

June 5, 2023

The Honorable Bob Latta
Chair, Subcommittee on Communications & Technology
House Energy & Commerce Committee
U.S. House of Representatives

The Honorable Doris Matsui
Ranking Member, Subcommittee on Communications & Technology
House Energy & Commerce Committee
U.S. House of Representatives

Dear Chairman Latta and Ranking Member Matsui,

In advance of the Subcommittee's June 6, 2023, hearing "Listen Here: Why Americans Value AM Radio," the Consumer Technology Association (CTA)® sees Congressional action to mandate amplitude modulation (AM) radio in all new vehicles as unnecessary and innovation-inhibiting. Even if a minority of Americans value AM radio in a vehicle, absent a strong safety case, mandating AM radio will have counter-productive ramifications.

A mandate for a medium that has questionable value as a safety feature would, in fact, further weaken AM radio: many Americans will view the mandate as an unnecessary government bailout of a declining media competitor. Requiring AM radio in all new vehicles would remove any incentive for car manufacturers and dealers to promote AM radio as a desired feature. More, resolving the interference for AM radio created by electric vehicle (EV) batteries will add costs to produce them, potentially delaying the EV transition.

As North America's largest technology trade association, CTA is the tech sector. Our members are the world's leading innovators – from startups to global brands – helping support more than 18 million American jobs. CTA owns and produces CES® – the most influential tech event in the world.

The automotive industry is fiercely competitive, constantly striving to meet consumer demands. In recent years, manufacturers have made significant investments in advanced infotainment systems, featuring Bluetooth, voice recognition, satellite radio, and smartphone integration. More, automakers are highly responsive to the desires of their customers. Functions and

Producer of



features - including the makeup of the audio entertainment system - are chosen to maximize user satisfaction. If consumers want AM radio as a standard feature, automakers will respond to customer demand and provide it.

According to CTA research, 17% of U.S. adults indicate they would pay more for a vehicle equipped with an AM radio receiver, - a small but significant minority. This polling suggests that there is opportunity for car dealerships and automaker to promote AM radio as an optional but valued feature for that consumer segment.¹

However, mandates for non-safety features in technology products typically backfire. Features that are viewed as “free” are typically not valued by consumers – despite often significant costs for manufacturers and opportunities to innovate in design. Mandates make it more challenging for competitors to provide products tailored to their target market. For example, when Congress was enacting a law mandating “v-chips” in televisions to allow parental blockage of certain channels, CTA explained that it would not be valued or used by parents. That few know about the v-chip mandate speaks loudly to its total failure in the marketplace. If a feature is mandated, it cannot be promoted.

Even without a mandate, AM radio is not going away. This is true both in urban areas with popular AM stations and in rural America. As car companies choose which models have AM radio and which don’t, they can and will push AM radio as a valued feature. Car companies have differentiated models and are superb marketers knowing which customer segments want what packaged features. Models advertised or sold as coming with AM radio will enhance AM’s perception as valuable.

AM radio, now a century-old technology, is inherently susceptible to interference, particularly from atmospheric conditions. In the case of electric vehicles (EVs), EV drivetrains produce electromagnetic waves at similar frequencies to analog AM radio signals, which can disrupt the reception of AM signals and cause static noise. To counteract electromagnetic interference, manufacturers must install shielding cables and filters which require additional components and additional cost to automakers.² As a result, mandating AM radio would slow the transition from fossil fuels and increase prices to produce EVs, which could be passed on to consumers.

While we acknowledge the important role AM radio has played over the last century as part of the Emergency Alert System, AM radio is just one aspect of a system that is layered across different media with multiple technological redundancies. Along with AM radio, FM radio, digital, satellite, internet streaming services, and text alerts collectively provide a strong and redundant network to transmit emergency information. The Federal Communications Commission is working to continue improving the system to reach more Americans during emergencies.

