

Appendix E

Odessa-Midland, Texas DMA

The triggering of the Commission's daily newspaper cross-ownership rule, 47 C.F.R. Section 73.3555(d), (the "Daily Newspaper Cross-Ownership Rule") due to the attributable, non-controlling interests of certain parties to the Transferee will not have any adverse effect on the multiplicity of media voices in the Odessa-Midland, Texas area because, as demonstrated herein, Odessa-Midland residents have access to a large variety of local broadcast and non-broadcast media.

Although the Odessa-Midland, Texas Designated Market Area (the "Odessa-Midland DMA") is ranked 159th in the nation by Nielsen Media Research with 135,100 households 1/, it nevertheless is a diverse and competitive market. The Odessa-Midland DMA has a total of nine full-power broadcast television stations, the same number of stations that serve much larger DMAs such as Baltimore, Maryland (ranked 23rd by Nielsen with 1,089,220 households), and two more than in Austin, Texas (ranked 53th by Nielsen with 589,360 households). 2/ Odessa-Midland's nine commercial and non-commercial full-power television stations include affiliates of ABC, NBC, CBS, FOX and PBS, as well as one independent station. 3/ Both before and after consummation of the proposed transaction, eight of these nine stations will be owned by different entities. 4/ In addition to the full-power television stations,

1/ See Nielsen Media Research website at <http://www.nielsenmedia.com/DMAs.html> (rankings for the 2005-2006 television season).

2/ *Id* and *Broadcast and Cable Yearbook 2006*.

3/ See Table E-1.

4/ *Id*.

there are also nine low-power television stations in the Odessa-Midland DMA, including a Multimedios network affiliate providing Spanish-language programming (K69IT, Midland). 5/

The Odessa-Midland DMA also is served by a vibrant and diverse radio market, including 19 FM stations and 8 AM stations. 6/ The radio services available to residents include Spanish-language programming (*e.g.*, KQLM(FM), Odessa), religious programming (*e.g.*, KFLB(AM), Odessa), and local news programming (*e.g.*, KWEL(AM), Midland), in addition to a wide variety of other talk and music formats. 7/

The Odessa-Midland market also is well served by multi-channel video programming distributors ("MVPDs"). Nearly 90 percent of households in the Odessa-Midland DMA subscribe to some form of MVPD service, 8/ most commonly cable television service, which has a penetration rate of 75 percent (951,371 households) in the DMA, and is provided over 26 separate cable systems owned by 13 different cable operators. 9/ Cable subscribers in Odessa-Midland have access to substantial programming of local interest beyond their local broadcast stations. As just one example, Odessa residents are served by Texas-based Grande Communications, which carries over 300 video and digital audio program channels, including a

5/ *Id.* See also Multimedios Television's website at <http://www.multimedios.tv/seccion.asp?id=4>.

6/ See Table E-2.

7/ *Id.* See also <http://radio.findanisp.com/radio-station-list-by-state.php?state=AZ> for programming categories.

8/ See Nielsen Media Research, DMA Household Universe Estimates: Cable and/or Alternative Delivery Systems, May 2006, available at http://www.tvb.org/rcentral/markettrack/cable_and_ADS_penetration_by_DMA.asp.

9/ See Table E-3.

full-time local weather channel, two government access channels, plus 19 Spanish-language channels, 59 movie channels, and one channel with programming devoted entirely to horses. 10/

DBS providers EchoStar and DirecTV both serve subscribers in the Odessa-Midland DMA. 11/ Odessa-Midland residents also have access to two Satellite Digital Audio Radio Services, Sirius and XM Radio, each offering nearly 200 digital audio channels. 12/ Additionally, Odessa-Midland residents are situated in one of the first states in the nation in which both AT&T and Verizon have secured statewide cable television franchises to deploy IPTV services. 13/

With respect to the newspaper market, four daily newspapers and four weekly newspapers are published in the Odessa-Midland DMA. 14/ As further described in Exhibit 18-B, principals of one of Transferee's attributable shareholders have a non-controlling, 16 percent attributable interest in Freedom Communications, Inc., which is the publisher of the *Odessa American* of Odessa, Texas. However, the *Odessa American*, is just one of three daily newspapers published in the Odessa-Midland DMA. 15/

10/ See the Grande Communications channel lineup for Odessa, available at http://www.grandecom.com/pdf/channel_lu_OD.pdf.

