COMPREHENSIVE EXHIBIT

I. Introduction

This application is one of two Form 315 applications filed concurrently that seek the Commission's consent to a transaction (the "Transaction") between Journal Communications, Inc. ("Journal") and The E.W. Scripps Company ("Scripps"). Journal is the parent of the licensees of 35 radio stations and 12 full-power television stations. As part of the Transaction, Journal will become a subsidiary of Scripps. The Transaction will therefore result in the transfer of control of Journal's broadcast stations to Scripps, which is the parent of the licensee of 16 full-power television stations.

With one exception, the broadcast stations owned by Journal and Scripps are located in separate markets, and the Transaction will not increase media consolidation in any market. The one exception is Tulsa, where Scripps owns one television station and Journal owns five radio stations. As shown below, this combination complies with the Commission's radio-television cross-ownership rule.

At present, both Scripps and Journal publish daily newspapers, some of which are located in markets where Scripps or Journal also owns radio or television stations. As part of the Transaction, however, Scripps and Journal will each spin off their respective newspaper businesses, which will merge into a new publicly held company, Journal Media Group, Inc. ("Journal Media Group"). Following the completion of the Transaction, no person holding an attributable interest in Scripps will hold an attributable interest in Journal Media Group, and no person holding an attributable interest in Journal Media Group will hold an attributable interest in Scripps. The Transaction will thus serve the public interest by eliminating all existing and potential newspaper-broadcast cross-ownership, and result in two completely independent, well-capitalized surviving companies – Scripps owning broadcast stations, and Journal Media Group owning newspapers.

Although the Transaction will not create any new broadcast station combinations in any market – other than in Tulsa, where the resulting radio-television combination complies with the FCC's ownership rules – the following divestitures and waivers will be required in markets where Journal owns station combinations that are grandfathered or held pursuant to a failing or failed station waiver:

- Wichita: Journal's ownership of five FM radio stations in the Wichita market exceeds the four FM station sub-cap applicable in that market. Journal's ownership of the five FM stations is "grandfathered," because Journal acquired the stations prior to a change in the FCC's local ownership rule that had the effect of reducing the size of the market for purposes of the local radio ownership rule. Journal will divest one of its Wichita FM stations prior to completion of the Transaction.

- Boise: Journal owns two top-four stations in the Boise market. Journal acquired one of these stations pursuant to a failing station waiver, and subsequently entered into an affiliation agreement with the FOX Television Network. Journal will divest one of its Boise television stations prior to completion of the Transaction.

- Green Bay: Journal owns two television stations in the Green Bay market pursuant to a failed station waiver. In this application, Scripps requests issuance of a failing station waiver so as to permit the continued ownership of the MyNetwork TV affiliate in this market.

Subject to completion of the required two divestitures and grant of the failing station waiver, the applicants respectfully request the prompt grant of this and associated applications.[1]

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[1] The applicants are contemporaneously filing separate applications with the Wireless Telecommunications and International Bureaus seeking Commission consent to the transfer of control to Scripps of microwave, land mobile and earth station authorizations held by subsidiaries of Journal and used in the operation of Journal's broadcast stations. In addition, the newspaper subsidiaries of Journal and Scripps, which will become a part of Journal Media Group following completion of the Transaction, also hold FCC non-broadcast authorizations for facilities used in the operation of their newspaper businesses. The appropriate subsidiaries and Journal Media Group are filing separate applications for consent to the transfer of control of FCC licenses used in the operation of the newspaper businesses.