¹ CTA’s *AM Tuner Study* (Jun. 2023)

² <https://www.nytimes.com/2022/12/10/business/media/am-radio-cars.html>

More, AM radio stations do not comprise a resilient emergency network. While there are thousands of radio stations across the country, only 76 are Primary Entry Point (PEP) sources for national emergency alerts.³ A national alert is sent from the government directly to PEP stations, and the 76 stations rebroadcast it. Other stations, known as Local Primary Stations, in each PEP station's broadcast area receive the signal from the PEP and retransmit it. Still more stations monitor the Local Primary (LP) stations and, after receiving an alert from the Local Primary, rebroadcast it to listeners. The multiple steps needed to rebroadcast alerts from federal officials via AM radio create many opportunities for transmission failure. And broadcast failure is a regular occurrence with AM radio. The FCC report following a nationwide test conducted August 11, 2021, found 531 stations reported themselves as being National Primary stations in the Emergency Alert System, when in fact there are only 76 such stations.⁴ Tests in previous years similarly found that hundreds of stations did not understand their roles. As an example, during the nationwide system test in 2021 the test message failed to reach local radio listeners throughout the Detroit metropolitan area due to equipment failure at PEP station WJR-AM Detroit.⁵

Cell phones—owned by 97% of Americans today⁶—receive Wireless Emergency Alerts (WEAs) based on their location. Americans can receive WEAs even when cellular networks are unable to support other methods of communication (calls, text, and emails). WEAs are free to receive, short, and easily identified by a unique tone and vibration. According to CTA research, 78% of U.S. adults report receiving emergency alerts via cell phone alerts, while only 8% report receiving alerts via broadcast AM radio stations.⁷ Unlike radio alerts, WEAs can also contain an embedded hyperlink to guide the recipient to helpful information within seconds of receiving the alert. In contrast to WEAs, AM radio alerts require the listener to have turned the radio on and be tuned in to select channels participating in the Emergency Alert System.

In addition, the Integrated Public Alert & Warning System (IPAWS) is FEMA's national system for local alerting that provides authenticated emergency information to the public through multiple platforms including digital and analog AM radio, digital and analog FM radio, internet-based radio, satellite radio and over cellular networks. IPAWS is a network that connects all public alert systems in the United States into a single system that includes the Emergency Alert System (EAS), Wireless Emergency Alerts (WEAs), National Oceanic and Atmospheric Administration's Weather Radio, and All Hazards. The system is designed to include maximum redundancies over multiple mediums so that Americans can receive alerts through their preferred means of communication. In FEMA's IPAWS Strategic Plan FY 22-26, the agency acknowledges, ***"The public is moving away from radio and broadcast/cable television as the***

³ According to FEMA, there are 76 PEP stations nationwide. *Report: August 11, 2021 Nationwide EAS Test*, Public Safety and Homeland Security Bureau, Federal Communications Commission, December 2021

⁴ *Id.* p. 9.

⁵ "Michigan National EAS Test Summary," Michigan Association of Broadcasters, August 20, 2021.

⁶ <https://www.pewresearch.org/internet/fact-sheet/mobile/>

⁷ CTA's *AM Tuner Study* (Jun. 2023)

primary channels for news and information. Just as IPAWS has adapted emergency alerting to smart phones via WEAs, the program must now find ways to communicate with the public however they receive information.”⁸

CTA was created almost 100 years ago as the Radio Manufacturers Association to foster the nascent medium of AM radio. This proposal might have made sense then for our great-grandparents who easily withstood the pops, clicks and hiss of AM radio until FM came along. But today this proposal does not significantly enhance public safety, will not help our shift to electric cars and in the long run, is not a situation requiring government interference into the market. We urge Congress to allow automakers to choose vehicle designs that prioritize innovation and competition and allow consumers to make purchase decisions that align with their preferences. CTA stands ready as a resource and expert as the Subcommittee continues to explore.

Sincerely,

A handwritten signature in black ink that reads "Gary Shapiro". The signature is fluid and cursive, with the first name "Gary" and last name "Shapiro" clearly legible.

Gary Shapiro
President and CEO
Consumer Technology Association

Cc: Members of the U.S. House Committee on Energy & Commerce
Members of the U.S. House Committee on Transportation and Infrastructure

⁸ [FEMA IPAWS Strategic Plan FY 22-26](#)