11/ See EchoStar's website at <http://www.dishnetwork.com> and DirecTV's website at <http://www.directv.com>.

12/ See Sirius's website at <http://www.sirius.com> and XM Radio's website at <http://www.xmradio.com>.

13/ See Aman Batheja, "Texas Law May Set Standard Nationwide," *Fort Worth Star-Telegram*, June 9, 2006.

14/ See Table E-4.

15/ *Id.*

Given the presence of competition and a clear diversity of voices in the Odessa-Midland DMA, grant of the limited waiver sought is entirely consistent with Commission precedent and would serve the public interest by facilitating the prompt consummation of the proposed multi-station transaction and an orderly process for achieving compliance with the Commission's ownership rules.

Table E-1

Odessa-Midland, Texas DMA

Television Broadcast Stations 16/

Full-Power Television Stations

	Call Sign (Network)	Facility ID	Community of License	Channel	Owner
1	KWAB-TV (NBC)	42008	Big Spring	4	Drewry Communications
2	KMID (ABC)	35131	Midland	2	Nexstar Broadcasting Group Inc.
3	KUPB (UNV)	86263	Midland	18	Entravision Communications Corp.
4	KMLM (IND)	53541	Odessa	42	Prime Time Christian Broadcasting Inc.
5	KOSA-TV (CBS)	6865	Odessa	7	ICA Broadcasting LLC
6	KPBT-TV (PBS)	50044	Odessa	36	Permian Basin Public Telecommunications Inc.
7	KPEJ (FOX)	12524	Odessa	24	Communications Corp. of America
8	KWES-TV (NBC)	42007	Odessa	9	Drewry Communications
9	KWWT (WBN)	84410	Odessa	30	JB Broadcasting Inc.

Low-Power Television Stations

	Call Sign	Station Type	Community of License	Channel	Owner
1	K46FO	Low Power	Big Spring	46	Prime Time Christian Broadcasting Inc.
2	K27GL	Low Power	Hobbs	27	Raycom Media Inc.
3	K50ED	Low Power	McCamey & Rankin	50	Prime Time Christian Broadcasting Inc.
4	K69IT	Low Power	Midland	69	Lawrence Howard Mintz
5	KDFH-LP	Low Power	Midland	41	Una Vez Mas GP LLC
6	KPDN-LP	Low Power	Monahans	27	Prime Time Christian Broadcasting Inc.
7	KTLD-LP	Low Power	Odessa	49	Adelante Television Limited Partnership
8	KTLE-LP	Low Power	Odessa	20	Adelante Television Limited Partnership
9	K64EC	Low Power	Pecos	64	Prime Time Christian Broadcasting Inc.

16/ Source: *Television & Cable Factbook* online database, available at <http://www.factbookonline.com>, and FCC CDBS Database

Table E-2

Odessa-Midland, Texas DMA

Radio Broadcast Stations 17/

FM Radio Stations

	Call Sign	Facility ID	Community of License	Owner
1	KMMZ	46426	Crane	Cook, Don L.
2	KFZX	21419	Gardendale	Clear Channel Communications
3	KCHX	60801	Midland	Clear Channel Communications
4	KCRS-FM	9667	Midland	Clear Channel Communications
5	KNFM	28202	Midland	Cumulus Broadcasting Inc
6	KZBT	35880	Midland	Cumulus Broadcasting Inc
7	KQRX	67026	Midland	Double O Radio LLC
8	KBAT	48433	Monahans	Cumulus Broadcasting Inc
9	KBMM	82034	Odessa	American Family Association Incorporated
10	KMRK-FM	41856	Odessa	Clear Channel Communications
11	KODM	48435	Odessa	Cumulus Broadcasting Inc
12	KHKX	67368	Odessa	Double O Radio LLC
13	KMCM	65306	Odessa	Double O Radio LLC
14	KFLB-FM	39893	Odessa	Family Life Communications Inc
15	KOCV	50038	Odessa	Odessa Junior College District
16	KQLM	57918	Odessa	Stellar Media Inc
17	KGEE (Silent)	76852	Pecos	Cumulus Broadcasting Inc
18	KKJW (Silent)	76095	Stanton	Unique Broadcasting LLC
19	KL VW	85633	West Odessa	Educational Media Foundation