The parties intend that the applications filed in connection with the Transaction include all of the licenses and other FCC authorizations held by Journal and its subsidiaries. Such companies 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 transfer applications. Accordingly, the applicants request that any Commission approval of the applications relating to the Transaction include authority for Scripps to acquire control of: (1) any authorization issued to Journal or its subsidiaries relating to its broadcast businesses while the Transaction is pending before the Commission and during the period required for consummation of the Transaction; and (2) any applications filed by Journal or its subsidiaries relating to its broadcast businesses that are pending at the time of consummation. Such action would be consistent with prior decisions of the Commission. *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); *SBC Communications Inc. and AT&T Corp. Applications for Approval of Transfer of Control*, Memorandum Opinion and Order, 20 FCC Rcd 18290, 18392, ¶ 212 (2005); *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). The parties also request that Commission approval include any authorizations that may have been inadvertently omitted. Similarly, pursuant to Sections 1.927(h), 1.929(a)(2), and 1.933(b) of the Commission's Rules, to the extent necessary, the applicants request a blanket exemption from any applicable cut-off rules in cases where the licensees in this Transaction file 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 are not being 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. *See, e.g., Applications of PacifiCorp Holdings, Inc., and Century Telephone Enterprises, Inc. for Consent to Transfer Control of Pacific Telecom, Inc., a Subsidiary of PacifiCorp Holdings, Inc.*, Memorandum Opinion and Order, 13 FCC Rcd 8891, 8915 ¶ 47 (1997); *Applications of NYNEX Corp. and Bell Atlantic Corp.*, Memorandum Opinion and Order, 12 FCC Rcd 19985, 20091, 20092 ¶ 234 (1997).

II. The Master Transaction Agreement; Separation of Newspapers from Broadcast

The transfer of control of Journal's broadcast stations to Scripps will be effectuated pursuant to the Master Transaction Agreement dated as of July 30, 2014 (the "MTA"), which is attached at Exhibit 6B to this application. The parties have excluded the exhibits, appendices and disclosure schedules to the MTA. The exhibits and appendices are:

Exhibit A – Employee Matters Agreement
Exhibit B – Exchange Agent Agreement
Exhibit C – Scripps Tax Matters Agreement
Exhibit D – Journal Tax Matters Agreement
Exhibit E – Transition Services Agreement
Exhibit F – Newco Articles of Incorporation
Exhibit G – Newco Bylaws

Appendix I – Journal Broadcast Business
Appendix II – Journal Broadcast Entities
Appendix III – Journal Newspaper Business
Appendix IV – Scripps Broadcast Business
Appendix V – Scripps Broadcast Entities
Appendix VI – Scripps Newspaper Business

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

Copies of the Employee Matters Agreement and the Tax Matters Agreements are publicly available through filings by Journal and Scripps with the SEC.

III. Separation of Newspaper Business

The MTA contemplates that each of the parties to the agreement will take a number of steps prior to and at the closing. Two steps are relevant to the Commission's review of this application.

First, Scripps and Journal will place their respective newspaper businesses in newly formed subsidiaries; spin off those subsidiaries to their respective shareholders; and then merge the subsidiaries, which will then be owned by a new company, Journal Media Group, which will own all of the newspapers formerly owned by Scripps and Journal. Journal Media Group will be a publicly held company, initially owned 59% by the shareholders of Scripps and 41% by the shareholders of Journal at the time of completion of the Transaction. Journal Media Group will have a single class of stock, with one vote per share. No person or group of persons will hold a controlling interest in Journal Media Group.

Second, Journal will merge into and become a wholly owned subsidiary of Scripps. Following completion of the Transaction, Scripps will continue to be a publicly owned company, owned 69% by the shareholders of Scripps and 31% by the shareholders of Journal at the time of the completion of the Transaction. Scripps, however, will retain its dual-class share structure. Scripps will continue to have two types of stock outstanding: Class A Common Shares, which are publicly traded and are entitled to elect the greater of three or one-third of the directors of Scripps, but are not entitled to vote on any other matters except as required by Ohio law; and Common Voting Shares, which are not publicly traded and are entitled to elect all remaining directors and to vote on all matters requiring a vote of shareholders. The shareholders of Journal will receive Class A Common Shares as a result of the Transaction. Approximately 93% of the Common Voting Shares will continue to be owned by the parties to the Scripps Family Agreement dated October 15, 1992, as amended (the "Scripps Family Shareholders"), who vote as a block on all matters presented to the shareholders of Scripps. The Transaction will therefore not result in any change of control of Scripps, which will continue to be controlled by the Scripps Family Shareholders, as previously approved by the Commission. *See* FCC File No. BTCCDT-20130124AEV (granted March 4, 2013).

