

COMPREHENSIVE EXHIBIT

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I. OVERVIEW OF TRANSACTION AND ASSOCIATED APPLICATIONS

This application is one of thirty-three concurrently filed applications on Form 315 (the “Applications”) that seek the Commission’s consent to the acquisition of the outstanding equity interests of Tribune Media Company (“Tribune”), the ultimate parent of the licensees of 41 full-power television stations, one AM radio station, and related other FCC licenses,¹ by Nexstar Media Group, Inc. (“Nexstar”) in a cash merger transaction (the “Transaction”). At the conclusion of the Transaction, Nexstar will be the direct 100% parent of Tribune. Corporate structure charts illustrating the before and after structures of the merging companies are provided in Attachments A-1 and A-2.²

In thirteen Nielsen Designated Market Areas (each a “DMA” or “market”), Nexstar and Tribune license subsidiaries both own full-power television stations (each such market an “Overlap Market”). In two Overlap Markets, the Transaction would create a permissible duopoly of a Top Four and non-Top Four Station. In the other eleven Overlap Markets, prior to divestitures the Transaction would result in a combination of two of the four highest rated stations in all day audience share (each a “Top Four station,” and each such Overlap Market a “Top Four Overlap Market”).

As reconsidered and modified effective February 7, 2018,³ the Commission’s Local Television Multiple Ownership Rule⁴ (the “Duopoly Rule”), permits common ownership of up to two television stations in any market regardless of the number of stations in that market, but generally prohibits common ownership of two Top Four stations in a market except upon a case-by-case showing that this prohibition should not apply to a specific transaction or with respect to a specific market (a “Top Four Showing”).⁵ In ten of the eleven Top Four Overlap Markets, the applicants will not seek to make a Top Four Showing and will divest one Top Four station.⁶ In one Top Four Overlap Market (Indianapolis, IN), Tribune currently owns two Top Four stations and the applicants are providing a Top Four Showing to demonstrate that it is appropriate to

¹ The applicants will file separate applications with the appropriate bureaus requesting Commission consent for the transfer of control of the Tribune subsidiaries’ earth station, microwave, and land mobile facilities.

² A list of Nexstar’s currently owned broadcast stations is provided in Exhibit 18 of this application.

³ See *2014 Quadrennial Regulatory Review – Review of the Commission’s Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, 32 FCC Rcd 9802, 9831-39, ¶¶ 66-82 (2017) (“*2014 Quadrennial Review Reconsideration*”).

⁴ 47 C.F.R. § 73.3555(b).

⁵ *Id.* § 73.3555(b)(2).

⁶ For tax and accounting reasons, the station divestitures proposed in connection with the Transaction may occur after the consummation of the merger in the closing sequence, but will in no event occur later than the same day as the merger closing.

authorize Nexstar to acquire that existing combination, while divesting its current stations in the market.⁷

Tribune also currently operates certain permissible station combinations pursuant to Commission waivers or other Commission authorizations, including satellite exemptions in two markets and failing station waivers in two other markets. As detailed in Section VIII.B, reauthorization of Tribune's failing station waivers will not be necessary. The applicants request reauthorization of the two Tribune satellite exemptions in order to maintain the level of service to the public currently provided by Tribune in the applicable markets. The specific satellite exemption requests and associated showings are included in Sections VIII.C and VIII.D of this Comprehensive Exhibit.

In five Tribune markets, the applicants will demonstrate compliance with the Duopoly Rule in connection with the continued ownership of two television stations currently held by Tribune. No new combination is created in these markets by the Transaction.

Exclusive of divestitures, the Transaction would result in Nexstar having an audience reach in excess of the 39% cap imposed by the Commission's National Television Ownership Limit Rule⁸ ("National Television Ownership Limit"). As explained in Section VIII.E of this Comprehensive Exhibit, the parties intend to divest additional stations sufficient to bring the combined company's audience reach to 39% or less.

Finally, in Section IX of this Comprehensive Exhibit, the applicants request a waiver of Section 73.3518 of the Commission's rules. This waiver is necessary to permit the acceptance and processing of the Applications notwithstanding the pendency, as of the Applications' filing, of applications relating to a now-terminated prior transaction involving the Tribune stations.

Accordingly, the applicants seek the Commission's consent to the Transaction, subject to:

- Divestitures in certain Top Four Overlap Markets as described in Section VIII(A);⁹

⁷ The Top Four Showing for Indianapolis is supplied separately from this Comprehensive Exhibit as an exhibit to the Application relating to WXIN(DT), Indianapolis, IN; WTTV(DT), Bloomington, IN; and WTTK(DT), Kokomo, IN.

⁸ 47 C.F.R. Section 73.3555(e)(1).

⁹ Nexstar will also acquire Tribune's rights and obligations under agreements with Dreamcatcher Broadcasting LLC ("Dreamcatcher"), pursuant to which Tribune provides certain services to support the operations of WTKR(DT), Norfolk, VA (Fac. Id. No. 47401) and WGNT(DT), Portsmouth, VA (Fac. Id. No. 9762), in the Norfolk-Portsmouth-Newport News, VA DMA, and WNEP-TV, Scranton, PA (Fac. Id. No. 73318), in the Wilkes Barre-Scranton-Hazleton, PA DMA. Based upon the terms of the relevant agreements, these stations will not be attributable to Nexstar even though it owns stations in the relevant markets. Nonetheless, Nexstar intends to cause the divestiture of WTKR(DT), WGNT(DT), and WNEP-TV.

- Authorization to own two Top Four stations in the Indianapolis, IN market based upon the Top Four Showing submitted by the applicants;
- Continuation of satellite authority in two Tribune markets (Denver, CO and Indianapolis, IN); and
- Station divestitures sufficient to assure that Nexstar's national audience reach will be 39% or less upon consummation of the Transaction.

The proposed Transaction will increase Nexstar's operational efficiencies and capabilities in serving the public, allowing for expanded news coverage and enhanced service to local communities, and will maintain current levels of competition and diversity in local television markets while creating opportunities for new entrants in a number of those markets. For the reasons set forth in Section III and elsewhere in these Applications, the Transaction strongly serves the public interest, and the applicants urge the Commission to process and grant the Applications promptly.

II. DESCRIPTION OF TRANSACTION

The Transaction is an acquisition by Nexstar of all outstanding Tribune equity interests in a cash merger transaction. Titan Merger Sub, Inc., a wholly-owned subsidiary of Nexstar, will merge with and into Tribune, with Tribune continuing as the surviving entity (the "Merger"). Upon the consummation of the Merger, each share of Tribune common stock issued and outstanding immediately prior to the effective time of the Merger will be converted into the right to receive \$46.50 in cash, and Tribune will become a wholly-owned subsidiary of Nexstar.

III. PUBLIC INTEREST BENEFITS OF THE TRANSACTION

The Transaction will serve the public interest by enabling Nexstar to continue to deliver on, and to expand, its own longstanding commitment to provide high-quality local programming and service to its communities, and to carry on Tribune's legacy of providing such programming and service. In particular, this Transaction will equip Nexstar with enhanced operational efficiencies, allowing the company to maintain and expand its high level of local service, while maintaining—and in many cases increasing—market competition and diversity.

A. The Transaction Will Expand Access to News Bureaus and Allow Nexstar to Enhance Service to Its Stations' Local Communities.

Both Nexstar and Tribune have long histories of serving vital roles in their stations' communities, particularly with regard to the provision of local news. Among other things, Nexstar has demonstrated its commitment to local news by devoting significant resources to its Washington, D.C. news bureau and a variety of state news bureaus. Nexstar's Washington, D.C. bureau—in which Nexstar invested substantial resources to double in size in the summer of 2017—provides breaking news, political news and analysis, in-depth and investigative reporting, and other stories of interest that its local television stations determine in their discretion how to use to serve local viewers. The bureau's main focus is to facilitate compelling local coverage of both the issues affecting, and the federal lawmakers representing, the markets that Nexstar's stations serve, in a manner that could not be accomplished without a significant presence in Washington, D.C.

Reporters are assigned to cover specific lawmakers from specific states within the Nexstar coverage area, and on a daily basis produce between seven and ten different stories. The bureau also produces special programming. For example:

- After the State of the Union address in 2018, Nexstar’s Washington, D.C. news bureau reporters interviewed more than fifty lawmakers, allowing those lawmakers to speak directly to the districts and states in which Nexstar owns stations.
- In 2018, several hurricanes impacted local communities across the southeast and in Hawaii. For each, the Washington team provided critical local information from federal agencies. This included providing live coverage of daily FEMA briefings.
- In July 2017, Nexstar’s Washington, D.C. news bureau produced two 30-minute programs featuring four members of Congress from Arkansas. During these programs, viewers had the opportunity to ask questions. The programs aired on all six Nexstar stations covering the state of Arkansas.

Following the closing of the Transaction, Tribune’s stations will have access to the resources of the Washington, D.C. news bureau and will be able to choose at the local level whether and how to utilize its availability to deliver content from the nation’s capital to their local audiences. The synergies and efficiencies created by the Transaction will also permit increased investments that will further enhance the bureau’s capabilities. Absent the Transaction, Tribune stations would not have access to reporting from Nexstar’s Washington, D.C. news bureau and, given the significant technical infrastructure and staffing investments associated with establishing a new news bureau, it is unlikely that Tribune would be able to establish its own news bureau there. Indeed, Tribune previously had a Washington, D.C. news bureau, but shuttered it in 2009 after determining that it was “no longer cost-effective to maintain its own broadcasting infrastructure in Washington,” particularly “[a]s consumers find more and more places from which to get their national news.”¹⁰ Re-introducing the availability of a dedicated D.C. bureau to the Tribune stations will provide demonstrable public interest benefits to the viewers that those stations serve.

Nexstar also has state news bureaus in a number of markets in which Tribune stations operate. These bureaus provide viewers with increased access to state lawmakers and their opinions on critical issues, state agency activities, and state supreme court proceedings, as well as special programming. For example, Nexstar’s station in Albany, New York launched a statewide weekly political show in 2017 to profile key state law issues. Post-transaction, Tribune’s stations will gain access to Nexstar’s resources and commitment to cover state government in several state capital cities, including:

¹⁰ Phil Rosenthal, *Tribune Co. Washington bureau shuts down TV operations; Kerry Luft named D.C. chief*, Tower Ticker (Feb. 27, 2009), <https://newsblogs.chicagotribune.com/towerticker/2009/02/tribune-co-washington-bureau-shuts-down-tv-operations-kerry-luft-named-dc-chief.html>.

- Sacramento, California (KTLA(DT), Los Angeles; KTXL(DT), Sacramento; and KSWB-TV, San Diego);
- Springfield, Illinois (WGN-TV, Chicago);
- Austin, Texas (KDAF(DT), Dallas);
- Harrisburg, Pennsylvania (WPHL-TV, Philadelphia);
- Columbus, Ohio (WJW(DT), Cleveland); and
- Baton Rouge, Louisiana (WGNO(DT) and WNOL-TV, New Orleans).

In addition, Tribune's station in Greensboro, North Carolina (WGHP(DT)) will have access to the capital news content created by Nexstar's station in Raleigh, North Carolina (WNCN(DT)), and Nexstar's stations in Grand Junction and Colorado Springs, Colorado (KREX-TV and KXRM-TV) will have access to political and governmental reporting from Tribune's stations in Denver, Colorado (KWGN-TV and KDVR(DT)).

Following the Transaction, these state news bureaus will enable the former Tribune stations to share news content regarding political issues and matters of regional importance. The resulting enhancements to the stations' reporting capabilities will serve the public interest by increasing viewer awareness of issues that directly affect their daily lives.¹¹ In addition, Nexstar has a proven track record of strategically expanding news bureaus as it acquires new stations, and intends to examine its footprint post-Transaction to determine the viability of establishing new bureaus or enhancing existing bureaus in additional locations.¹²

Apart from increasing access to Nexstar's Washington, D.C. and local news bureaus, Nexstar also has a history of significantly increasing output of news programming on stations that it acquires. Indeed, over the course of Nexstar's rich history of serving local communities, stations that Nexstar has purchased "generally have 30 percent more local news today than they did previously."¹³ Both Nexstar and Tribune generally stand out for their longstanding tradition of

¹¹ See, e.g., *Applications for Consent to Transfer of Control of Certain License Subsidiaries of Raycom Media, Inc. to Gray Television, Inc.*, MB Docket No. 18-230, DA 18-1286, ¶ 31 (rel. Dec. 20, 2018) (recognizing benefit of providing a station with access to a news source to which it did not have prior access); *Applications for Consent to Transfer Control of License Subsidiaries of Media General, Inc. from Shareholders of Media General, Inc. to Nexstar Media Group, Inc.*, 32 FCC Rcd 183, 194-196, ¶¶ 26-29, 33 (2017) (same).

¹² For example, following the Media General transaction, Nexstar expanded state government coverage with organized bureau efforts in a number of states, including (1) California, (2) Kansas, (3) Alabama, (4) Georgia, (5) Tennessee, (6) Indiana, (7) Ohio, (8) Virginia, and (9) Pennsylvania.

¹³ Lynne Marek, *Nexstar CEO expects WGN will team with other Illinois stations*, Chicago Business (Dec. 7, 2018), <https://www.chicagobusiness.com/marketing-media/nexstar-ceo->

preserving and investing in news and other local programming, and the Transaction will facilitate additional such investments by Nexstar. Producing this type of local programming is expensive, yet Nexstar and Tribune remain committed to providing local programming despite the high costs and increasing competitive pressures of the media landscape. The history of these investments in local service has been well-documented in FCC proceedings over the past decade or more.¹⁴ Recently, Nexstar and Tribune have continued their longstanding commitments to improving local programming and service by supporting a number of initiatives, including the following:

- Nexstar produced over 203,000 hours of local programming in 2018. More than 190,000 hours were attributed to local news (equaling approximately 3,912 hours per week), with an additional 1,742 hours of locally-produced political programs.¹⁵
- In 2018, several Nexstar markets were recognized for excellence in journalism by receiving national and regional awards for their news programming. The awards included two National Edward R. Murrow Awards and twenty-two Regional Edward R. Murrow Awards.¹⁶
- Several Nexstar markets have added local newscasts to offer more opportunities for local news consumers to obtain information. Examples of these local news expansions include the following:

[expects-wgn-will-team-other-illinois-stations](#) (quoting Perry Sook as explaining that “[w]e’re in a local service business” and that “[w]e’re not interested in being national anything”).