AM Radio Stations

	Call Sign	Facility ID	Community of License	Owner
1	KXOI	2823	Crane	Hispanic Outreach Ministries, Inc.
2	KCRS	42015	Midland	Clear Channel Communications
3	KMND	28201	Midland	Cumulus Broadcasting Inc
4	KJBC	17235	Midland	La Promesa Foundation
5	KWEL	35879	Midland	Quiroz, Faustino
6	KRIL	12080	Odessa	Cumulus Broadcasting Inc
7	KFLB	39900	Odessa	Family Life Communications Inc
8	KOZA	41298	Odessa	Stellar Media Inc

17/ Source: BIA Radio Market Report 2006

Table E-3

Odessa-Midland, Texas DMA

Cable Television Systems

Cable Market Summary 18/

Cable TV Households 101,840
Cable Penetration 75%

Cable Systems in DMA 19/

	Cable Company	Community	County	No. Channels	Homes Passed	Number of Subscribers
1	Suddenlink Communications	Andrews	Andrews	42	3,974	3,313
2	Balmorhea TV Cable	Balmorhea	Reeves	36	Not Available	125
3	Rapid Cable	Barstow	Ward	61	220	51
4	Suddenlink Communications	Big Lake	Reagan	22	Not Available	1,065
5	Suddenlink Communications	Big Springs	Howard	Not Available	12,500	7,872
6	Suddenlink Communications	Crane	Crane	41	1,974	992
7	Ridgewood Cablevision	Ector County (portions)	Ector	Not Available	Not Available	300
8	US Cable of Coastal Texas LP	Eunice	Lea South	35	981	802
9	Fort Davis TV Cable	Fort Davis	Jeff Davis	36	375	290
10	Rapid Cable	Grandfalls	Ward	36	233	36
11	US Cable of Coastal Texas LP	Jal	Lea South	35	807	642
12	Suddenlink Communications	Kermit	Winkler	70	3,528	1,759
13	Marathon TV Cable	Marathon	Brewster	36	225	140
14	Marfa TV Cable Co. Inc.	Marfa	Presidio	36	1,012	682
15	Suddenlink Communications	Midland	Midland	54	44,467	Not Available
16	Suddenlink Communications	Monahans	Ward	52	4,682	2,524
17	Cable One	Odessa	Ector	68	39,242	22,418
18	Grande Communications	Odessa	Midland	Not Available	Not Available	Not Available
19	Suddenlink Communications	Pecos	Reeves	61	4,586	2,980
20	Presidio TV Cable	Presidio	Presidio	36	700	430
21	Charter Communications	Stanton	Martin	36	1,046	657
22	Valentine TV Cable	Valentine	Jeff Davis	36	100	32
23	US Cable of Coastal Texas LP	West Alpine	Brewster	36	Not Available	1,696
24	US Cable of Coastal Texas LP	West Odessa	Ector	60	5,186	1,959
25	Rapid Cable	Wickett	Ward	36	231	61
26	Rapid Cable	Wink	Winkler	52	518	220

18/ Source: *Broadcast & Cable Yearbook 2006*

19/ Source: *Television & Cable Factbook* online database available at
<http://www.factbookonline.com>

Table E-4

Odessa-Midland, Texas DMA

Newspapers

Newspaper Market Summary 20/

Total Households	134,100
Total Daily Newspapers Sold (Penetration)	52,280 (39.0%)
Total Sunday Newspapers Sold (Penetration)	58,617 (43.7%)

Daily Newspapers Published in DMA 21/

	Title	City	M-F Circulation (Total)	Sunday Circulation (Total)
1	<i>Big Spring Herald</i>	Big Spring	4,337	5,364
2	<i>Midland Reporter-Telegram</i>	Midland	19,785	23,564
3	<i>Odessa American</i>	Odessa	24,139	26,886
4	<i>Pecos Enterprise</i>	Pecos	2,069	2,069

Weekly Newspapers Published in DMA 22/

	Title	City	Weekly Circulation (Total)
1	<i>Andrews County News</i>	Andrews	3,235
2	<i>Greenwood Ranger</i>	Midland	1,167
3	<i>Pecos Enterprise</i>	Pecos	2,069
4	<i>Pecos Free Press</i>	Pecos	3,700

20/ Source: *SRDS Circulation 2006*

21/ Source: *Editor & Publisher International Yearbook* online directory available at
<http://www.editorandpublisher.com>

22/ *Id.*