Provisions in the MTA ensure that, following the completion of the Transaction, Scripps (the broadcast company) and Journal Media Group (the newspaper company) will be completely independent, and that no person with an attributable ownership or positional interest in Scripps will hold an attributable interest in Journal Media Group and vice versa. Section 7.28 of the MTA provides that, following completion of the Transaction: only the signatories to the Scripps Family Agreement will have an attributable ownership interest in Scripps; none of the signatories to the Scripps Family Agreement will have an attributable ownership interest in Journal Media Group; and no person with an attributable ownership interest in Scripps will hold an attributable ownership interest in Journal Media Group.[2] Section 5.03(b) of the MTA provides that no officer or director of Scripps or any of its subsidiaries will be an officer or director of Journal Media Group or any of its subsidiaries. Section 11.10 of the MTA provides that no officer or director of Journal Media Group or any of its subsidiaries will be an officer or director of Scripps or any of its subsidiaries. Thus, following completion of the Transaction, there will be no cross-ownership between the broadcast stations owned by Scripps and the newspapers owned by Journal Media Group.

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[2] Section 7.28 of the MTA also provides that, following completion of the Transaction, neither the Scripps Family Agreement nor any other agreement to like effect will apply to the shares of Journal Media Group held by the Scripps Family Shareholders. The Scripps Family Shareholders also amended the Scripps Family Agreement on July 31, 2014, to expressly state that the agreement "shall not apply to any shares of capital stock of any entity (or successor entity) owning the newspapers published by [Scripps] or its subsidiaries and the newspapers published by Journal Communications, Inc. or its subsidiaries." Attachment A is a copy of this amendment. As indicated above, Journal Media Group will have only one class of stock, and no person or group will hold a controlling interest in Journal Media Group immediately following completion of the Transaction.

IV. Parties to the Applications

The ownership structure of Scripps, the proposed transferee, as it relates to its broadcast licenses, will not change as a result of the Transaction, except that Journal will become a wholly owned subsidiary of Scripps. Attachment B is a chart showing the ownership of Journal and its broadcast licensee subsidiaries following completion of the Transaction.

The following tables, which are consistent with the format of Section IV, Question 6.a on Form 315, list the following for Scripps (the transferee), and for the Scripps Family Shareholders who control the transferee:

(1) Name and address of the transferee and each party to the application holding an attributable interest
(2) Citizenship
(3) Positional interest
(4) Percentage of votes
(5) Percentage of total assets (equity plus debt)

The E.W. Scripps Company

1.	The E.W. Scripps Company 312 Walnut Street, 28^{th} Floor Cincinnati, OH 45202-4067	Richard A. Boehne 312 Walnut Street, 28^{th} Floor Cincinnati, OH 45202-4067	Timothy M. Wesolowski 312 Walnut Street, 28^{th} Floor Cincinnati, OH 45202-4067
2.	US	US	US
3.	Parent of Licensee	Officer/Director	Officer
4.	0%	0%	0%
5.	0%	0%	0%
1.	Brian G. Lawlor 312 Walnut Street, 28^{th} Floor Cincinnati, OH 45202-4067	William Appleton 312 Walnut Street, 28^{th} Floor Cincinnati, OH 45202-4067	Timothy E. Stautberg 312 Walnut Street, 28^{th} Floor Cincinnati, OH 45202-4067
2.	US	US	US
3.	Officer	Officer	Officer
4.	0%	0%	0%
5.	0%	0%	0%
1.	Lisa A. Knutson 312 Walnut Street, 28^{th} Floor Cincinnati, OH 45202-4067	Mark Koors 312 Walnut Street, 28^{th} Floor Cincinnati, OH 45202-4067	Julie McGehee 312 Walnut Street, 28^{th} Floor Cincinnati, OH 45202-4067
2	US	US	US
3.	Officer	Officer	Officer