¹⁴ See, e.g., Comments of Nexstar Broadcasting Group, L.L.C. and Quorum Broadcast Holdings, LLC, MB Docket Nos. 02-277 *et al.* (Jan. 2, 2003); Reply Comments of Nexstar Broadcasting Group, L.L.C. and Quorum Broadcast Holdings, LLC, MB Docket Nos. 02-277 *et al.* (Feb. 3, 2003); Comments of Nexstar Broadcasting, Inc., MB Docket No. 04-256 (Oct. 24, 2004); Comments of Nexstar Broadcasting, Inc., MB Docket Nos. 06-121 *et al.* (Oct. 23, 2006); Reply Comments of Nexstar Broadcasting, Inc., MB Docket Nos. 06-121 *et al.* (Jan. 16, 2007); Comments of Nexstar Broadcasting, Inc., GN Docket No. 10-25 (May 7, 2010); Comments of Nexstar Broadcasting, Inc., MB Docket No. 09-182 (NOI) (July 12, 2010); Reply Comments of Nexstar Broadcasting, Inc., MB Docket No. 09-182 (NOI) (July 26, 2010); Comments of Nexstar Broadcasting, Inc., MB Docket Nos. 09-182 and 07-294 (Mar. 5, 2012); Reply Comments of Nexstar Broadcasting, Inc., MB Docket Nos. 09-182 and 07-294 (Apr. 17, 2012); Written Ex Parte Presentation of Nexstar Broadcasting, Inc., MB Docket No. 09-182 (Jan. 24, 2013); Written Ex Parte Presentation of Nexstar Broadcasting, Inc., MB Docket No. 09-182 (Feb. 20, 2014); Written Ex Parte Presentation of Nexstar Broadcasting, Inc., MB Docket Nos. 10-71, *et al.* (Mar. 10, 2014); Comments of Nexstar Broadcasting, Inc., MB Docket Nos. 14-50, *et al.* (Aug. 6, 2014) (including excerpts from previous filings in Exhibit A).

¹⁵ The remaining time was comprised of more than 11,400 hours of local lifestyle programming.

¹⁶ *Nexstar Media Group Receives Two National Edward R. Murrow Awards for Outstanding Journalism*, Nexstar Media Group, Inc. (June 19, 2018), <https://www.nexstar.tv/murrow2018/>.

- WTTA(DT), Tampa, Florida – The station added a two-hour morning newscast from 7:00 to 9:00 am Monday-Friday.
- KRON-TV, San Francisco, California – The station added a one-hour primetime newscast from 9:00 to 10:00 pm. The station now produces local news for eleven hours a day, including the only all local news primetime lineup from 8:00 to 11:00 pm.
- WNLO(DT), Buffalo, New York – The station added a 6:30 to 7:00 pm newscast Monday-Friday. In addition, the 10:00 pm newscast was expanded to a full hour.
- Nexstar provided extensive coverage of local elections in 2018 as part of the company’s *Your Local Election Headquarters* strategy. This initiative resulted in enhanced coverage of political debates and election-night programming. In total, Nexstar stations produced or aired 115 debates in 2018.¹⁷ Some of the debate and election-night highlights included:
 - In Tennessee, Nexstar stations produced a total of five debates which aired in every market in the state. The strategy was developed in 2017 and executed in 2018. This plan included three debates leading up to the primaries in August and two debates for the general election in November. Four of the debates focused on the race for governor and one debate was for U.S. Senate. These debates aired on Nexstar stations in Nashville, Memphis, Knoxville, and Tri-Cities, Tennessee. Also, the series aired on the Nexstar station in Huntsville, Alabama which serves portions of Tennessee. A non-Nexstar partner aired the debates in the Chattanooga, Tennessee market.
 - In September of 2018, Nexstar produced the only debate in the Texas Governor’s race. The one-hour broadcast aired in twelve Nexstar markets covering Texas. In addition, non-Nexstar partners in Dallas, Houston, and San Antonio aired the debate.
 - On election night, Nexstar stations aired expanded wall-to-wall coverage on their broadcast and digital platforms, bringing the latest information and instant analysis to viewers.
- When serious weather and emergency situations have affected the markets that Nexstar stations serve, those stations have excelled at meeting viewers’ needs for information in times of crisis. For example:
 - Hurricane Michael was a major storm which impacted the Panama City, Florida market in October of 2018. Nexstar station WMBB(DT) was on the air in advance of the storm and provided wall to wall local coverage on the preparations and the path of the storm. As the hurricane made landfall, WMBB(DT)’s facilities were damaged, knocking the station off the air. Nexstar was ready to continue WMBB(DT)’s live web stream coverage with assistance from WFLA-TV in Tampa, Florida. Within fifteen minutes of the power going out in Panama City, WFLA-TV began broadcasting a specific live

¹⁷ Nexstar stations produced ninety-one of these debates on local, state and federal races, and Nexstar stations aired another twenty-four debates produced by other broadcast partners.

- web stream with a local focus on the Panama City area. This web broadcast continued for more than 130 consecutive hours from Tampa until local operations was restored in Panama City. The coverage included live reports from the crews in Panama City, live press conferences from emergency and government officials, information on recovery efforts, and much more. The live web stream was important to continue because so many residents of the Panama City market evacuated and were looking for information. Nexstar used company resources to help WMBB(DT) continue to deliver the critical information. In addition to the full-time web stream broadcast produced at WFLA-TV, 81 Nexstar employees and 7 satellite trucks from other markets were sent to WMBB(DT) to assist in the newsgathering efforts. The assistance by other Nexstar stations allowed local content operations to stay up and running while facility damage was assessed and local employees took care of their homes and families.¹⁸ Nexstar also deployed resources to assist in Dothan, Alabama as Michael continued its path.
- In October of 2017, the Santa Rosa and Napa areas of California were hard hit by major wildfires. Nexstar station KRON-TV immediately responded by sending large numbers of reporters to provide live coverage and lifesaving emergency information to viewers. As the fires approached the North Bay region, KRON-TV canceled all of its non-news programming to provide continuous local coverage; during the first week of the fires alone, the station aired more than 100 hours of fire-related news and information. The station thereafter held a telethon which raised more than \$270,000 to help victims of the fires, and continues to cover rebuilding efforts.
 - Tribune stations expanded local news in 2018 by twenty-two hours per week, and produced a total of 90,000 hours of local news in 2018.
 - In 2018 Tribune stations were widely recognized for excellence in journalism, receiving nineteen regional Edward R. Murrow Awards and ninety Emmy Awards for local news.¹⁹ In its December issue, *Broadcasting & Cable Magazine* recognized Tribune as its “Station Group of the Year.”²⁰

¹⁸ Nexstar’s efforts in this regard have been recognized by Congressman Gus Bilirakis (R-FL), who represents constituents in the Panama City area. See Video: *WFLA GUS BILIRAKIS 12-17-2018* (uploaded by WFLA Private, Dec. 17, 2018), <https://youtu.be/ZLfPVDLfzTk>.

¹⁹ *Tribune Broadcasting Stations Win 19 Regional Edward R. Murrow Awards*, Tribune Media (Apr. 25, 2018), <http://www.tribunemedia.com/tribune-broadcasting-stations-win-19-regional-edward-r-murrow-awards-2/>.

²⁰ Jon Lafayette, *Owners Come and Go, But Tribune Stations Stay Local*, *Broadcasting & Cable* (Dec. 10, 2018), <https://www.broadcastingcable.com/news/owners-come-and-go-but-tribune-stations-stay-local>.

- Tribune was also one of two station groups to receive a grant from The Google News Initiative/YouTube Innovation Program, which will permit its stations to build stronger video capabilities and innovative new formats across the group's newsrooms.²¹
- Tribune's KTLA(DT) created a multi-part series and a 30-minute special to highlight the plight of refugees in Kenya following a visit by one of its reporters to the Kakuma Refugee Camp in an isolated region of the country. KTLA(DT) partnered with UNICEF in connection with the visit and has raised more than \$126,000 in viewer donations for families in Kenya.²²

In addition, following the Transaction, Tribune's KRCW-TV, which currently operates as a satellite of Tribune's Seattle stations, will cease to be a satellite and will launch additional local news in Portland, thereby increasing the news options available to viewers in that market.

The Transaction will also permit Nexstar to increase its investments in innovative new technologies and service offerings—including offerings made possible by the expanded launch of ATSC 3.0—to which Nexstar is deeply committed.²³ As the FCC recognized in authorizing its use, ATSC 3.0 has the potential to deliver substantial public interest benefits:

This new TV transmission standard promises to allow broadcasters to innovate, improve service, and use their spectrum more efficiently. It also has the potential to enable broadcasters to provide consumers with a more immersive and enjoyable television viewing experience on both home and mobile screens. In addition, ATSC 3.0 will allow broadcasters to offer enhanced public safety capabilities, such as geo-targeting of emergency alerts to tailor information to particular communities and emergency alerting capable of waking up sleeping devices to warn consumers of imminent emergencies, and advanced accessibility options.²⁴

Nexstar is the only broadcast company that participates in both Pearl TV and SpectrumCo. As a result of this participation, Nexstar is involved in the Dallas trial of ATSC 3.0 and will be involved in the upcoming Phoenix trial. As further testament to its dedication to ensuring the successful deployment of ATSC 3.0, Nexstar has invested approximately \$20 million in technology upgrades for its stations to ensure that they are ATSC 3.0-ready. And post-Transaction,

²¹ *Tribune Broadcasting Awarded Grant Through Google News Initiative/YouTube Innovation Program*, Tribune Media (Dec. 17, 2018), <http://www.tribunemedia.com/tribune-broadcasting-awarded-grant-through-google-news-initiative-youtube-innovation-program/>.

²² Additional examples of Nexstar's and Tribune's programming and local service initiatives are contained in Attachment B.

²³ Colin Mann, *US broadcast majors commit to ATSC 3.0*, Advanced Television (Oct. 18, 2018), <https://advanced-television.com/2018/10/18/us-broadcast-majors-commit-to-atsc-3-0/>.

²⁴ *Authorizing Permissive Use of the "Next Generation" Broadcast Television Standard*, Report and Order and Further Notice of Proposed Rulemaking, 32 FCC Rcd 9930, 9931, ¶ 1(2017).

Nexstar plans to make similar investments in the Tribune stations to the extent that they are not already equipped to offer services using ATSC 3.0.

By facilitating continued investments in programming, service, and innovation, the Transaction will allow Nexstar to continue and expand on its commitment to local communities, and to carry on Tribune's history of providing compelling news and local interest programming, to the ultimate benefit of viewers served by the stations owned by Nexstar and Tribune.

B. The Transaction Will Enhance Nexstar's Ability to Face Marketplace Challenges and Will Facilitate Investment in Local Programming and Quality Service.

Television broadcasters today face a multi-faceted challenge in bringing high-quality local service to viewers: competition from other media is increasing and costs are substantial, while revenue sources are changing.

Increased Competition: The Commission has recognized that television stations face growing competition from subscription services and the Internet.²⁵ Indeed, "the media marketplace has seen dramatic changes," as "the growth of broadband Internet and other technologies has given consumers access to more content on more platforms than ever before."²⁶ In the last several decades, "the video marketplace has transformed dramatically" and is "now more competitive than ever,"²⁷ with today's media consumers having access to "literally hundreds of competitive pay TV channels and essentially

²⁵ See *Communications Marketplace Report; The State of Mobile Wireless Competition; Status of Competition in the Market for the Delivery of Video Programming; Status of Competition in the Marketplace for Delivery of Audio Programming; Satellite Communications Services for the Communications Marketplace Report*, GN Docket No. 18-231, FCC 18-181, ¶ 102 (rel. Dec. 26, 2018) ("*Communications Marketplace Report*") ("Broadcast stations compete with one another, as well as with cable networks and OVDs, for viewing audiences primarily on the basis of program popularity."); see also *id.* at Figs. B-8 and B-9 (showing that local advertising revenue declined in the broadcast television sector by \$373 million and national advertising revenue by \$3.138 billion between 2016 and 2017, while those same figures increased significantly in the "Internet/Online" category during the same time period).

²⁶ See *2018 Quadrennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, Notice of Proposed Rulemaking, MB Docket No. 18-349, FCC 18-179, ¶ 2 (rel. Dec. 13, 2018) ("*2018 Quadrennial Review NPRM*").

²⁷ *2014 Quadrennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, Second Report and Order, 31 FCC Rcd 9864, 10045 (2016) ("*2014 Quadrennial Regulatory Review*") (dissenting statement of then-Commissioner Ajit Pai ("*Pai Dissent*")).

unlimited competitive Internet content.”²⁸ Moreover, today consumers can access this content not just on their television sets, but also on computers and mobile devices that empower the consumption of information whenever and wherever they want it.²⁹

Substantial Costs: Broadcasters face substantial costs in producing and acquiring quality programming. Local news—the production costs of which include equipment, staff, and studios—is among the most expensive type of programming to provide.³⁰ Costs have also significantly risen for must-have programming, particularly sports programming. Although broadcast television stations do not bear these costs directly, they do so indirectly as the networks pass on the increased costs of sports programming in the form of ever-increasing affiliate and “reverse-retransmission” fees. As one commentator has explained, “[t]h[e] economics [of expensive sports programming] are especially problematic for broadcast networks that carry live sports games, because they don’t have access to subscription revenues to subsidize the high cost of programming, like cable networks do. Broadcasters rely on ratings, driven by viewership — which is getting increasingly older and aging out of the coveted 25-54 marketing demographic, as well as retransmission fees.”³¹

Changing Revenue Trends: Broadcast station revenue sources have changed dramatically. While, in the past, broadcasters often received compensation from their affiliated networks, the situation today is exactly the opposite: affiliates must pay their networks for affiliation.³² The networks also demand a significant portion of local stations’ retransmission revenue.³³ Meanwhile, advertising revenue has declined as television

²⁸ *Id.* at 10060 (dissenting statement of Commissioner Michael O’Rielly).

²⁹ *See id.* at 10045, *Pai Dissent*.

