

United States Senate

WASHINGTON, DC 20510

September 19, 2008

Stephen B. Morris
Chairman, President and CEO
Arbitron, Inc.
142 West 57th Street
New York, NY 10019-3300

Dear Mr. Morris:

We write to express our concern regarding Arbitron's plans to expand its commercialization of the portable people meter (PPM) system. We encourage you to take all steps available, prior to rolling out the PPM system in additional markets, to ensure that the system accurately measures the listening behavior in a market and that no station is unfairly harmed.

A core tenet of broadcast policy is diversity in media ownership. Recent Federal and State proceedings have raised the specter that the PPM system may have an adverse impact on media diversity. In July 2008, the Advisory Committee on Diversity for Communications to the Federal Communications Commission (FCC) requested that the FCC investigate the PPM system to "determine whether the system is having or will have a detrimental and discriminatory effect upon stations targeting minority audiences." On September 4, 2008, the FCC released a public notice seeking comment on a petition filed by the PPM Coalition, which argues that commercialization of the PPM system will seriously harm minority broadcasting and defeat the Commission's diversity goals. Earlier this month, the Attorneys General of the States of New York and New Jersey have opened investigations that similarly raise significant questions as to the propriety of moving forward with the commercialization of the PPM system without further study.


Currently, the PPM service is used in only two markets – Houston and Philadelphia. It is our understanding that Arbitron intends to expand usage of the PPM to eight additional markets: New York, Nassau-Suffolk, Middlesex, Los Angeles, Riverside, Chicago, San Francisco and San Jose. The expansion markets include some of the largest in the nation with significant minority audiences. Because Arbitron's ratings are the standard in the radio industry, it is vital that the use of any new survey methodology be accurate and fair prior to commercialization.

In the Houston market, Arbitron worked closely with the Media Research Council (MRC) to obtain accreditation for the PPM system, which has helped to assuage many of the concerns raised by broadcasters. The MRC was created to avoid regulation in such an important market in which there is not currently competition. In the Houston market, the accreditation process appears successful. If the methodology used in the unaccredited markets is underreporting listenership in certain urban or Hispanic-oriented programming, thereby distorting the market, it will harm the important broadcast policy of diversity.

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In light of the potential for severe harm to media diversity, we strongly encourage you to continue working with the MRC toward accreditation in all markets in which Arbitron plans to commercialize PPMs as the sole ratings method. As you know, the MRC's Voluntary Code of Conduct discourages ratings companies from discontinuing use of an accredited ratings method, such as Arbitron's diary service, until a replacement method is accredited. We ask that you please provide us with an explanation of your decision to use a different methodology in Houston than other markets in which Arbitron intends to roll-out PPMs. Please also continue to update us as to Arbitron's plans to commercialize the PPM system and the status of the Federal and State proceedings.

Sincerely,



DANIEL K. INOUE
Chairman
Committee on Commerce, Science, and
Transportation



PATRICK J. LEAHY
Chairman
Committee on the Judiciary