4.	0%	0%	0%
5.	0%	0%	0%
1.	Douglas F. Lyons 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067	Robert A. Carson 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067	Adam P. Symson 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067
2	US	US	US
3.	Officer	Officer	Officer
4.	0%	0%	0%
5.	0%	0%	0%
1.	David M. Giles 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067	Anne M. La Dow 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067	Kelly P. Conlin 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067
2.	US	US	US
3.	Officer	Director/Stockholder	Director
4.	0%	0%	0%
5.	0%	0%	0%
1.	J. Marvin Quin 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067	Roger Ogden 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067	Paul K. Scripps 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067
2.	US	US	US
3.	Director	Director	Director/Stockholder
4.	0%	0%	7%
5.	0%	0%	1%
1.	John Hayden 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067	Mary Peirce 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067	Kim Williams 312 Walnut Street, 28th Floor Cincinnati, OH 45202-4067
2.	US	US	US
3.	Director	Director	Director
4.	0%	0%	0%
5.	0%	2%	0%
1.	Scripps Family Shareholders 334 Beechwood Road Ft. Mitchell, KY 41017-2086		
2.	US		
3.	Stockholder		
4.	93%		
5.	30%		

Scripps Family Shareholders

1.	Scripps Family Shareholders 250 Grandview Suite 400 Ft. Mitchell, KY 41017 -	Peter R. La Dow 250 Grandview Suite 400 Ft. Mitchell, KY 41017 -	Barbara Victoria Scripps Evans 250 Grandview Suite 400 Ft. Mitchell, KY 41017 -
2.	US	US	US
3.	Stockholder	Stockholder	Stockholder
4.	0%	9%	7%
5.	0%	1%	1%
1.	Paul K. Scripps 250 Grandview Suite 400 Ft. Mitchell, KY 41017 -	Rebecca Scripps Brickner 250 Grandview Suite 400 Ft. Mitchell, KY 41017 -	Virginia S. Vasquez 250 Grandview Suite 400 Ft. Mitchell, KY 41017 -
2.	US	US	US
3.	Stockholder	Stockholder	Stockholder
4.	6%	7%	7%
5.	1%	2%	2%
1.	Eaton M. Scripps 250 Grandview Suite 400 Ft. Mitchell, KY 41017 -	Molly E. McCabe 250 Grandview Suite 400 Ft. Mitchell, KY 41017 -	R. Michael Scagliotti 250 Grandview Suite 400 Ft. Mitchell, KY 41017 -
2.	US	US	US
3.	Officer/Stockholder/Family Council	Officer/Stockholder/Family Council	Stockholder/Family Council
4.	4%	2%	0%
5.	2%	1%	0%
1.	William H. Scripps 250 Grandview Suite 400 Ft. Mitchell, KY 41017 -	Jonathan L. Scripps 250 Grandview Suite 400 Ft. Mitchell, KY 41017 -	Mary Pierce 250 Grandview Suite 400 Ft. Mitchell, KY 41017
2.	US	US	US
3.	Stockholder/Family Council	Stockholder/Family Council	Stockholder
4.	4%	0%	2%
5.	2%	0%	2%

1.	Elizabeth Logan 250 Grandview Suite 400 Ft. Mitchell, KY 41017		
2.	US		
3.	Stockholder		
4.	2%		
5	2%		

V. Pending Renewal Applications

Journal has several pending applications for renewal of its broadcast authorizations. With respect to any of these applications for which Journal is unable to complete the renewal process prior to completion of the Transaction, the applicants request that the Commission apply its policy permitting processing of multi-station long-form applications that involve stations with pending license renewal applications where (1) no basic qualifications issues have been raised or, if raised, were resolved favorably, and (2) the purchaser explicitly assents to standing in the stead of the seller in any renewal proceeding that is pending at the time of consummation of the transaction. Scripps agrees to succeed to the position of Journal in any pending license renewal applications and to assume the consequences thereof, consistent with the procedures set forth in *Shareholders of CBS Corporation*, 16 FCC Rcd 16072, ¶ 3 (2001) ("The Commission repeatedly has held that, in multi-station transactions, it will grant the transfer of control application while the renewal application is pending as long as there are no basic qualification issues pending against the transferor or transferee that could not be resolved in the context of the transfer proceeding, and the transferee explicitly assents to standing in the stead of the transferor in the pending renewal proceeding.").