³⁰ *See, e.g.* Steve Waldman and the Working Group on Information Needs of Communities, *The Information Needs of Communities: The changing media landscape in a broadband age*, at 231, FCC (July 2011), <https://www.fcc.gov/sites/default/files/the-information-needs-of-communities-report-july-2011.pdf> (recognizing that “local news efforts . . . are costly to maintain”); *see also* *The Economic Realities of Local Television News* (Apr. 30, 2010), at 12-14 (Attachment B to Comments of NAB, MB Docket No. 09-182 (July 12, 2010)).

³¹ Sara Fischer, *Sports are becoming expensive for TV networks*, Axios (Sept. 20, 2017), <https://www.axios.com/sports-are-becoming-expensive-for-tv-networks-1513305615-de1c1de5-2cdb-46a3-8dc7-bc976589ccd1.html> (discussing a recent study revealing that “[t]he cost of distribution rights for every major televised sport in the United States is more than the ad revenue TV channels get from airing those sports”).

³² *Communications Marketplace Report*, ¶ 136. Additionally, the Commission has noted that it may be difficult to affiliate with networks due to distribution agreements. *See id.*

³³ *Id.* ¶ 136 n. 398 (citing *Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming*, 32 FCC Rcd 568, 618, ¶ 124 (2017) (“*Eighteenth Video*

broadcasters increasingly compete with non-broadcast content providers for advertising and viewership.³⁴ Indeed, BIA Advisory Services (“BIA”) has estimated that in 2018 local broadcast stations enjoyed only approximately 12% of nationwide advertising revenues, with direct mail, online, and mobile all earning a greater share of such revenues.³⁵ BIA projects that by 2022, local broadcast stations’ share of nationwide advertising revenues will fall further to approximately 11%, while online and mobile will grow to approximately 16% each.³⁶

These challenges make it difficult for television broadcast stations to produce and acquire programming and generate advertising revenue—two functions that are ultimately the lifeblood of a television station.³⁷ This places station operators like Nexstar and Tribune in a vicious circle: advertising revenue is needed to produce and acquire compelling programming, while compelling programming is critical to generating advertising revenue.³⁸ Television stations today must excel at both program production and procurement *and* revenue growth, as they face steep competition, substantial and often growing costs, and changing revenue trends that make it increasingly difficult to maintain or improve quality service for local television viewers.

Competition Report”). Moreover, “growth in retransmission consent fees has slowed.” *Id.* at ¶ 75 n.191.

³⁴ See Jason Cuomo, *Moody’s: US broadcast television industry outlook is stable, but weak*, Moody’s Investors Service (Apr. 30, 2018), https://www.moodys.com/research/Moodys-US-broadcast-television-industry-outlook-is-stable-but-weak--PR_383045 (“Companies will continue to face serious headwinds as declining viewership drives down advertising revenue and consequently hinders earnings growth.”).

³⁵ Attachment C (BIA Advisory Services, *BIA TV Market Reports, Nationwide Market Overview* (Dec. 6, 2018)) (filed confidentially).

³⁶ *Id.*

³⁷ See *Eighteenth Video Competition Report*, 32 FCC Rcd at 608, ¶ 101 (“Broadcast stations derive most of their revenue from local and national advertising, selling on-air time to advertisers so they may reach viewers. To differentiate themselves, stations primarily invest in the purchase and production of programming.”).

³⁸ See *Communications Marketplace Report*, ¶ 91 (“Commercial television broadcast stations essentially serve two distinct sets of customers: consumer audiences and advertisers. . . . The amount of revenue generated depends largely on the size and demographic characteristics of the audiences that broadcasters reach. Accordingly, broadcasters seek to provide content that will attract viewers and maximize their audiences.”); see also *Eighteenth Video Competition Report*, 32 FCC Rcd at 599, 607, ¶¶ 74, 98 (citing David S. Evans & Richard Schmalensee, *The Industrial Organization of Markets with Two-Sided Platforms*, COMPETITION POL’Y INT’L 151, 155-56 (2007)).

Increased scale—which this Transaction will provide—leads to greater efficiencies that can help broadcasters address these challenges.³⁹ The Transaction, and the resultant increased scope of operations, will allow Nexstar to recognize efficiencies and economies of scale, freeing revenue for investment in programming, which, in turn, will produce tangible benefits to viewers.⁴⁰ Nexstar anticipates more than \$160 million in synergies and efficiencies within the first year of closing the Transaction.⁴¹ Many of these cost savings will be reinvested in programming, equipment, and employees.

This increase in capital and operational expenditures will allow Nexstar to expand the output of—among other things—its local news offerings and digital content, delivering palpable and immediate benefits to viewers at the local level. Indeed, real-world experience, as shown above, shows that increased scale will allow Nexstar to improve service to viewers. Economic studies bear this out, demonstrating that “[e]mpirical research . . . has found consistently that news output is strongly and positive correlated with station revenues,” which rise with economies of scale.⁴² Further, due to the higher average costs of smaller broadcast stations, as “stations expand the scale of their operations, output increases approximately 22 percent faster than their costs.”⁴³ The increase in the amount of local news and other programming of local interest that will be

³⁹ *2014 Quadrennial Review Reconsideration*, 32 FCC Rcd at 9836, ¶ 77 (“[T]hese markets—including many small and mid-sized markets that have less advertising revenue to fund local programming—are the places where the efficiencies of common ownership can often yield the greatest benefits.”); Jeffrey Eisenach, *The Effects of Regulation on Economies of Scale and Scope in Broadcasting*, at 2 (June 2011), http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1894941 (“*Scale and Scope in Broadcasting*”) (noting that “market fragmentation has reduced broadcasters’ revenues and made it difficult or impossible to defray fixed costs based solely on traditional advertising”).

⁴⁰ *See 2014 Quadrennial Review Reconsideration*, 32 FCC Rcd at 9836, ¶ 77 (“[T]he record suggests that local news programming is typically one of the largest operational costs for broadcasters; accordingly, stations may find that common ownership enables them to provide more high-quality local programming, especially in revenue-scarce small and mid-sized markets.”).

⁴¹ *Nexstar Media Group Enters into Definitive Agreement to Acquire Tribune Media Company for \$6.4 Billion in Accretive Transaction Creating the Nation’s Largest Local Television Broadcaster and Local Media Company*, Nexstar Media Group, Inc. (Dec. 3, 2018), https://www.nexstar.tv/nexstar_agrees_to_acquire_tribune/.

⁴² *Scale and Scope in Broadcasting*, at 4; *see also 2014 Quadrennial Review Reconsideration*, 32 FCC Rcd at 9836, ¶ 77 n.229 (finding that “efficiencies gained through common ownership can allow broadcasters to invest more resources in producing more and higher-quality locally responsive programming”).

⁴³ *Scale and Scope in Broadcasting*, at 3; *see also* Jeffrey Eisenach, *Delivering for Television Viewers: Retransmission Consent and the U.S. Market for Video Content* (July 2014), at 7, <http://www.nera.com/publications/archive/2014/delivering-for-television-viewers-retransmission-consent-and-th.html> (“*Delivering for Television Viewers*”).

provided in local markets as a result of the Transaction will enhance the diversity of local programming available in the markets that Nexstar will serve post-Transaction, adding to the array of choices available to viewers as they consider choices among content delivered not only by local broadcasters, but by their multi-media competitors as well.

The efficiencies that result from increased scale will ensure that Nexstar is equipped to thrive in the ever-expanding media marketplace—a benefit that is immediately passed on to its viewers as these efficiencies enable its stations to deliver crucial programming to their local communities, such as news, public affairs programming, and weather and emergency alerts.⁴⁴ The importance of these services cannot be overstated. Local television stations are still the leading source of emergency news for Americans.⁴⁵

Additionally, by increasing Nexstar’s audience reach, the Transaction will bring efficiencies, such as lower transaction costs, to negotiations between Nexstar and its MVPD partners. MVPDs operate in an increasingly concentrated market,⁴⁶ and are not subject to any

⁴⁴ *Communications Marketplace Report*, ¶ 104 (“Many broadcast television stations differentiate themselves from both other stations and cable channels by offering local news, exclusive news stories, investigative reporting, regional and local sports, and coverage of community events.”). The Commission has recognized the importance of these local services. *See, e.g., 2018 Quadrennial Review NPRM*, ¶ 3 (“[B]roadcast television and radio stations remain important fixtures in local communities.”); *2014 Quadrennial Review Reconsideration*, 32 FCC Rcd at 9808, 9810-11, 9833, ¶¶ 11, 15, 71 (“[B]roadcast television stations still play a unique and important role in their local communities”); *2014 Quadrennial Regulatory Review*, 31 FCC Rcd at 9865, ¶ 1 (“Traditional media outlets, however, are still of vital importance to their local communities and essential to achieving the Commission’s goals of competition, localism, and viewpoint diversity. This is particularly true with respect to local news and public interest programming, with traditional media outlets continuing to serve as the primary sources on which consumers rely.”).

⁴⁵ *Communications Marketplace Report*, ¶ 104 (“Although local news is becoming more available from other sources, local broadcast television stations remain the most viewed source and the most preferred source for emergency news.”); *see also 2018 Quadrennial Review NPRM*, ¶ 3 (“[T]elevision remains a common place for Americans to get their news.”) (citing Katerina Matsa, *Fewer Americans Rely on TV News; What Type They Watch Varies by Who They Are*, Pew Research Center (Jan. 5, 2018), <http://www.pewresearch.org/facttank/2018/01/05/fewer-americans-rely-on-tv-news-what-type-they-watch-varies-by-who-they-are/> (finding that 37 percent of all U.S. adults—and 57 percent of those 65 and older—often get news from local television)).

⁴⁶ *See, e.g., BIA/Kelsey Advisory Services, State of the Industry Report: Local Television Stations Profiles and Trends for 2014 and Beyond*, at 2 (Dec. 2013) (“Cable and satellite providers have captured a large share of TV households, Internet-based media are growing competitors for advertising revenues, and marketplace changes have adversely affected other traditional broadcast station income sources.”); *see also Communications Marketplace Report*, ¶ 51 (“Although most consumers have access to three competing MVPDs (two DBS MVPDs and a cable MVPD), some consumers also have access to a competing telephone company MVPD, for a total of four MVPDs”); *Eighteenth Video Competition Report*, 32 FCC Rcd at 576, ¶ 21 (“At the end of 2015, we

FCC-imposed caps on the number of households they can serve.⁴⁷ Free from regulatory constraints imposed by the Commission, these MVPDs have steadily increased in size. Today, many have market caps far exceeding that of the entire television broadcast industry, let alone any individual television broadcaster. Post-transaction, Nexstar would still be many times smaller than the majority of MVPDs.⁴⁸ These MVPDs—which act as the gatekeepers between broadcasters and viewers in a majority of households—benefit from increased scale because acquiring popular, high-quality, local programming for many of its customers in a single deal lowers transaction costs and thus the marginal cost of acquiring the programming, making Nexstar a more attractive partner. The increased revenue Nexstar derives as a result of delivering more value to MVPDs in the form of these efficiencies will enable Nexstar to continue investing in high-quality broadcast content and explore new opportunities with non-traditional program services and new technologies.⁴⁹ These investments ultimately result in better programming and delivery of services for consumers, enhancing the benefits that MVPDs obtain from Nexstar stations.

Nexstar’s increased audience reach also will reduce transaction costs during negotiations with programming providers, including broadcast networks and syndicators. Nexstar will be able to offer more viewers for third-party programming in a single negotiation, thus, bringing down transaction costs for both Nexstar and the television networks.⁵⁰

In sum, the Transaction will create significant public interest benefits by allowing the merged company to more effectively compete for programming production, programming acquisition, and advertising revenue. That enhanced competitiveness will, in turn, enable Nexstar

estimate that 17.9 percent of homes had access to four competing MVPDs, down from 38.1 percent in 2014 as a result of the acquisition of DIRECTV by AT&T.”).

⁴⁷ See *Comcast Corp. v. FCC*, 579 F.3d 1 (D.C. Cir. 2009) (vacating previous 30% cap on horizontal cable ownership).

⁴⁸ The combined market cap of Nexstar and Tribune would be approximately \$7.855 billion, while the market caps for national MVPDs are drastically larger—ranging from \$14.334 billion for DISH, to \$165.329 billion for Comcast/NBC, to \$219.94 billion for AT&T. See Bloomberg (Dec. 14, 2018) for market cap figures. Further, MVPDs do not just compete in the video programming market, but also provide broadband and other services to customers and offer services on a subscription basis. These aspects of their businesses provide MVPDs with an additional significant source of revenue and the ability to spread their operating costs over a large customer base.

⁴⁹ *Delivering for Television Viewers*, at 29-30.

⁵⁰ As the Commission has recognized, these negotiations for programming are extensive and costly. *Eighteenth Video Competition Report*, 32 FCC Rcd at 612, ¶ 111 (“Syndicated programming can be expensive for Stations and may represent long-term financial commitment. Stations usually purchase syndicated programming two to three years in advance and sometimes must make multi-year commitments. An average broadcast television station spends an estimated 26.8% of its expenses on acquiring syndicated programming.”).

to continue its longstanding practice of supporting high-quality local broadcasting services, which directly benefits viewers, while fully complying with FCC rules, as detailed in Section VIII.

IV. FCC LICENSES TO BE TRANSFERRED OR ASSIGNED

Tribune holds the following full-power television broadcast licenses and AM radio broadcast license through its direct and indirect license subsidiaries listed below. Applications for these authorizations request consent on FCC Form 315 for a substantial change in control.

