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Office of the Secretary
Federal Trade Commission
600 Pennsylvania Ave., NW
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Comments on TSR Fee Rule
Project No. P034305
Submitted electronically

The National Newspaper Association opposes increased access fees for the Do Not Call registry and urges the Commission to maintain free access to a limited number of area codes on the registry. It furthermore encourages the Commission to craft a small business exemption, following the guidance of the small business act, for purposes of devising a reduced or free fee schedule for national Do Not Call Access.

The National Newspaper Association is the oldest and largest community newspaper association in the country. The NNA represents 2,500 community newspapers nationwide. Most are family-owned and operated, and have circulation under 10,000 copies in a typical issue. They specialize in local news and advertising, and they provide the mortar that holds small towns, suburbs and urban communities together. Newspapers use telemarketing to sell subscriptions and other products and services to customers, both to individuals and to local businesses. They may also use telemarketing for such simple exercises as contacting the advertiser in the classified columns to find out whether the used bicycle has been sold yet, the golf clubs remain available for sale or the child care query is yet unfulfilled—and to inquire whether the advertiser wishes to renew the small classified ad.

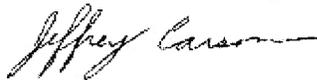
Many of NNA's papers are small community papers, which do not do telemarketing outside of a fairly small region. Because of this, the five area code exemption for accessing the National Do-Not-Call Registry is very important. NNA applauds the Federal Trade Commission for developing this plan to help small businesses maintain compliance with the FTC's Telemarketing Sales Rule. If the access fees for the overall registry are increased, it is critical that continued free access to a set of local numbers be maintained to avoid placing a heavy burden upon small businesses that are principally contacting their own customers.

The FTC has already found that small businesses cannot bear the burden of paying for access to the list in addition to the costs inherent in complying with the TSR, such as additional staff and technology expenses. Because these expenses just rose because of the decision to require telemarketers to scrub their lists monthly rather than quarterly, it is important that small businesses not be forced to bear any greater burden.

Many of our papers are run by staffs of less than 10 employees. And while most of NNA's papers need only five or fewer area codes, many small town newspapers supplement their revenues by publishing national, niche publications. NNA members create a wide variety of such interesting niche papers as antique traders, childrens' magazines and Civil War hobbyist publications. Even though these may be distributed regionally or nationally, they still represent the efforts of a small business, operating on small margins. Their need to reach new advertisers and readers may have impact upon few households, but they most likely would reach beyond five area codes. NNA would encourage the Commission to consider a broader small business exemption: one that takes into account these small businesses who are trying to survive in a global market place. By following the general definitions for small businesses codified under the Small Business Act and implemented by the Small Business Administration through its Office of Size Standards, the Commission could craft a policy that achieves its revenue goals, but nonetheless minimizes impact upon small businesses that happen to have a small, but national customer base.

In conclusion, it is important that the FTC continue to recognize the importance of the small business in the American economy, and not to provide protection for some small businesses and not others. By increasing the access costs to the Do-Not-Call Registry, many small businesses will be forced to pay even more to what can already be a heavy burden. By expanding the small business exemption for access to the registry, the FTC can help the small businesses, which provide the largest percentage of growth in the American economy.

Respectfully submitted,



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