VI. Compliance with Broadcast Ownership Rules

As explained in this Section, the Transaction complies with the Commission's multiple ownership rules, assuming the grant of the requested failing station waiver and conditioned on the divestiture of two broadcast stations prior to the closing.

A. Newspaper-Broadcast Cross-Ownership Rule

Journal currently owns a grandfathered newspaper-broadcast combination in Milwaukee, consisting of the *Journal Sentinel*, WTMJ-TV, WLWK(FM) and WTMJ(AM). Scripps currently owns daily newspapers in markets where Journal owns television or radio stations: Scripps publishes the *Naples Daily News* in the Ft. Myers-Naples market, where Journal owns WFTX(TV); and Scripps publishes the *News Sentinel* in the Knoxville market, where Journal owns four radio stations, WNQX(FM), WKFT(FM), WCYQ(FM), and WWST(FM). As discussed in Section III above, however, the newspaper businesses currently owned by Scripps and Journal will spun off to a new, independently owned and operated publicly held company as part of the Transaction. Following completion of the Transaction, neither Scripps nor any person holding an attributable interest in Scripps will hold an attributable interest in any daily newspaper.

B. Radio-Television Cross-Ownership Rule

The combination of Scripps and Journal will not result in any media consolidation except in the Tulsa market, where Scripps owns a television station, KJRH-TV, and Journal owns five radio stations, KXBL(FM), KHTT(FM), KBEZ(FM), KVOO(FM), and KFAQ(AM). As shown at Attachment C-1 hereto, there will be at least 24 independently owned and operated media voices in the Tulsa market following completion of the Transaction. Therefore, the common ownership by Scripps in Tulsa of one television station and five radio stations is permitted under the radio-television cross-ownership rule.

As a result of the Transaction, Scripps will acquire Journal's existing radio-television station combinations in the following markets: Milwaukee, Tucson, Omaha, Boise and Green Bay. As shown in Attachments C-2 through C-6 hereto, these combinations comply with radio-television cross-ownership rule, assuming in the case of Green Bay, the Commission's grant of the requested failing station waiver for station WACY-TV, Appleton, Wisconsin.

C. Local Radio Ownership Rule

Scripps does not currently own any radio stations, so the Transaction will not result in any new radio combinations. As a result of the Transaction, however, Scripps will acquire Journal's radio stations, which are located in eight markets: Milwaukee, Tucson, Tulsa, Knoxville, Omaha-Council Bluffs, Boise, Wichita, and Springfield, MO. Attachments D-1 through D-8 contain BIA FCC Geographic Market reports, as well as contour overlap studies where necessary, showing that that these radio combinations comply with the Commission's local radio ownership rule in all but one market, Wichita.

As shown in Attachment D-7, Journal owns six radio stations in Wichita, one AM and five FM. BIA reports that there are 33 radio stations located in or assigned to the Wichita Metro. Therefore, the applicable limit in the market is seven stations, no more than four of which may be in the same service. 47 C.F.R. § 73.3555(a)(1)(ii). Journal thus owns one more FM radio station than permitted under the FM sub-cap. (Journal's ownership of the station is grandfathered, because Journal acquired the Wichita stations prior to the Commission's change to a Metro-based geographical market definition.)

Journal will divest one of its Wichita FM radio stations prior to completion of the Transaction. Scripps therefore requests that the Commission approve the Transaction, conditioned on the divestiture of one of the Wichita FM stations prior to the closing.

D. Local Television Ownership Rule

Scripps and Journal do not own any television stations in the same market. However, Journal owns two television stations in each of the following three markets: Green Bay, Tucson and Boise. Under the local television ownership rule, Scripps may own two full power television stations in a market in one of two circumstances: (1) at least one of the stations is not a top-four station and at least eight independently owned and operated commercial and noncommercial full power television stations would remain in the market following the Transaction; or (2) the Commission grants a failing station waiver. Each of the markets is discussed below.