Call Sign	Fac. ID	Community of License	Licensee
KDAF	22201	Dallas, TX	KDAF, LLC
KIAH	23394	Houston, TX	KIAH, LLC
KPLR-TV	35417	St. Louis, MO	KPLR, INC.
KRCW-TV	10192	Salem, OR	KRCW, LLC
KSTU	22215	Salt Lake City, UT	KSTU License, LLC
KSWB-TV	58827	San Diego, CA	KSWB, LLC
KTLA	35670	Los Angeles, CA	KTLA, LLC
KTVI	35693	St Louis, MO	KTVI License, LLC
KTXL	10205	Sacramento, CA	KTXL, LLC
KWGN-TV	35883	Denver, CO	KWGN, LLC
KDVR	126	Denver, CO	Tribune Broadcasting Denver License, LLC
KFCT	125	Fort Collins, CO	Tribune Broadcasting Denver License, LLC
KFSM-TV	66469	Fort Smith, AR	Tribune Broadcasting Fort Smith License, LLC
KXNW	81593	Eureka Springs, AR	Tribune Broadcasting Fort Smith License, LLC
WCCT-TV	14050	Waterbury, CT	Tribune Broadcasting Hartford, LLC
WTIC-TV	147	Hartford, CT	Tribune Broadcasting Hartford, LLC
WTTK	56526	Kokomo, IN	Tribune Broadcasting Indianapolis, LLC
WTTV	56523	Bloomington, IN	Tribune Broadcasting Indianapolis, LLC
WXIN	146	Indianapolis, IN	Tribune Broadcasting Indianapolis, LLC
KAUT-TV	50182	Oklahoma City, OK	Tribune Broadcasting Oklahoma City License, LLC
KFOR-TV	66222	Oklahoma City, OK	Tribune Broadcasting Oklahoma City License, LLC
KCPQ	33894	Tacoma, WA	Tribune Broadcasting Seattle, LLC
KZJO	69571	Seattle, WA	Tribune Broadcasting Seattle, LLC
WGNO	72119	New Orleans, LA	Tribune Television New Orleans, Inc.
WNOL-TV	54280	New Orleans, LA	Tribune Television New Orleans, Inc.
WDAF-TV	11291	Kansas City, MO	WDAF License, Inc.
WDCW	30576	Washington, DC	WDCW, LLC
WGHP	72106	High Point, NC	WGHP License, LLC
WGN(AM)	72114	Chicago, IL	WGN Continental Broadcasting Company, LLC

Call Sign	Fac. ID	Community of License	Licensee
WGN-TV	72115	Chicago, IL	WGN Continental Broadcasting Company, LLC
WHNT-TV	48693	Huntsville, AL	WHNT License, LLC
WHO-DT	66221	Des Moines, IA	WHO License, LLC
WITI	73107	Milwaukee, WI	WITI License, LLC
WJW	73150	Cleveland, OH	WJW License, LLC
WPHL-TV	73879	Philadelphia, PA	WPHL, LLC
WPIX	73881	New York, NY	WPIX, LLC
WPMT	10213	York, PA	WPMT, LLC
WQAD-TV	73319	Moline, IL	WQAD License, LLC
WREG-TV	66174	Memphis, TN	WREG License, LLC
WSFL-TV	10203	Miami, FL	WSFL, LLC
WTVR-TV	57832	Richmond, VA	WTVR License, LLC
WXMI	68433	Grand Rapids, MI	WXMI, LLC

In addition to the full-power television stations and AM radio station (and their associated broadcast auxiliary facilities) listed above, applicants are seeking consent on FCC Form 315 for a substantial change in control of the licenses or permits for the following TV translator and low power TV stations:

Call Sign	Fac. ID	Community of License	Licensee
KRCW-LP	35151	Portland, OR	KRCW, LLC
K20ES	12671	Pendleton, etc., OR	KRCW, LLC
K24DX	12678	Pendleton, etc., OR	KRCW, LLC
KKRP-LD	70979	St. George, UT	KSTU License, LLC
K14PA-D	22202	Rural Juab County, UT	KSTU License, LLC
K15FQ-D	22214	Milford, etc., UT	KSTU License, LLC
K17HM-D	22217	Wendover, UT	KSTU License, LLC
K22DE	69280	Tooele, UT	KSTU License, LLC
K25HF-D	22212	Heber City, UT	KSTU License, LLC
K35OP-D	22213	Park City, UT	KSTU License, LLC
K43CC-D	22205	Santa Clara, UT	KSTU License, LLC
K15HL-D	167263	Cherokee etc., OK	Tribune Broadcasting Oklahoma City License, LLC
K16DX-D	59851	Gage, OK	Tribune Broadcasting Oklahoma City License, LLC
K17ID-D	167261	Cherokee, etc., OK	Tribune Broadcasting Oklahoma City License, LLC
K23NH-D	167252	Seiling, OK	Tribune Broadcasting Oklahoma City License, LLC
K20BR-D	59840	Gage, etc., OK	Tribune Broadcasting Oklahoma City License, LLC

Call Sign	Fac. ID	Community of License	Licensee
K20JD-D	167259	Cherokee, etc., OK	Tribune Broadcasting Oklahoma City License, LLC
K22BR-D	59849	May, etc., OK	Tribune Broadcasting Oklahoma City License, LLC
K22ID-D	167257	Cherokee, etc., OK	Tribune Broadcasting Oklahoma City License, LLC
K25JQ-D	167251	May, etc., OK	Tribune Broadcasting Oklahoma City License, LLC
K26IS-D	167265	Woodward, etc., OK	Tribune Broadcasting Oklahoma City License, LLC
K28JX-D	167255	Alva – Cherokee, OK	Tribune Broadcasting Oklahoma City License, LLC
K29HZ-D	167264	Woodward, etc., OK	Tribune Broadcasting Oklahoma City License, LLC
K31JQ-D	167262	Woodward, etc., OK	Tribune Broadcasting Oklahoma City License, LLC
K33JM-D	167260	Mooreland, etc., OK	Tribune Broadcasting Oklahoma City License, LLC
K14QP-D	167258	Woodward, etc., OK	Tribune Broadcasting Oklahoma City License, LLC
K21MT-D	167256	Seiling, OK	Tribune Broadcasting Oklahoma City License, LLC
K16LQ-D	167254	Seiling, OK	Tribune Broadcasting Oklahoma City License, LLC
K18LY-D	167253	Seiling, OK	Tribune Broadcasting Oklahoma City License, LLC
K35NR-D	59848	Seiling, OK	Tribune Broadcasting Oklahoma City License, LLC
K07ZC-D	33896	Ellensburg, etc., WA	Tribune Broadcasting Seattle, LLC
K25CG-D	33898	Aberdeen, WA	Tribune Broadcasting Seattle, LLC
K25CH-D	69575	North Bend, WA	Tribune Broadcasting Seattle, LLC
K28KJ-D	33899	Chelan, WA	Tribune Broadcasting Seattle, LLC
K29ED-D	69574	Everett, WA	Tribune Broadcasting Seattle, LLC
K42CM-D	33895	Centralia, etc., WA	Tribune Broadcasting Seattle, LLC
W17DF-D	64442	Muskegon, MI	WXMI, LLC
W42CB-D	64440	Hesperia, MI	WXMI, LLC

V. PARTIES TO THE APPLICATIONS

Upon the closing of the Transaction, Nexstar will remain a publicly traded company. As a result, the number of shares held by any one shareholder is subject to change at any time. Currently, no Nexstar shareholder owns a 5% or greater voting interest, or 20% or greater voting interest to the extent such investor is an investment company under 15 U.S.C. § 80a-3. To the extent that Nexstar learns that any other shareholder obtains an attributable interest during the

pendency of this application, the applicants will submit an appropriate amendment. The current officers and directors of Nexstar and Nexstar Broadcasting, Inc. (“NBI”) are listed below.

NEXSTAR MEDIA GROUP, INC.

Name / Address	Citizenship	Positional Interest	Percent of Votes ⁵¹	Percent of Total Assets
Nexstar Media Group, Inc. 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	Delaware Corporation	Transferee	N/A	N/A
Perry Sook 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Chairman of the Board, President, CEO & Shareholder	2.3%	2.3%
Thomas Carter 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Executive Vice President & Chief Financial Officer	0	0
Elizabeth Ryder 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Executive Vice President, General Counsel & Secretary	0	0
Brett Jenkins 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Executive Vice President & Chief Technology Officer	0	0
Blake Russell 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Executive Vice President, Content & Operations	0	0
Dione Rigsby 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Vice President, Technology	0	0
Randall Bradford 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Vice President, Financial Operations	0	0
Patrick Cusick 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Vice President, Controller, Taxes	0	0
Terri Bush 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Vice President, Director of HR	0	0
Geoff Armstrong c/o Nexstar Media Group, Inc. 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Director	0	0

⁵¹ Percentage of votes is as of September 30, 2018 (the last SEC reporting period for which information is available). In addition, certain of the officers and directors (other than Mr. Sook) collectively hold approximately 0.5% of votes and assets.

Name / Address	Citizenship	Positional Interest	Percent of Votes⁵¹	Percent of Total Assets
Dennis J. FitzSimons c/o Nexstar Media Group, Inc. 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Director	0	0
Jay Grossman c/o Nexstar Media Group, Inc. 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Director	0	0
Lisbeth R. McNabb c/o Nexstar Media Group, Inc. 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Director	0	0
Thomas McMillen c/o Nexstar Media Group, Inc. 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Director	0	0
Dennis Miller c/o Nexstar Media Group, Inc. 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Director	0	0
John Muse c/o Nexstar Media Group, Inc. 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Director	0	0
I. Martin Pompadour c/o Nexstar Media Group, Inc. 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Director	0	0

Because Tribune is likewise a publicly traded company, the number of shares held by any one shareholder is subject to change at any time. Currently, Tribune has only one shareholder, Oaktree Tribune, L.P., that owns a 5% or greater voting interest, or 20% or greater voting interest to the extent such investor is an investment company under 15 U.S.C. § 80a–3. This entity will not hold an attributable interest in Nexstar following the consummation of the Transaction. To the extent that Tribune learns that any other shareholder obtains an attributable interest during the pendency of this application, the applicants will submit an appropriate amendment. The current officers, directors, and attributable shareholder of Tribune are listed below.

TRIBUNE MEDIA COMPANY

Name / Address	Citizenship	Positional Interest	Percent of Votes	Percent of Total Assets
Oaktree Tribune, L.P. 333 South Grand Avenue, 28th Floor Los Angeles, CA 90071	U.S.	Shareholder	6.84	6.84
Peter Kern 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Officer, Director	0	0
Ross Levinsohn 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Director	0	0
Peter E. Murphy 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Director	0	0
Laura R. Walker 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Director	0	0
Craig A. Jacobson 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Director	0	0
Chandler Bigelow III 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Officer	0	0
Brian F. Litman 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Officer	0	0
Jack Rodden 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Officer	0	0

Name / Address	Citizenship	Positional Interest	Percent of Votes	Percent of Total Assets
Patrick M. Shanahan 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Officer	0	0
Gary Weitman 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Officer	0	0
Thomas G. Caputo 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Officer	0	0
Christopher N. Hochschild 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Officer	0	0
Shaun M. Sheehan 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Officer	0	0
Joe Sinclair 515 N. State Street Suite 2400 Chicago, IL 60654	U.S.	Officer	0	0

Upon the closing of the Transaction, Nexstar will be the ultimate parent of both NBI and Tribune Media Company. Corporate structure charts illustrating the before and after structures of the merging companies can be found in Attachments A-1 and A-2. Nexstar does not anticipate any changes in the board of directors or officers of Nexstar. It is anticipated that the officers and directors of Tribune Media Company and all of its direct and indirect subsidiaries will be as follows:

**OFFICERS AND DIRECTORS OF POST-MERGER TRIBUNE MEDIA COMPANY
(and direct and indirect subsidiaries)**

Name / Address	Citizenship	Positional Interest	Percent of Votes	Percent of Total Assets
Perry Sook 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	President and CEO, Director	0	0
Thomas Carter 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Executive Vice President & CFO	0	0
Elizabeth Ryder 545 E. John Carpenter Freeway, Suite 700 Irving, Texas 75062	U.S.	Secretary	0	0

VI. TRANSACTION DOCUMENTS

The parties are submitting with this application a copy of the Agreement and Plan of Merger, dated as of November 30, 2018, by and among Tribune Media Company, Nexstar Media Group, Inc., and Titan Merger Sub, Inc. (the “Merger Agreement”). The following are exhibits and schedules to the Merger Agreement:

Exhibit A – Certificate of Incorporation of the Surviving Corporation

Parent Disclosure Letter

- Section 1.1(b): Knowledge of Parent
- Section 4.6: Litigation
- Section 7.1(h): Covenants of Parent and the Company

Company Disclosure Letter

- Section 1.1(a): Permitted Liens
- Section 1.1(b): Knowledge of the Company
- Section 1.1(c): Minority Investment Entities
- Section 2.10(b): Treatment of Company Equity Awards
- Section 3.3: Governmental Authorization
- Section 3.4: Non-Contravention
- Section 3.6: Subsidiaries
- Section 3.8: Financial Statements
- Section 3.10: Absence of Certain Changes
- Section 3.11: No Undisclosed Material Liabilities
- Section 3.12: Compliance with Laws and Court Orders; Governmental Authorizations
- Section 3.13: Litigation
- Section 3.14: Properties

- Section 3.15: Intellectual Property
- Section 3.16: Taxes
- Section 3.17: Employee Benefit Plans
- Section 3.18: Employees; Labor Matters
- Section 3.19: Environmental Matters
- Section 3.20: Material Contracts
- Section 3.22: MVPD Matters
- Section 3.26: Company Programming Service
- Section 5.1: Conduct of the Company
- Section 6.4(d): Certain Company Plans

The parties have included with this application a copy of Section 7.1(h) of the Parent Disclosure Letter, but have redacted one paragraph of that schedule that is confidential and not germane to the Commission's review, and have redacted certain other paragraphs from the public version of this filing subject to a request for confidentiality. The remaining exhibits and schedules to the Merger Agreement have been excluded. The excluded documents contain proprietary information, are not germane to the Commission's consideration of this application, or duplicate information already included in the application or in the possession of the Commission.⁵²

Copies of excluded portions of those documents and other material will be provided to the Commission upon request, subject to the right of the parties to ask that the material submitted be held in confidence and not be made available for public inspection pursuant to applicable rules and policies of the Commission that restrict public access to confidential and proprietary information.

