it wasn't the right thing to do. And if it was the right thing to do, we were doing it already.

MS. SMITH: On the same theme of pressure, someone asks, to what extent do Public TV and radio come under pressure from corporate sponsors to adjust their programming contents in areas that might touch a sponsor directly?

MS. ROCKEFELLER: The myth is there that we've had a lot of pressure from corporations. I wish we had more corporations (laughs) underwriting Public Broadcasting right now. But, I can't come up with one single incident, in my over 30 years, of a corporation not understanding its philanthropic gift and expecting something back for it. It's just not done. And they're professional business people and they know what not to do. So, I can't think of anything.

And pretty much the same for foundations. They understand the nature of our structure -- why we are set up as we are, and the decentralized nature of power in Public Broadcasting. Our virtue is having so many stations -- hundreds and hundreds of stations, television and radio, with their own governing boards, their own autonomy. The WETA board has the final call on anything that's on WETA, after management makes our recommendations, and the WETA board's awfully careful not to trod beyond their role.

It just doesn't happen as often as it could, but we are also structured to prevent it happening. MS. SMITH: There are actually a couple questions, sort of, along that line of corporate sponsorship. This one asks, is it my imagination, or are sponsor messages on PBS much more explicitly commercial than they used to be? And how are they really different from commercials on commercial TV?
MS. ROCKEFELLER: We call the underwriting messages -- the time has expanded on the national credits to up to 30 seconds, so we don't run the same commercials, if you will, because they wouldn't be underwriting if they were used on commercial stations.

Corporations now feel the pressure of dealing in this global marketplace, and do need to get some messages out. So certain things are allowed in Public Television, for example -- I'll give you one example: If a car company underwrites a program, we can show a car in motion now, which didn't used to be true, but we can't show a driver with a smile on their face.

(Laughter.)

And so every single underwriting message is examined very, very closely and isn't allowed to cross the line of being considered a commercial.

MS. SMITH: Is that a difficult -- was that a difficult cultural shift, that slight change of allowing a car but no smile? I mean, was that -- (laughter.)

MS. ROCKEFELLER: Oh, it took probably 15 years to get that far. (Laughter.)

We're examining our underwriting guidelines right now. They're always under examination. We're not dying to look more commercial. We do need more sponsors. But, we'll never be other than public or non-commercial television.

MS. SMITH: The questioner says, there seems to be more fundraising than ever. Isn't it counterproductive?

MS. ROCKEFELLER: (Laughter.) It depends on when the fiscal year ends. (Laughter.) Ours ends June 30th. The reason we're pledging now is to get these memberships in before the 30th of June. Some people like the pledge programs a lot. Some of the audience stays with us, some we know wants Nature, Nova, Masterpiece, et cetera, wants the icon series.

The problem is the pesky little issue of how do we raise $70 million? With great difficulty is how we do it. And we have so many sources of income, but Pledge is one where we use our assets, our tools, the power of our air on radio and television, to go directly to our listeners and members. We're also fundraising now through the web.

So, I hope when that takes off that we can diminish the time that we devote on air, and people will just know to sign up. Of course, if they just gave their money and became a member, and got it over with, we wouldn't be doing it. (Laughter.)

MS. SMITH: One of the most serious challenges facing commercial media, from print to broadcasting, is competition from cable and internet-based news audiences -- or,
news for audience members. Are such media posing similar challenges for Public TV and Radio? And if so, how are you responding?

MS. ROCKEFELLER: I'm sorry, I missed the first part of it.

MS. SMITH: The questioner wants to know about the competition from cable and internet-based news for your audience members.

MS. ROCKEFELLER: Yeah, the issue is news can be gained now from so many different sources. And the time-cycle has so speeded up. And I think people are consuming -- we're, WETA's just starting a strategic planning committee, and our first document shows that people are consuming from multiple sources, through different day-parts, and, according to age, and, sort of, the demographics. You can see how people consume news.

But what we do in the evening hasn't been done -- and for the most part it's, news is, you know, from 6:00 on. It's basically a summary of what happened that day, but we step back. And for the most part, Washington Week and the NewsHour reflect on the day, but the week and the month as well. And Washington Week, of course, specializes in that week, which is illustrative of what's been going on the prior month, and is going to happen the next month.

But our role is to do the analysis in context that -- whether it's cable or satellite TV, or whatever, local channels, it's not being done in the same way.

MS. SMITH: This questioner is -- wants to know about PBS "Blues" documentary which has been implicated in the FCC's stepped-up indecency enforcement. The questioner says, where do you stand on that current enforcement regime? And has your station done any of the current -- joined any of the current challenges in federal court or at the Supreme Court, and why or why not?

MS. ROCKEFELLER: I wish Paula (sp) were answering this. Yes, we have joined PBS and I think CPB, and the planning arm of the stations, APTS -- American Public Television Stations, because we're finding that these rulings where, for example, "The Blues" -- it was a small station in San Mateo, and someone made a terrible mistake and the wrong episode was aired. And they didn't realize -- it was a total mistake, but for which they've been fined. And there was a swear word, because it's about jazz musicians.

