

TV/RADIO CROSS-OWNERSHIP

The instant application is one of a number of applications that are being filed concurrently for Commission consent to the acquisition by Cumulus Media Partners, LLC (“CMP”) of the radio stations controlled by Susquehanna Radio Corp.

As a result of the proposed transactions, CMP will control the licenses for the following radio stations located in the Houston/Beaumont/Port Arthur, Texas area:

KFNC(FM), Beaumont, TX (Facility ID #52407)
KIOL(FM), La Porte, TX (Facility ID #48676)
KRBE(FM), Houston, TX (Facility ID #35524)

As stated in Transferee’s Exhibit I6, certain of the Blackstone Funds and/or their affiliates, which hold an attributable interest in CMP, also hold an attributable interest in Freedom Communications Holdings, Inc. which, through subsidiaries, owns, *inter alia*, the following full-power television station:

KFDM-TV, Beaumont, TX (Facility ID #22589)

Annexed hereto as Attachment 1 is a map demonstrating that (1) the Grade A contour of KFDM-TV encompasses the community of license of KFNC(FM); and (2) the 1 mV/m contours of KIOL(FM) and KFNC(FM) encompass the community of license of KFDM-TV, thus triggering the TV/radio cross-ownership rule.¹ KFNC(FM) is part of the Beaumont-Port Arthur, TX Arbitron radio metro market, while KIOL(FM) is part of the Houston-Galveston, TX Arbitron radio metro market. Although these radio stations fall within two separate Arbitron radio metro markets, the Commission counts a radio station assigned to one Arbitron radio metro market toward an entity’s ownership limits in a distant market when the contour of the radio station triggers the rule.² As the 1 mV/m contour of KIOL(FM) triggers the TV/radio cross-

¹ The 1 mV/m contour of KRBE(FM) does not encompass KFDM-TV’s community of license, nor does the Grade A contour of KFDM-TV encompass the community of license of KRBE(FM). Therefore, the TV/radio cross-ownership rule is not triggered by this combination. KRBE(FM)’s contour is included for reference.

² Memorandum Opinion and Second Order on Reconsideration, *Review of the Commission’s Regulations Governing Television Broadcasting*, 16 FCC Rcd 1067, ¶ 41 (2001) (“[F]or purposes of the radio/TV cross-ownership rule, we generally do not count radio stations located in one Arbitron radio market toward the limits on the number of radio stations a party may own in another Arbitron radio market, even when the radio stations in the different markets fall within the Grade A contour of a commonly owned TV station. We do count, however, a radio station assigned to one Arbitron radio market toward an entity’s ownership limits in a distant market when the contour of the radio station triggers the rule, because the rule continues to be triggered by contour encompassment, and such a radio station has a presence for competition and diversity purposes in the distant market.”)

ownership rule independently of the TV station, the resulting combination includes:

KFNC(FM), Beaumont, TX
KIOL(FM), La Porte, TX
KFDM-TV, Beaumont, TX (Facility ID #22589)

The Commission's rules permit common ownership of two commercial television and four commercial radio stations (to the extent permitted by the television duopoly and local radio ownership limits) if at least 10 independently owned media voices would remain in the market post-merger.³

Annexed hereto as Attachment 2 is a study demonstrating that at least 10 independent media voices will remain in both the Beaumont-Port Arthur, TX and Houston-Galveston, TX Arbitron radio metro markets.⁴ This is a sufficient number of voices to permit common ownership of the 1 TV/2 radio combination.

³ Section 73.3555(c)(2)(ii).

⁴ Section 73.3555(c)(3)(ii)(B) of the Commission's rules states that "[w]hen a proposed combination involves stations in different radio markets, the voice requirement must be met in each market."