VII. PENDING APPLICATIONS AND CUT-OFF RULES

The applicants separately will file applications in the appropriate bureaus requesting Commission consent for the transfer of control of the Tribune subsidiaries' earth station, microwave, and land mobile facilities. It is intended that the applications filed in connection with the Transaction include all of the licenses and other authorizations held by the respective Tribune license subsidiaries. The license subsidiaries of Tribune may now have on file, and may hereafter file, additional requests for authorizations for new or modified facilities that may be granted before the Commission takes action on the above-described transfer/assignment applications. Accordingly, the applicants request that the Commission approval of the applications filed in connection with the Transaction include (1) any authorization issued to Tribune or any of its subsidiaries while the Transaction is pending before the Commission and during the period required for consummation of the Transaction, and (2) any applications filed by Tribune or any of its subsidiaries that are pending at the time of consummation. Inclusion of authorizations issued

⁵² See *LUJ, Inc. and Long Nine, Inc.*, Memorandum Opinion and Order, 17 FCC Rcd 16980 (2002).

while the Transaction is pending and during the consummation period, and applications pending at the time of consummation, are both consistent with prior Commission decisions.⁵³

Additionally, pursuant to Sections 1.927(h), 1.929(a)(2), and 1.933(b) of the Commission's Rules, to the extent necessary, Nexstar requests a blanket exemption from any applicable cut-off rules in cases where Nexstar files amendments to pending applications in order to reflect consummation of the proposed Transaction so that such amendments are not treated as disqualifying amendments. The nature of the proposed Transaction demonstrates that the ownership changes would not be made for the purpose of acquiring any particular pending application, but as part of a larger transaction undertaken for an independent and legitimate business purpose. Grant of this request would be consistent with prior Commission decisions that routinely have granted a blanket exemption in cases involving multiple-license transactions.⁵⁴

VIII. MEDIA OWNERSHIP

A. Divestiture Markets.

Under the Duopoly Rule, a single person or entity may hold an attributable interest in more than one full-power television station in a market where either (1) there is no signal contour overlap between the stations, or (2) at least one of the stations is not a Top Four station, unless it is demonstrated that permitting common ownership of two Top Four stations would serve the public interest.⁵⁵ As noted, the applicants own stations in several markets where common ownership of the combined stations would exceed the limits imposed by the Duopoly Rule. Accordingly, the applicants have committed, as described below, to divest stations sufficient to ensure that the post-merger company will comply with the Duopoly Rule.⁵⁶

1. Davenport-Rock Island-Moline, IA/IL

In this market, NBI is the licensee of WHBF-TV, Rock Island, Illinois (CBS) and KGCW(DT), Burlington, Iowa (CW).⁵⁷ A Tribune subsidiary is the licensee of WQAD-TV,

⁵³ See, e.g., *Applications of AT&T Inc. and Cellco Partnership d/b/a Verizon Wireless*, Memorandum Opinion and Order, 25 FCC Rcd 8704, 8773, ¶ 165 (2010); *Applications of AT&T Wireless Services, Inc. and Cingular Wireless Corp. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 19 FCC Rcd 21522, 21626, ¶ 275 (2004).

⁵⁴ See, e.g., *Applications of PacifiCorp Holdings, Inc., and Century Telephone Enterprises, Inc. for Consent to Transfer Control of Pacific Telecom, Inc.*, Memorandum Opinion and Order, 13 FCC Rcd 8891, 8915-16, ¶ 47 (1997); *Applications of NYNEX Corp. and Bell Atlantic Corp.*, Memorandum Opinion and Order, 12 FCC Rcd 19985, 20092, ¶ 234 (1997).

⁵⁵ 47 C.F.R. § 73.3555(b)(1)-(2).

⁵⁶ See Attachment D (filed confidentially) for audience share data.

⁵⁷ These two stations are commonly owned pursuant to a failing station waiver, but their common ownership is now permissible without such a waiver.

Moline, Illinois (ABC). Both WHBF-TV and WQAD-TV are currently Top Four stations in the market. In order to comply with the Duopoly Rule, the applicants must divest one of the Top Four stations. An application to divest one such station will be filed as soon as divestiture plans are finalized.

2. Des Moines-Ames, OH

In this market, NBI is the licensee of WOI-DT, Ames, Ohio (ABC) and KCWI-TV, Ames, Ohio (CW). A Tribune subsidiary is the licensee of WHO-DT (NBC). Both WOI-DT and WHO-DT are currently Top Four stations in the market. In order to comply with the Duopoly Rule, the applicants must divest one of the Top Four stations. An application to divest one such station will be filed as soon as divestiture plans are finalized.

3. Fort Smith-Fayetteville-Springdale, Rogers, AR

In this market, NBI is the licensee of KFTA-TV, Fort Smith, Arkansas (NBC/FOX) and KNWA-TV, Rogers, Arkansas (NBC/FOX).⁵⁸ A Tribune subsidiary is the licensee of KFSM-TV, Fort Smith, Arkansas (CBS) and KXNW(DT), Eureka Springs, Arkansas (MyNet).⁵⁹ KFTA-TV/KNWA-TV and KFSM-TV are currently Top Four stations in the market. In order to comply with the Duopoly Rule, the applicants must divest one of the Top Four stations. An application to divest one such station will be filed as soon as divestiture plans are finalized.

4. Grand Rapids-Kalamazoo-Battle Creek, MI

In this market, NBI is the licensee of WOOD-TV, Grand Rapids, Michigan (NBC) and WOTV(DT), Battle Creek, Michigan (ABC). A Tribune subsidiary is the licensee of station WXMI(DT), Grand Rapids, Michigan (FOX). Both WOOD-TV and WXMI(DT) are currently Top Four stations in the market. In order to comply with the Duopoly Rule, the applicants must divest one of the Top Four stations. An application to divest one such station will be filed as soon as divestiture plans are finalized.

5. Harrisburg-Lancaster-Lebanon-York, PA

In this market, NBI is the licensee of WHTM-TV, Harrisburg, Pennsylvania (ABC). A Tribune subsidiary is the licensee of station WPMT(DT), York, Pennsylvania (FOX). Both stations are currently Top Four stations in the market. In order to comply with the Duopoly Rule, the applicants must divest one of the Top Four stations. An application to divest one such station will be filed as soon as divestiture plans are finalized.

⁵⁸ These stations are commonly owned pursuant to a satellite waiver. If Nexstar retains ownership of both KFTA-TV and KNWA-TV, no reauthorization of the satellite waiver will be required.

⁵⁹ These two stations are commonly owned pursuant to a failing station waiver, but their common ownership is now permissible without such a waiver.

6. Hartford-New Haven, CT

In this market, NBI is the licensee of WTNH(DT), New Haven, Connecticut (ABC) and WCTX(DT), New Haven, Connecticut (MyNet). A Tribune subsidiary is the licensee of station WTIC-TV, Hartford, Connecticut (FOX) and WCCT-TV, Waterbury, Connecticut (CW).⁶⁰ Both WTNH(DT) and WTIC-TV are currently Top Four stations in the market. In order to comply with the Duopoly Rule, the applicants must divest one of the Top Four stations and one additional station. Applications to divest stations sufficient to comply with the Duopoly Rule will be filed as soon as divestiture plans are finalized.

7. Huntsville-Decatur (Florence), AL

In this market, NBI is the licensee of WZDX(DT), Huntsville, Alabama (FOX) and WHDF(DT), Florence, Alabama (CW). A subsidiary of Tribune is the licensee of WHNT-TV, Huntsville, Alabama (CBS). Both WZDX(DT) and WHNT-TV are currently Top Four stations in the market. In order to comply with the Duopoly Rule, the applicants must divest one of the Top Four stations. An application to divest one such station will be filed as soon as divestiture plans are finalized.

8. Indianapolis, IN

In this market, NBI is the licensee of WISH-TV, Indianapolis, Indiana (CW) and WNDY-TV, Marion, Indiana (MyNet). A Tribune subsidiary is the licensee of WXIN(DT), Indianapolis, Indiana (FOX), WTTV(DT), Bloomington, Indiana (CBS), and WTTK(DT), Kokomo, Indiana.⁶¹ Neither WISH-TV nor WNDY-TV are Top Four stations in the market, while both WXIN(DT) and WTTV(DT) are among the Top Four stations in the market. In order to comply with the Duopoly Rule, applicants must divest certain stations in this market. The Top Four Showing in Exhibit 20 to the application for transfer of control of the licensee of WXIN(DT) and WTTV(DT) demonstrates that allowing the continued common ownership of those two stations following the Merger would serve the public interest. If NBI is permitted to acquire both WXIN(DT) and WTTV(DT), then it will divest the other two stations owned in the market. Applications to divest stations sufficient to comply with the Duopoly Rule will be filed as soon as divestiture plans are finalized.

⁶⁰ These two stations are commonly owned pursuant to a failing station waiver, but their common ownership is now permissible without such a waiver.

⁶¹ WTTK(DT) operates as a satellite of WTTV(DT). As discussed in Section VIII.C, the applicants are requesting that, if NBI does not divest WTTV(DT), the FCC reauthorize the operation of WTTK(DT) as a satellite of WTTV(DT).

9. Memphis, TN

In this market, NBI is the licensee of WATN-TV, Memphis, Tennessee (ABC) and WLMT(DT), Memphis, Tennessee (CW). A Tribune subsidiary is the licensee of station WREG-TV, Memphis, Tennessee (CBS). Both WLMT(DT) and WREG-TV are currently Top Four stations in the market. In order to comply with the Duopoly Rule, the applicants must divest one of the Top Four stations. An application to divest one such station will be filed as soon as divestiture plans are finalized.

10. Richmond-Petersburg, VA

In this market, NBI is the licensee of WRIC-TV, Petersburg, Virginia (ABC). A Tribune subsidiary is the licensee of station WTVR-TV, Richmond, Virginia (CBS). Both stations are currently Top Four stations in the market. In order to comply with the Duopoly Rule, the applicants must divest one of the Top Four stations. An application to divest one such station will be filed as soon as divestiture plans are finalized.

11. Salt Lake City, UT

In this market, NBI is the licensee of KTVX(DT), Salt Lake City, Utah (ABC) and KUCW(DT), Ogden, Utah (CW). A Tribune subsidiary is the licensee of station KSTU(DT), Salt Lake City, Utah (FOX). Both KTVX(DT) and KSTU(DT) are currently Top Four stations in the market. In order to comply with the Duopoly Rule, the applicants must divest one of the Top Four stations. An application to divest one such station will be filed as soon as divestiture plans are finalized.

B. Rule-Compliant Duopoly Markets.

In the following markets, and after effectuating the divestitures described in Section VIII.A., the combined company will own rule-compliant duopolies.⁶²

1. Davenport-Rock Island-Moline, IA/IL

In this market, a Tribune subsidiary is the licensee of WQAD-TV, Moline, Illinois (ABC). NBI is the licensee of WHBF-TV, Rock Island, Illinois (CBS) and KGCW(DT), Burlington, Iowa (CW), which are commonly owned pursuant to a failing station waiver. After making the divestitures described in Section VIII.A., Nexstar's ownership of two stations (only one of which is a Top Four station) in this market will comply with the Duopoly Rule.

2. Denver, CO

In this market, a Tribune subsidiary is the licensee of KWGN-TV, Denver, Colorado (CW), KDVR(DT), Denver, Colorado (FOX), and KFCT(DT), Fort Collins, Colorado (FOX), a satellite station of KDVR(DT). Nexstar does not own any stations in this market, and KWGN-TV and KDVR(DT) are not both Top Four stations in the market. Subject to reauthorization of the satellite

⁶² See Attachment D (filed confidentially) for audience share data.

exemption for KFCT(DT),⁶³ Nexstar's acquisition of these stations will comply with the Duopoly Rule.

3. Des Moines-Ames, IA

In this market, a Tribune subsidiary is the licensee of WHO-DT, Des Moines, Iowa (NBC). NBI is the licensee of WOI-DT, Ames, Iowa (ABC) and KCWI-TV, Ames, Iowa (CW). After making the divestitures described in Section VIII.A., Nexstar's ownership of two stations (only one of which is a Top Four station) in this market will comply with the Duopoly Rule.

4. Fort Smith-Fayetteville-Springdale, Rogers, AR

In this market, a Tribune subsidiary is the licensee of KFSM-TV, Fort Smith, Arkansas (CBS) and KXNW(DT), Eureka Springs, Arkansas (MyNet). NBI is the licensee of KFTA-TV, Fort Smith, Arkansas (NBC/FOX) and KNEW-TV, Rogers, Arkansas (NBC/FOX), a satellite station of KFTA-TV. After making the divestitures described in Section VIII.A., Nexstar's ownership of two stations (only one of which is a Top Four station) in this market will comply with the Duopoly Rule.

5. Grand Rapids-Kalamazoo-Battle Creek, MI

In this market, a Tribune subsidiary is the licensee of WXMI(DT), Grand Rapids, Michigan (FOX). NBI is the licensee of WOOD-TV, Grand Rapids, MI (NBC) and WOTV(DT), Battle Creek, MI (ABC). After making the divestitures described in Section VIII.A., Nexstar's ownership of two stations (only one of which is a Top Four station) in this market will comply with the Duopoly Rule.

6. Hartford-New Haven, CT

In this market, a Tribune subsidiary is the licensee of WTIC-TV, Hartford, Connecticut (FOX) and WCCT-TV, Waterbury, Connecticut (CW), which are commonly owned pursuant to a failing station waiver. NBI is the licensee of WTNH(DT), New Haven, Connecticut (ABC) and WCTX(DT), New Haven, Connecticut, (MyNet), which are also commonly owned pursuant to a failing station waiver. After making the divestitures described in Section VIII.A., Nexstar's ownership of two stations (only one of which is a Top Four station) in this market will comply with the Duopoly Rule.

7. Huntsville-Decatur (Florence), AL

In this market, a Tribune subsidiary is the licensee of WHNT-TV, Huntsville, Alabama (CBS). NBI is the licensee of WZDX(DT), Huntsville, Alabama (FOX) and WHDF(DT), Florence, Alabama (CW). After making the divestitures described in Section VIII.A., Nexstar's ownership of two stations (only one of which is a Top Four station) in this market will comply with the Duopoly Rule.

⁶³ See Section VIII.C.

8. Memphis, TN

In this market, a Tribune subsidiary is the licensee of WREG-TV, Memphis, Tennessee (CBS). NBI is the licensee of WATN-TV, Memphis, Tennessee (ABC) and WLMT(DT), Memphis, Tennessee (CW). After making the divestitures described in Section VIII.A., Nexstar's ownership of two stations (only one of which is a Top Four station) in this market will comply with the Duopoly Rule.