1. Boise – Required Divestiture

Journal owns two television stations in the Boise market, KIVI-TV, Nampa, and KNIN-TV, Caldwell. There are fewer than eight independently owned and operated television stations in the Boise market. Journal acquired KNIN-TV in 2009 pursuant to a failing station waiver. *Banks-Boise, Inc.*, Letter to Counsel, 23 FCC Rcd 16508 (MB, Video Division 2008). KIVI-TV is an ABC affiliate and a top-four station. When Journal acquired KNIN-TV pursuant to a failing station waiver, it was a CW network affiliate. Under Journal's stewardship, KNIN-TV became a FOX network affiliate, and it is now one of the top four stations in the market and no longer qualifies as a failing station.

Journal will divest one of its Boise television stations prior to completion of the Transaction. Scripps therefore requests that the Commission approve the Transaction, conditioned on the divestiture of one of the Boise television stations prior to the closing.

2. Green Bay – Failing Station Waiver

Journal owns two television stations in the Green Bay market, WGBA-TV, Green Bay, and WACY-TV, Appleton. Journal acquired WACY-TV in 2012 pursuant to a failed station waiver. *Ace TV, Inc.*, Letter to Counsel, 27 FCC Rcd 10864 (MB, Video Division 2012). WGBA-TV is a NBC affiliate, and WACY-TV is a MyNetwork affiliate, and it is not a top-four station. However, there are fewer than eight independently owned and operated television stations in the Green Bay market. In Section VII below, Scripps requests a failing station waiver so as to permit the continued ownership of WACY-TV following completion of the Transaction.

3. Tucson – Rule Compliant Duopoly

Journal owns two television stations in the Tucson market, KGUN-TV, Tucson, and KWBA-TV, Sierra Vista. KGUN-TV is an ABC affiliate, and KWBA-TV is a CW affiliate, and it is not a top-four station as shown on Attachment E-1. When Journal acquired KWBA-TV in 2008, the acquisition resulted in fewer than eight independently owned and operated television stations remaining in the market. Therefore, Journal acquired KWBA-TV pursuant to a failing station waiver. *Assignment of License for KWBA(TV), Sierra Vista, AZ*, Letter to Counsel, 23 FCC Rcd 8594 (MB, Video Division 2008). Since Journal's acquisition of KWBA-TV, however, the number of independently owned and operated television stations in the Tucson market has increased. As shown on Attachment E-2, there are currently eight independently owned and operated television stations in the Tucson market, including the KGUN/KWBA combination. Therefore, the ownership by Scripps of both KGUN-TV and KWBA-TV in the Tucson market is permitted under the local television ownership rule.

E. Joint Sales Agreement – Lansing, MI

Journal is also a party to a joint sales agreement in the Lansing market.[3] The joint sales agreement is between Journal's WSYM-TV, Lansing (a FOX affiliate), and WHTV, Jackson (a MyNetwork affiliate), which is licensed to Spartan-TV, L.L.C. The joint sales agreement is for the sale of more than 15% of the advertising time on WHTV by Journal and therefore would be attributable under the recently adopted rule, but for the two-year transition period. *See 2014 Quadrennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, Further Notice of Proposed Rulemaking and Report and Order, 29 FCC Rcd 4371, 4542 ¶ 367 (2014). Neither the joint sales agreement nor the parties to the agreement will change as a result of the Transaction. Therefore, the joint sales agreement should be unaffected by the Transaction and remain subject to the two-year transition period.

VII. Request for Failing Station Waiver

Journal owns two television stations in the Green Bay-Appleton DMA – WGBA-TV, Green Bay, and WACY-TV, Appleton. WGBA-TV is a NBC affiliate, and WACY-TV is a MyNetwork affiliate and is not a top-four station. However, there are fewer than eight independently owned and operated television stations in the Green Bay DMA.[4]

Journal acquired WACY-TV in 2012 pursuant to a failed station waiver. *Ace TV, Inc.*, Letter to Counsel, 27 FCC Rcd 10864 (MB, Video Division 2012). For the reasons set forth below, Scripps submits that grant of a failing station waiver to allow Scripps to continue to own both stations following completion of the Transaction would serve the public interest.

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[3] