

Description of the Transaction

This application is one of two concurrently filed applications that seek the Commission's consent to Gray Television, Inc.'s ("Gray") acquisition of WUPV(DT), Ashland, VA (Facility ID 10897) and KYOU-TV, Ottumwa, IA (Facility ID 53820), which are currently held by subsidiaries of American Spirit Media, LLC ("American Spirit"). Specifically, the applications seek consent to (1) the assignment of the license for WUPV(DT) to Gray Television Licensee, LLC and (2) the long-form transfer of control to Gray of KYOU License Subsidiary, LLC, licensee of KYOU-TV.

Gray has pending with the Commission, several applications that seek the Commission's consent to its proposed merger with Raycom Media, Inc. ("Raycom").¹ As part of the merger between Raycom and Gray, Raycom planned to acquire the licenses of WUPV(DT) and KYOU-TV and then assign or transfer those licenses to Gray at the closing of the merger. Accordingly, American Spirit filed applications to assign the licenses of WUPV(DT) and KYOU-TV to Raycom, and on September 14, 2018, the Commission granted the assignment of licenses. American Spirit and Raycom have agreed not to consummate those transactions. Instead, Raycom has agreed to assign and Gray has agreed to assume the purchase agreements between American Spirit and Raycom.

As described in the merger applications, Gray's acquisition of WUPV(DT) and KYOU-TV complies with the FCC's local television ownership rule. WUPV(DT) is assigned to the Richmond-Petersburg, Virginia market. WUPV(DT) is the Richmond DMA's CW affiliate and is ranked fifth in the market.² Gray also has sought Commission consent to the assignment of WWBT(DT), Richmond, VA from Raycom to Gray Television Licensee, LLC. WWBT(DT) is the NBC affiliate in the market and is the second ranked station in the market. Accordingly, Gray's acquisition of both WUPV(DT) and WWBT(DT) complies with the Commission's local television ownership rule. KYOU-TV is the Fox and NBC affiliate for the Ottumwa-Kirksville market. After consummating the merger, KYOU-TV will be Gray's only station in the Ottumwa-Kirksville market, thus, Gray's acquisition of KYOU-TV complies with the Commission's local television ownership rule.

Raycom and American Spirit currently are parties to shared services agreements with respect to WUPV(DT) and KYOU-TV. Those shared services agreements will terminate upon Gray's acquisition of WUPV(DT) and KYOU-TV.

Because the instant applications are associated with the merger between Gray and Raycom, Gray has included as attachments to these applications, copies of the merger agreement, the comprehensive exhibit, and the amendments to the pending merger applications.

¹ See *Media Bureau Establishes Pleading Cycle for Applications Filed for the Transfer of Control and Assignment of Broadcast Television Licenses from Raycom Media, Inc. to Gray Television, Inc., Including Top-Four Showings in Two Markets, and Designates Proceeding as Permit-But-Disclose for Ex Parte Purposes*, Public Notice, DA 18-782 (rel. July 27, 2018).

² Gray is filing the ratings information separately with the Commission with a request for confidentiality.