9. New Orleans, LA

In this market, a Tribune subsidiary is the licensee of WGNO(DT), New Orleans, Louisiana (ABC) and WNOL-TV, New Orleans, Louisiana (CW). Nexstar does not own any stations in this market, and only one of these stations is a Top Four station in the market. Accordingly, Nexstar's acquisition of these stations complies with the Duopoly Rule.

10. Oklahoma City, OK

In this market, a Tribune subsidiary is the licensee of KFOR-TV, Oklahoma City, Oklahoma (NBC) and KAUT-TV, Oklahoma City, Oklahoma (IND). Nexstar does not own any stations in this market, and only one of these stations is a Top Four station in the market. Accordingly, Nexstar's acquisition of these stations complies with the Duopoly Rule.

11. Portland, OR

In this market, a Tribune subsidiary is the licensee of KRCW-TV, Salem, Oregon (CW). NBI is the licensee of KOIN(DT), Portland, Oregon (CBS). Only KOIN(DT) is a Top Four station in the market. Accordingly, Nexstar's acquisition of KRCW-TV complies with the Duopoly Rule.

12. Salt Lake City, UT

In this market, a Tribune subsidiary is the licensee of KSTU(DT), Salt Lake City, Utah (FOX). NBI is the licensee of KTVX(DT), Salt Lake City, Utah (ABC) and KUCW(DT), Ogden, Utah (CW). After making the divestitures described in Section VIII.A., Nexstar's ownership of two stations (only one of which is a Top Four station) in this market will comply with the Duopoly Rule.

13. Seattle-Tacoma, WA

In this market, a Tribune subsidiary is the licensee of KZJO(DT), Seattle, Washington (MyNet) and KCPQ(DT), Tacoma, Washington (FOX). Nexstar does not own any stations in this market, and only one of these stations is a Top Four station in the market. Accordingly, Nexstar's acquisition of these stations complies with the Duopoly Rule.

14. St. Louis, MO

In this market, a Tribune subsidiary is the licensee of KPLR-TV, St. Louis, MO (CW) and KTVI(DT), St. Louis, MO (FOX). Nexstar does not own any stations in this market, and only one

of these stations is a Top Four station in the market. Accordingly, Nexstar's acquisition of these stations complies with the Duopoly Rule.

15. **Washington, DC**

In this market, a Tribune subsidiary is the licensee of WDCW(DT), Washington, DC (CW). NBI is the licensee of WDVM-TV, Hagerstown, Maryland (IND). Neither of these stations is a Top Four station in the market. Accordingly, Nexstar's acquisition of these stations complies with the Duopoly Rule.

C. Reauthorization of Existing Satellite Exemptions.

Under the Commission's satellite station policy, a satellite station will not count towards an entity's ownership limits under the Duopoly Rule.⁶⁴ The Commission will treat a station as a satellite of another station and presume that their common ownership is in the public interest where: (1) there is no City Grade overlap between the parent and satellite stations; (2) the proposed satellite will provide service to an underserved area;⁶⁵ and (3) no alternative operator is ready and able to construct or purchase and operate the satellite as a full-service station.⁶⁶ Because the analog city-grade contour is not relevant for digital stations, the Commission now evaluates this element on an *ad hoc* basis.⁶⁷ If the proposed satellite operation does not meet all three factors, the Commission will evaluate the proposal on an *ad hoc* basis and authorize satellite status if there are other public interest benefits or compelling circumstances that warrant approval.⁶⁸

The applicants request continuation of satellite authority for the following stations:

1. **Denver, CO**

In this market, KFCT(DT), Fort Collins, Colorado operates as a satellite station of KDVR(DT), Denver, Colorado. Both stations are licensed to a subsidiary of Tribune. The common ownership of KFCT(DT) and KDVR(DT) has been authorized pursuant to the *ad hoc*

⁶⁴ 47 C.F.R. § 73.3555 n.5.

⁶⁵ An area is "underserved" if (1) there are two or fewer full-service television stations licensed to the community of license of the proposed satellite station (the transmission test), or (2) 25% or more of that portion of the proposed satellite station's contour that does not overlap the contour of the proposed parent station receives four or fewer television signals in addition to the proposed satellite (reception standard). See *Television Satellite Stations Review of Policy and Rules*, Report and Order, 6 FCC Rcd 4212, 4215, ¶ 19 (1991) ("*Satellite Policy*"); see also *J. Stewart Bryan III and Media General Communications Holdings, LLC*, Memorandum Opinion and Order, 28 FCC Rcd 15509, 15519–21, ¶¶ 22–29 (2013).

⁶⁶ *Satellite Policy*, 6 FCC Rcd at 4213–14, ¶ 12.

⁶⁷ See *2014 Quadrennial Regulatory Review*, 31 FCC Rcd at 9876, ¶ 32 n.72.

⁶⁸ *Satellite Policy*, 6 FCC Rcd 4212.

satellite exemption standard since KFCT(DT) began operations in 1995.⁶⁹ KFCT(DT)'s satellite status was reauthorized in 2006,⁷⁰ in 2008,⁷¹ and again in 2013.⁷² In the 2013 decision, the Commission found that the fact that KFCT(DT) had always been authorized as a satellite combined with the FCC's 2008 "approval of the station for continued satellite operation" constitute "compelling circumstances justifying a continuing 'satellite exemption.'"⁷³ KFCT(DT)'s circumstances have not changed significantly in the five years since, making its continued designation as a satellite station appropriate.

The Commission's "transmission test" deems a community underserved if there are two or fewer full-power stations licensed to it.⁷⁴ KFCT(DT) remains the only station licensed to the community of Fort Collins, Colorado and thus continues to serve an underserved area.

In addition, KFCT(DT) is not viable as a full-service, stand-alone station. The letter in Attachment E-1 from W. Lawrence Patrick, Managing Partner, Patrick Communications, a nationally-recognized media brokerage consulting firm, indicates that it is unrealistic to assume that KFCT(DT) would be able to obtain programming, sell enough advertising to be viable, attract employees, or be able to provide all the services to the community expected of a full service, standalone station. Moreover, by operating as a satellite of KDVR-TV, KFCT(DT) brings the network and news programming of its parent station to the local community. Based on these facts, reauthorization of KFCT(DT)'s satellite exemption is in the public interest.

2. Indianapolis, IN

In this market, WTTK(DT), Kokomo, Indiana operates as a satellite station of WTTV(DT), Bloomington, Indiana. Both stations are licensed to a Tribune subsidiary. The common ownership of WTTK(DT) and WTTV(DT) has been authorized pursuant to the *ad hoc* satellite exemption standard since 2001.⁷⁵ When initially authorized as a satellite station of

⁶⁹ *Foxco Acquisition Sub, LLC*, 23 FCC Rcd 9076, 9078 & n.7 (2008) (citing FCC File No. BLCT-19950628KF).

⁷⁰ *Id.* at 9078 & n.8 (citing FCC File No. FCC File No. BTCCT-20050819AAF).

⁷¹ *Id.*

⁷² *Applications of Local TV Holdings, LLC, Transferor and Tribune Broadcasting Company II, LLC, Transferee and Dreamcatcher Broadcasting, LLC, Transferee*, Memorandum Opinion and Order, 28 FCC Rcd 16850 (2013).

⁷³ *Id.* at 16862-63, ¶ 36.

⁷⁴ *Satellite Policy*, 6 FCC Rcd at 4215, ¶ 19.

⁷⁵ *Counterpoint Communications Inc.*, Memorandum Opinion and Order, 16 FCC Rcd 15044 (2001), *reauthorized in Shareholders of Tribune Co.*, Memorandum Opinion and Order, 22 FCC Rcd 21266 (2007) and *Tribune Co. and its Licensee Subsidiaries, Debtors in Possession*,

WTTV(DT), the analog contours of the stations did not overlap. Following the digital transition, the Commission has acknowledged that digital contours serve a “larger area than their former analog City Grade contour.”⁷⁶ While the digital signals of these stations overlap, the Commission found in 2012 that continuation of the satellite exemption was appropriate.⁷⁷ WTTK(DT)’s circumstances have not changed significantly in the five years since, making its continued designation as a satellite station appropriate.

As noted above, the Commission’s “transmission test” deems a community underserved if there are two or fewer full-power stations licensed to it.⁷⁸ WTTK(DT) remains the sole full-power station licensed to Kokomo, Indiana and thus continues to serve an underserved area.

In addition, WTTK(DT) is not viable as a full-service, stand-alone station. The letter in Attachment E-2 from W. Lawrence Patrick, Managing Partner, Patrick Communications, a nationally-recognized media brokerage consulting firm, indicates that there are no other viable primary networks, and little secondary television programming that would be available to WTTK(DT) as a standalone station. In this size market, it would be difficult to support the operation of an independent station. Mr. Patrick notes that only by continuing to operate as a satellite can WTTK(DT) remain economically viable so that it can continue service to its community. Based on these facts, reauthorization of WTTK(DT)’s satellite exemption is in the public interest.

D. The National Television Ownership Limit.

The National Television Ownership Limit prohibits the transfer of a license for a commercial television broadcast station if the transfer will result in the transferee having an attributable interest in television stations that reach greater than 39% of the national audience.⁷⁹ In calculating an interest holder’s total ownership, the Commission’s Rules reduce the population allotted to a UHF television station by 50%.⁸⁰ Furthermore, no market shall be counted more than once (even if the transferee owns or would own multiple stations in that market).⁸¹

The proposed Transaction will comply with the National Television Ownership Limit. Nexstar currently has an attributable interest in stations that reach 25.537% of the national

Memorandum Opinion and Order, 27 FCC Rcd 14239, 14263-64, ¶¶ 56-60 (2012) (“*Tribune Bankruptcy Emergence Order*”).

⁷⁶ *Tribune Bankruptcy Emergence Order*, 27 FCC Rcd at 14263, ¶ 56.

⁷⁷ *Id.*

⁷⁸ *Satellite Policy*, 6 FCC Rcd at 4215, ¶ 19.

⁷⁹ See 47 C.F.R. § 73.3555(e)(1).

⁸⁰ See *id.* § 73.3555(e)(2)(i).

⁸¹ See *id.* § 73.3555(e)(2)(ii).

audience, as calculated in accordance with Section 73.3555 of the FCC’s rules based on TV household data from The Nielsen Company (US), LLC.⁸² If the proposed divestitures are not considered, following the Transaction, Nexstar would have an attributable interest in stations reaching 47.1365% of the national audience. However, the parties have committed to divest stations in a combination of markets at or prior to the consummation of the merger in order to comply with the National Television Ownership Limit. As a result of these divestitures, Nexstar will have an attributable interest in television stations reaching no greater than 39% of the national audience following the Transaction. Applications to divest stations sufficient to comply with the National Television Ownership Limit will be filed as soon as divestiture plans are finalized.

IX. REQUEST FOR WAIVER OF 47 C.F.R. § 73.3518

Finally, the applicants respectfully request a waiver of Section 73.3518 of the Commission’s rules⁸³ with respect to the instant applications.

On June 28, 2017, Tribune and Sinclair Broadcast Group, Inc. (“Sinclair”) filed applications seeking Commission consent to the transfer control of Tribune licensee subsidiaries to Sinclair (the “Sinclair Applications”) in connection with a proposed merger between Sinclair and Tribune (“Sinclair Merger”).⁸⁴ The Tribune subsidiaries subject to the Sinclair Applications are the same as those subject to the instant application.

On July 19, 2018, the Commission released a Hearing Designation Order (“HDO”) referring the Sinclair Applications and certain related Sinclair station divestiture applications to the Chief Administrative Law Judge (“ALJ”) for an evidentiary hearing to resolve “substantial and material questions of fact” regarding (i) whether Sinclair engaged in misrepresentation and/or lack of candor in certain of the Sinclair Applications; (ii) whether consummation of the Sinclair Merger would violate the FCC rules; (iii) whether approval of the Sinclair Merger “would serve the public interest, convenience, and/or necessity;” and (iv) whether the Sinclair Applications should be granted or denied.⁸⁵ The HDO directed the Media Bureau to hold the Sinclair Applications in

⁸² See The Nielsen Company (US), LLC, *Local Television Market Universe Estimates* (effective Sept. 22, 2018), <https://www.nielsen.com/content/dam/corporate/us/en/public%20factsheets/tv/2018-19-dma-ranker.pdf>.

⁸³ See 47 C.F.R. § 73.3518.

⁸⁴ The file numbers of the applications filed to effectuate the transfer of control of Tribune to Sinclair are listed in Attachment 1 to the letter, dated August 9, 2018, from Miles S. Mason to Marlene H. Dortch withdrawing the Sinclair Applications, which was filed in MB Docket No. 17-179. See *infra* n.87.

⁸⁵ See *Applications of Tribune Media Company (Transferor) and Sinclair Broadcasting Group, Inc. (Transferee)*, Hearing Designation Order, MB Docket No. 17-179, FCC 18-100, ¶ 3 (rel. July 19, 2018) (“HDO”).

abeyance until the designated issues were resolved by final order.⁸⁶ The HDO is pending before the ALJ and no hearing date has been scheduled.

On August 9, 2018, Tribune terminated its merger agreement with Sinclair. Accordingly, Tribune no longer seeks, and no longer has any basis to seek, approval for the transfers of control contemplated by the Sinclair Applications. On that same date, Sinclair filed a Notice of Withdrawal of Applications and Motion to Terminate Hearing.⁸⁷ On August 10, 2018, the Enforcement Bureau filed a response to Sinclair's Notice, stating, among other things, that the Bureau does not oppose dismissal of the Sinclair Applications with prejudice.⁸⁸ Sinclair's Notice is pending. Pursuant to the HDO, Tribune is procedurally unable to withdraw the Sinclair Applications that, in theory, would conflict with the instant applications. In reality, because the Sinclair Merger is no longer possible, the Sinclair Applications are moot, and the instant applications are not actually inconsistent with (and do not conflict with) the Sinclair Applications.