Well, we had the same issues with Ken Burns' "Jazz." Recently, WETA's had a couple of occasions where we've had to join with PBS and go to the FCC, and the two episodes that I mentioned, "Operation Homecoming," and other parts of our "America at a Crossroads" series revealed the shocking truth that soldiers swear. (Laughter.)

And, for "The War," we found out, much to our amazement, that soldiers in World War II swore. (Laughter.) And we got, sort of, a waiver, I guess, on World War II, but these new clamp-downs have nothing to do with Public Broadcasting, really, because to
be true, historically, we just have to say what happened, and the people who said it have to be quoted.

But we're not looking, in any way, for gratuitous incidents or to, you know, shock and gain audience. So we're trying to figure out a new place. Yes, there's a new climate, and we're trying to comply, but every once in awhile it seems to always be about soldiers swearing.

MS. SMITH: You mentioned about the switch next February to digital. Do think a lot of people will be cut off -- caught off-guard? And what's the early reaction from digital converter box users?

MS. ROCKEFELLER: Well, I'm the least expert in the world, but I did bring some talking points thinking this might come up, and there was a recent The New York Times article too.

Basically, when people understand what's going to happen, they're either going to have to get a converter box -- if I get this right, keep their old TV, get a converter box. And there's a coupon from the federal government for $40 against which you can apply for the box. Or, finally, if you give in and buy a new television set. It's likely to have that digital converter.

What people are going to get is so many more channels and so much more programming that it's, it's worth this transition. And it's the mandate from the federal government that affects everybody. It's another -- I guess we'd call them "unfunded federal mandates." But people -- we always thought, in fact, that senior citizens were going to have the hardest time adjusting. In fact, I think they've seen so many of the warnings -- and this is not scientific, but it's what we're perceiving, that they are highly aware, and they don't want to be caught with no TV. But it's poorer citizens, it's younger people -- actually, oddly, ironically, who just haven't planned ahead.

And we're worried about those with over-the-air antennas because they've never wanted cable or satellite. And there's something in that message -- they don't want the complexity of it all. So, it'll be hardest for them.

And, I don't know, we've sort of judged that that's about 10 percent of our audience. But we don't want to lose that 10 percent, so we have a program -- a telephone number, let me give you the number: (703) 998-2724; and we have a comprehensive website -- to share all this information in time for people to make the switch and not be caught off guard.

MS. SMITH: Somebody in the audience eagerly wants to know, on a programming note, why so many old, old British comedies? (Laughter.) Which I happen to like.

MS. ROCKEFELLER: -- (inaudible) -- because a lot of people like them. The rights expire on all programs, so we're in a constant battle of, once something's popular
the rights become more and more exorbitant. So, often they go out of rights for awhile, and then for PBS or American Public Television to purchase -- or even a station to purchase them, you have to be willing to pay for the rights. And we've designated, sort of, Saturdays as our British Com day, and it's -- a major part of our audience loves those shows, and basically loves British programming. And, yes, we are American Public Broadcasting, but British material resonates with a large part of our audience.

MS. SMITH: What's your response the critics who charge that Public Broadcasting is to Liberal?

MS. ROCKEFELLER: No, it isn't. (Laughter, applause.) Do you want more?

MS. SMITH: (Laughs.)

MS. ROCKEFELLER: She had a chance to get me and she didn't.

MS. SMITH: Well, I could ask you about Dick Cheney's comment from this podium earlier in the week, but maybe I won't. Maybe I will --

MS. ROCKEFELLER: I have an answer for that.

MS. SMITH: All right! Well, before I ask that as my last question -- we're almost out of time, a couple of things want to mention to the audience:

First, our upcoming speakers: On June 9th, Brian Montgomery, who's the assistant secretary of the Federal Housing Administration will discuss the nation's housing crisis. On June 17th, Duncan Niederauer, who is the chief executive officer of the stock exchange, Euronext, will discuss the globalization of financial markets. And on June 23rd, Congressman Henry Waxman, who's the chairman of the committee on Oversight and Government Reform, will discuss the vital oversight function of Congress.

And also, before asking the last question, let me give you a copy -- or one of our Centennial mugs with Eric Sevareid on the --

MS. ROCKEFELLER: Thank you. MS. SMITH: And so, the question is, what kind of conversation was there in your household after Vice President Cheney made his West Virginia remark this week? (Laughter.)

MS. ROCKEFELLER: Well, I'm very sorry that it happened at the National Press Club. It might have embarrassed you too. The people of West Virginia, including Jay and I, were deeply insulted and offended. The vice president quickly apologized and we consider the matter over.

MS. SMITH: Thank you very much. Thank you for being our speaker. (Applause.) Thank you for coming today. Thank you to the audience as well.
I'd like to thank National Press Club staff members, Melinda Cooke, Pat Nelson, JoAnn Booz and Howard Rossman for organizing today's lunch. And thanks to the Library for its research. The video archive of today's luncheon is provided by the National Press Club Broadcast Operations Center. Just

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Thank you. We are adjourned. (Gavel sounds.)

END.