Accordingly, grant of a waiver would be consistent with the purpose of Section 73.3518, which "exists primarily to protect Commission resources and processes."⁸⁹ Because the Sinclair/Tribune merger agreement has been terminated and the proposed transfer of control of Tribune to Sinclair therefore is no longer subject to Commission review, grant of the requested waiver would neither waste Commission resources nor frustrate Commission processes. To the contrary, a waiver would serve the public interest by facilitating the Commission's review and approval of the Applications and the public interest benefits that would ensue. Nexstar and Tribune therefore request that the Commission waive Section 73.3518 with respect to the Applications.

⁸⁶ See *id.* ¶ 3.

⁸⁷ See *Applications of Tribune Media Company (Transferor) and Sinclair Broadcasting Group, Inc. (Transferee)*, Sinclair Notice of Withdrawal of Applications and Motion to Terminate Hearing, MB Docket No. 17-179, File Nos. BTCCDT-20170626AGW, *et al.* (Aug. 9, 2018).

⁸⁸ See *Applications of Tribune Media Company (Transferor) and Sinclair Broadcasting Group, Inc. (Transferee)*, Enforcement Bureau's Response to Sinclair Notice of Withdrawal of Applications and Motion to Terminate Hearing, MB Docket No. 17-179, File Nos. BTCCDT-20170626AGW, *et al.* (Aug. 10, 2018).

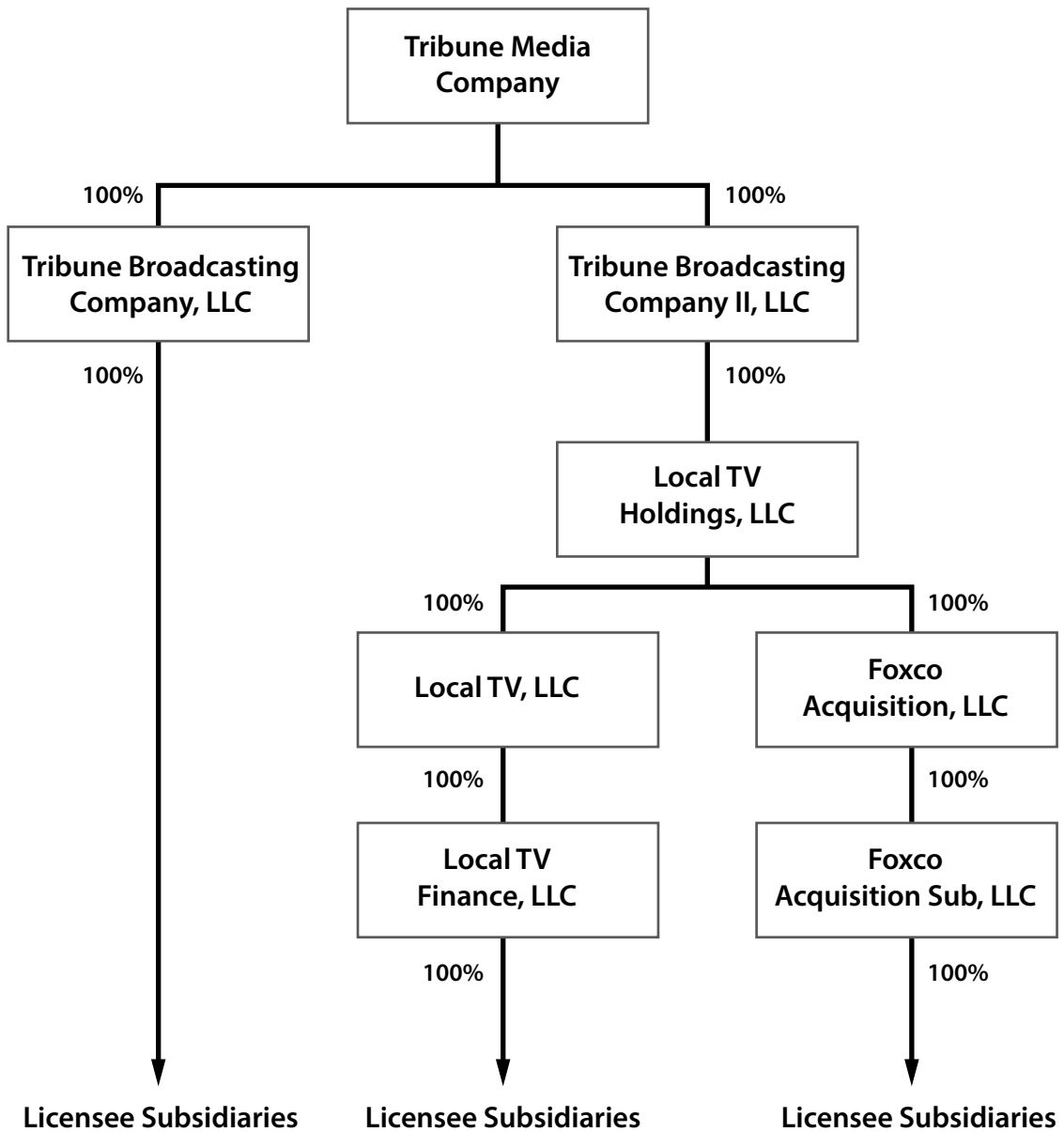
⁸⁹ *Jersey Shore Broad. Corp. v. FCC*, 37 F.3d 1531, 1537 (D.C. Cir. 1994).

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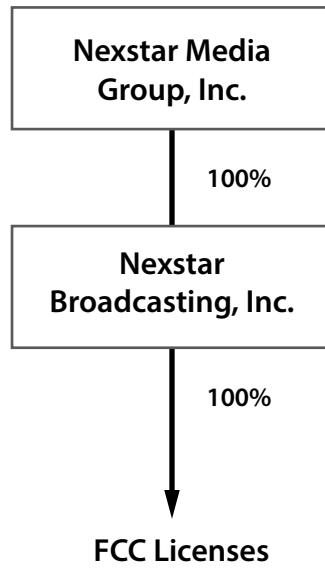
Attachment A	Ownership Structure Charts <ol style="list-style-type: none">1. Pre-Merger2. Post-Merger
Attachment B	Additional Public Interest Programming and Initiatives of Nexstar and Tribune
Attachment C	BIA Advisory Services, <i>BIA TV Market Reports, Nationwide Market Overview</i> (Dec. 6, 2018) (filed confidentially)
Attachment D	Audience Share Data (filed confidentially)
Attachment E	Rule-Compliant Satellite Markets <ol style="list-style-type: none">1. Denver, CO2. Indianapolis, IN

ATTACHMENT A
Ownership Structure Charts

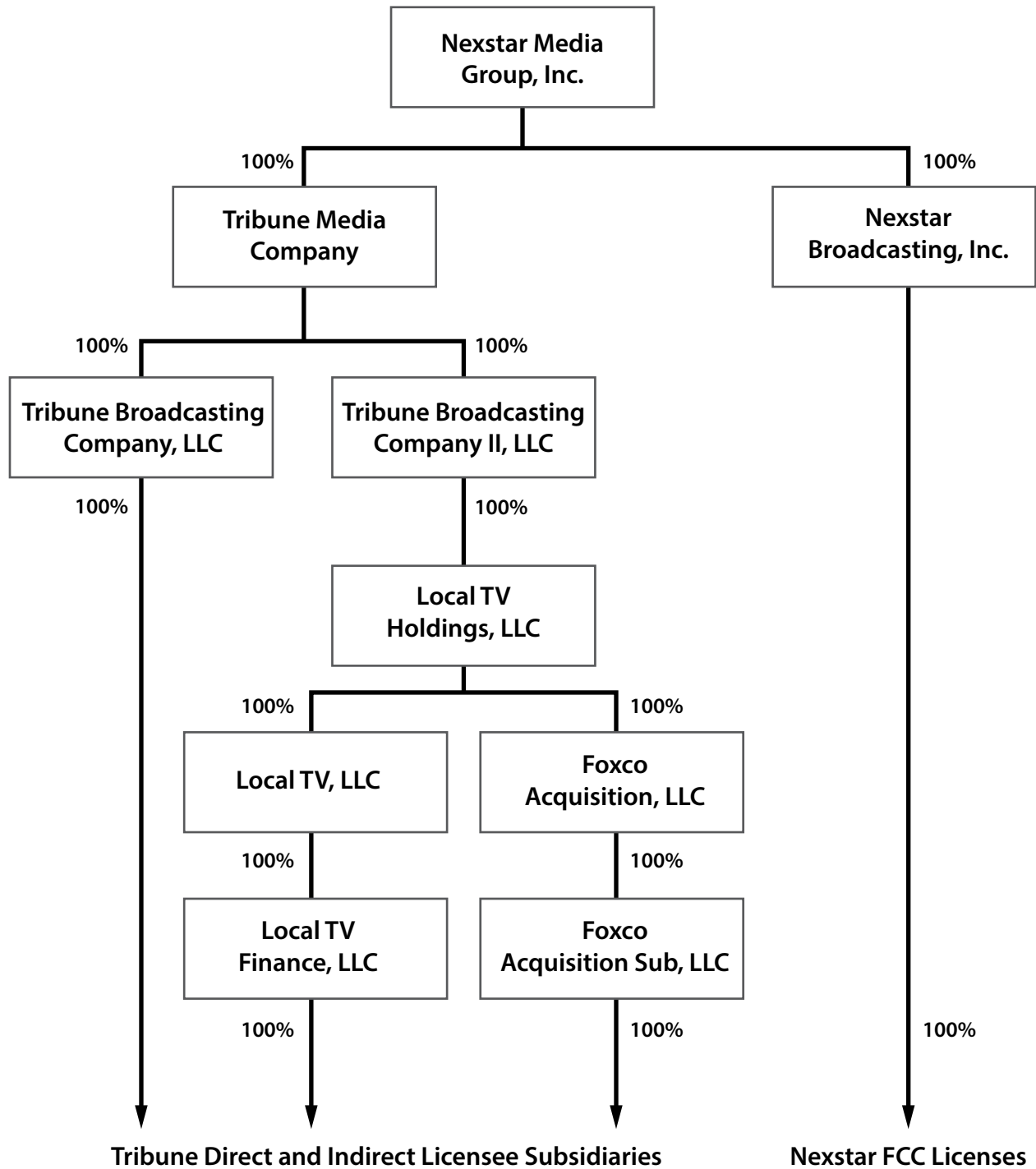
**Tribune Media Company
Pre-Merger Corporate Structure**



**Nexstar Media Group
Pre-Merger Corporate Structure**



Combined Post-Merger Company Structure



ATTACHMENT B

Additional Public Interest Programming and Initiatives of Nexstar and Tribune

Coverage of Critical Weather and Emergency Events

- In September of 2018, Hurricane Florence caused extensive damage to communities across the Carolinas and into Virginia. Nexstar markets were organized and responded as a collective team to provide local coverage in every market. This included over 160 hours of live continuous coverage in the Raleigh, NC; Greenville, NC; and Myrtle Beach, SC markets. The broadcast and digital coverage included lifesaving information on weather conditions and emergency services. To assist with the local coverage, Nexstar moved crews from other markets into the region. These additional resources allowed Nexstar to provide additional local coverage of the impacts, recovery efforts, and vital local information.
- In November of 2018, a major wildfire struck the Butte County / Paradise area of California. Nexstar station KRON-TV immediately sent news crews and was one of the first San Francisco area stations to do so. The station sent several reporters to the area each day, airing multiple stories daily in every newscast. The station also assisted viewers in making donations to help those affected by the fires, and continues to cover efforts to rebuild.
- In August of 2017, a solar eclipse occurred in North America. Several Nexstar markets were in the path and those markets worked together to produce content. This ranged from stories about watch parties/events, videos of the eclipse or partial eclipse in their area, live video as the event occurred and more.

Sports Programming

- A team from the Honolulu Little League won the 2018 Little League World Series held in Williamsport, PA (Scranton/Wilkes-Barre market). Nexstar station WBRE-TV provided live coverage from sister station KHON-TV in Honolulu, HI during the event. The coverage included live reports, stories about the team's experience in Williamsport and interviews with the players, coaches and fans.
- Nexstar sent six reporters to the 2018 Winter Olympics, providing more than 1,050 live shots for local newscasts in both NBC affiliates and non-NBC markets, focusing on local athletes from markets that Nexstar's stations serve.
- Nexstar markets offer insightful programs and coverage on local NFL teams of interest, currently including sixteen different NFL teams. Programs are produced in one market and shared with stations in the same region, which individually determine whether to air them. Nexstar anticipates that, post-Transaction, existing programs could be added to

Tribune stations in markets such as New York, Chicago, Kansas City, St. Louis, New Orleans, Greensboro, Milwaukee, Washington, D.C., and Dallas, and new programming could be launched in Los Angeles, Seattle, Cleveland, Miami, Houston, and Denver.

- Since 2009, Nexstar has sent a team of journalists to the Super Bowl, with a goal of producing unique local content that is not otherwise available from the networks. This includes interviews with players and coaches who have a connection to communities which Nexstar stations serve. In 2018, for example, these journalists provided interviews from 63 players/coaches. In addition, Nexstar stations can request custom live shots from the Super Bowl, with more than 1,000 locally-requested live shots provided in 2018.
- In addition to the Super Bowl, Nexstar sends coverage teams to the following events, which provide Nexstar's stations with broadcast specials, news content, live reports and digital content: (1) Daytona 500; (2) The Masters; (3) Indianapolis 500; (4) PGA Championship; and (5) World Series.

Infrastructure Investments

- When Nexstar suffered the loss of a helicopter in Albuquerque in 2016, a larger, more efficient aircraft was purchased to handle the high altitude of the area. This exemplified Nexstar's commitment to covering news in New Mexico with the market's most state-of-the-art equipment.
- Nexstar recently upgraded its helicopter to full HD capability in Norfolk, VA, offering an enhanced picture to viewers.
- Nexstar made significant investments in new news sets, lighting and graphics in Albuquerque, Indianapolis, Raleigh, Wichita, Nashville, Colorado Springs and Topeka.
- Nexstar has made significant investments in TVU Bonded Cellular technology, creating an internal interconnect network utilizing IP technology where live capability can be shared to each owned and operated station without having to use a satellite.
- Nexstar constructed an entirely new state-of-the-art facility to house its El Paso, Texas stations.
- Nexstar is in the process of conducting major renovations to its Savannah, Georgia facilities.

Special Initiatives and Programming

- In April of 2018, Nexstar markets produced content related to the 50th anniversary of the assassination of Dr. Martin Luther King, Jr. The content included stories from its Memphis, TN operation, which were shared with the group. Local stations also produced

local stories on a variety of topics concerning Dr. King. The coverage included locally produced specials and stories within local newscasts.

- Nexstar stations have participated in several initiatives focusing on unique content areas such as a “Hidden History” program surrounding Black History Month, Hispanic Heritage Month programming, and “Veteran’s Voices” which occurs in the month leading up to Veteran’s Day. With each project, local stations have dedicated time to highlight local stories and history. The content includes locally produced specials and stories within the newscasts. In March of 2019, Nexstar will invite its stations to participate in a Women’s History program to recognize the history and advancement of female leaders. These initiatives result in the production of locally produced special programs, news stories, informational vignettes, and special digital content.
- In 2018, Nexstar expanded its locally produced New Year’s Eve specials. One 4.5-hour show is produced in Las Vegas and aired in 12 markets in 10 states. Another 1-hour show is produced in Dallas and aired in 20 markets in 5 states. This presents unique alternative programming in addition to the story at Times Square in New York City.
- Nexstar produces the only Live Red-Carpet Show for the annual Country Music Association (“CMA”) Awards in Nashville, TN. Markets have the option to pick up the program, which features interviews with Country Music stars as they arrive for the annual show, coverage of the event, and digital content which individual stations can tailor to meet the interests of their local viewers. Nexstar anticipates that the Transaction will enable it to expand live event coverage beyond this awards program.
- “Washington’s Most Wanted,” which began in November 2008 as an effort by the General Manager of Tribune’s KCPQ(DT) in Seattle, helped to capture its 1,000th fugitive in August of 2018.

Community Service

- In 2016, Nexstar began The Founders Day of Caring, which offers employees paid time off to support their local volunteer efforts. In 2018, the commitment of 3,622 employees donating over 13,138 hours of community service serving over 96,000 meals with over 228,000 pounds of food also resulted in 7 homes being built and over \$209,000 raised.
- Nexstar participates in Project Roadblock, which is a multiplatform drunk driving prevention campaign exclusive to local broadcast television stations and is the largest annual station-supported initiative of a single public service campaign. Universally run by all Nexstar stations in association with the Television Bureau of Advertising, the National Highway Transportation Safety Administration, and the Ad Council, Project Roadblock demonstrates the power of local broadcast stations owned by Nexstar to influence, persuade and affect social behavior, as well as their commitment to public safety. The campaign includes English and Spanish TV commercials, web and mobile banners, and social media presence. Through continued support of Project Roadblock and in combination with other

drinking and driving prevention efforts, alcohol-impaired driving fatalities have decreased 27% from 14,409 in 2004 to 10,497 in 2016.

- Nexstar's NBC stations participate in Clear The Shelters, which is a program designed to promote responsible pet adoptions. Stations build awareness and excitement leading up to a single day in August of pet adoptions. Leading up to the actual event, local stations produce educational and heart-warming pet stories that inspire viewers to consider pet adoption. In 2018, Nexstar's 31 NBC markets collaborated with 180 pet shelters resulting in almost 1500 pet adoptions. The stations capture the success of the event by producing a 30-minute special celebrating adoption stories from across its markets, airing a Clear the Shelters TV special following the event.
- The Tribune Media Charitable Foundation awarded approximately \$320,000 in grants in 2018 to organizations such as The American Red Cross, The Salvation Army, Dana Farber Cancer Institute, United Way (Ventura County), and So Others Might Eat.
- Tribune's WGN(AM) held its 16th annual *Drive-Thru Toy Drive*, collecting 6,000 toys for needy children in Chicago.
- Tribune stations in Los Angeles and Sacramento raised more than \$500,000 for relief efforts related to the California wildfires.
- Tribune stations in Greensboro, Richmond, Milwaukee, Indianapolis, and Cleveland held telethons to benefit Hurricane Florence victims, raising almost \$300,000 in donations.
- Tribune's WGHP(DT) in North Carolina partnered with the Salvation Army to conduct a telethon to raise more than \$70,000 for tornado victims in the greater Piedmont region.
- Tribune's Indianapolis stations donated \$15,000 to a national non-profit, RIP Medical Debt, which allowed the cancellation of almost \$1.5 million of medical debt owed by needy families in Central Indiana. These stations also participated in a "Pack the Pantries" initiative which resulted in the donation of more than 300,000 meals to those in need and the collection of 10,000 books in a book drive to donate to Indianapolis public school students.
- In the wake of several police officers being shot and killed in the line of duty, Tribune stations in Denver partnered with a Colorado non-profit, Shield616, to launch a "Support the Shield" initiative, which will use donated funds to ensure that police officers are well-equipped with the best protective gear possible.

ATTACHMENT C

BIA Advisory Services, *BIA TV Market Reports, Nationwide Market Overview* (Dec. 6, 2018)

(Filed Confidentially)

ATTACHMENT D

Audience Share Data

(Filed Confidentially)

ATTACHMENT E
Rule-Compliant Satellite Markets



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December 21, 2018

Ms. Michelle Carey
Chief-Media Bureau
Federal Communications Commission
445 12th Street S.W.
Room 3-C740
Washington, D.C. 20554

Re: KDVR-TV, Denver, Colorado; KFCT-TV, Ft.
Collins, Colorado

Dear Ms. Carey:

I have been asked to opine on the operation of KFCT-TV, licensed to Ft. Collins, Colorado which operates as a long-time satellite of KDVR-TV, licensed to Denver, Colorado. This letter addresses the feasibility of operating and marketing KFCT-TV as a full-service standalone operation, versus the benefits of continued operation as a satellite of KDVR-TV. Both operate as FOX affiliates.

I am Managing Partner of Patrick Communications, a leading media brokerage firm in the industry with over \$8.0 billion in transactions. I have been involved in the broadcast industry for over forty years and my firm has sold 170 television stations in the past ten years, more than any other brokerage firm. In addition to Patrick Communications, I served from 2005 to 2008 as Chairman of the Board of ION Media Networks, the licensee of 60 television stations. I am also a past president of the National Association of Media Brokers and am the current chairman of the National Association of Broadcasters Educational Foundation, and past chairman of the National Association of Broadcasters PAC. I also own a minority interest in television stations in New York, Los Angeles, San Francisco, and Houston. In addition, I speak regularly to industry groups and have a long history of experience in both television operations and transactions.

I am familiar with the Denver TV market and the various television station signals, competition and market conditions there, as well as the current television economic environment and station transactional market. I have also provided numerous opinions to the FCC on satellite station waivers. I believe that I am qualified to opine on the viability and marketability of KFCT-TV as a standalone television station.

There are seventeen full power commercial television stations in the market. All major television networks are represented including ABC, NBC, CBS, FOX, CW, My, TBN, ION, CTN, Univision, Telemundo, Entravision and an independent. There are additional networks on a variety of low power and Class A stations. It is a very competitive market. Total television advertising dollars are estimated by BIA/Kelsey to be \$332.0 million in 2018.

Ranked as the 17th DMA in the U.S., the DMA population is just over 4.5 million. The DMA is extremely large geographically with most of the main stations utilizing satellites, low powers or translators to reach the far-flung population centers. Most of the full power stations licensed to Denver, including KDVR-TV, have population coverages of 3.8 to 3.9 million people. However, KFCT is licensed to Ft. Collins well to the north of Denver.

KFCT-TV, in Ft. Collins, has population coverage in its signal area of only 750,000 people according to BIA/Kelsey. This population level is equivalent to much smaller US TV markets such as Lincoln-Hastings-Kearney, NE; Lafayette, LA; Sioux Falls, SD; and Yakima-Pasco-Richland-Kennewick, WA. KFCT-TV would be unable to survive as a standalone station. There are no other viable primary networks, and little secondary television programming that would be available to the station. KFCT-TV would have to compete as an Independent station, but in a trading area equivalent to much smaller US markets which generally do not support the operation of Independent stations.

It is also unrealistic to assume that KFCT-TV would be able to obtain programming, sell enough advertising to be viable, attract employees, or be able to provide all the services to the community expected of a full service, standalone station. Only by continuing to operate as a satellite of KDVR-TV can KFCT-TV maintain economic viability and continuation of service to its community. In addition, by extending the signal of KDVR-TV well north of the city of Denver, communities that would not be served by the signal of KDVR-TV benefit from the local, community and network programming provided by KDVR-TV and seen locally on KFCT-TV.

As a broker, I believe that the marketing of KFCT-TV as a standalone station would be unsuccessful given the marginalized nature of the operation as a full-service TV station for all the reasons cited above. Local market conditions are already very competitive in the Denver market. Finding buyers for what would be a very marginal operation would be difficult at best, and most likely unsuccessful.

As a broker, if I were asked to market the station as a standalone entity I would be hard-pressed to identify any potential viable buyers. KFCT-TV is not marketable as a standalone station. Given the low chance of success in finding any buyer I would decline to take the listing as I would have to invest in a widespread effort including personal and telephonic contact, direct mail, and possibly trade press advertising in order to try and find a qualified buyer. The cost of these efforts would be prohibitive and would take a significant investment of my time as well. It is my opinion that even after an exhaustive marketing effort, if a buyer could even be found, it would only be at a very depressed minimal price.

Therefore, based on my twenty-five years of media brokerage experience, it is my opinion that no knowledgeable and experienced television operator could be found that would provide a viable, full service operation with KFCT-TV as a standalone station and that an effort to find a qualified buyer would either be fruitless or at a very depressed price.

Sincerely,

A handwritten signature in cursive script that reads "W. Lawrence Patrick".

W. Lawrence Patrick
Managing Partner



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December 21, 2018

Ms. Michelle Carey
Chief-Media Bureau
Federal Communications Commission
445 12th Street S.W.
Room 3-C740
Washington, D.C. 20554

Re: WTTV-TV, Bloomington, Indiana; WTTK-TV,
Kokomo, Indiana

Dear Ms. Carey:

I have been asked to opine on the operation of WTTK-TV, licensed to Kokomo, Indiana which operates as a long-time satellite of WTTV-TV, licensed to Bloomington, Indiana. The stations operate in the Indianapolis DMA. This letter addresses the feasibility of operating and marketing WTTK-TV as a full-service standalone operation, versus the benefits of continued operation as a satellite of WTTV-TV. Both operate as CBS affiliates.

I am Managing Partner of Patrick Communications, a leading media brokerage firm in the industry with over \$8.0 billion in transactions. I have been involved in the broadcast industry for over forty years and my firm has sold 170 television stations in the past ten years, more than any other brokerage firm. In addition to Patrick Communications, I served from 2005 to 2008 as Chairman of the Board of ION Media Networks, the licensee of 60 television stations. I am also a past president of the National Association of Media Brokers and am the current chairman of the National Association of Broadcasters Educational Foundation, and past chairman of the National Association of Broadcasters PAC. I also own a minority interest in television stations in New York, Los Angeles, San Francisco, and Houston. In addition, I speak regularly to industry groups and have a long history of experience in both television operations and transactions.

I am familiar with the Indianapolis TV market and the various television station signals, competition and market conditions there, as well as the current television economic environment and station transactional market. I have also provided numerous opinions to the FCC on satellite station waivers. I believe that I am qualified to opine on the viability and marketability of WTTK-TV as a standalone television station.

There are ten full power commercial television stations in the market. All major television networks are represented including ABC, NBC, CBS, FOX, CW, My, TBN, ION and independent. There are additional networks on a variety of low power and Class A stations. It is a very competitive market. Total television advertising dollars are estimated by BIA/Kelsey to be only \$145.0 million in 2018.

Ranked as the 28th DMA in the U.S., the DMA population is just over 3.0 million spread over 33 counties. Most of the full power stations are licensed to Indianapolis with population coverages of 2.7 to 2.9 million people. However, WTTV-TV is licensed to Bloomington well to the south of Indianapolis. WTTK-TV, its satellite, is licensed to Kokomo, and is situated well to the north of Indianapolis. Between the two stations, coverage of the majority of the DMA population, including the primary city of Indianapolis, is achieved.

WTTK-TV is licensed to Kokomo, Indiana. The smaller Kokomo trading area has a population of 57,800. This population level is equivalent to the very smallest of US TV markets such as Glendive, MT, Alpena, MI and North Platte, NE. WTTK-TV would be unable to survive as a standalone station. There are no other viable primary networks, and little secondary television programming that would be available to the station. WTTK-TV would have to compete as an Independent station, but in a trading area equivalent to the smallest of US markets which generally do not support the operation of Independent stations.

It is also unrealistic to assume that WTTK-TV would be able to obtain programming, sell enough advertising to be viable, attract employees, or be able to provide all the services to the community expected of a full service, standalone station. Only by continuing to operate as a satellite of WTTV-TV can WTTK-TV maintain economic viability and continuation of service to its communities. In addition, by extending the signal of WTTV-TV from Bloomington well north of the city of Indianapolis, communities that would not be served by the limited signal of WTTV-TV benefit from the local, community and network programming provided by WTTV-TV and seen locally on WTTK-TV.

As a broker, I believe that the marketing of WTTK-TV as a standalone station would be unsuccessful given the marginalized nature of the operation as a full-service TV station for all the reasons cited above. Local market conditions are already very competitive in the Indianapolis market. Finding buyers for what would be a very marginal operation would be difficult at best, and most likely unsuccessful.

As a broker, if I were asked to market the station as a standalone entity I would be hard-pressed to identify any potential viable buyers. WTTK-TV is not marketable as a standalone station. Given the low chance of success in finding any buyer I would decline to take the listing as I would have to invest in a widespread effort including personal and telephonic contact, direct mail, and possibly trade press advertising in order to try and find a qualified buyer. The cost of these efforts would be prohibitive and would take a significant investment of my time as well. It is my opinion that even after an exhaustive marketing effort, if a buyer could even be found, it would only be at a very depressed minimal price.

Therefore, based on my twenty-five years of media brokerage experience, it is my opinion that no knowledgeable and experienced television operator could be found that would provide a viable, full service operation with WTTK-TV as a standalone station and that an effort to find a qualified buyer would either be fruitless or at a very depressed price.

Sincerely,

A handwritten signature in cursive script that reads "W. Lawrence Patrick".

W. Lawrence Patrick
Managing Partner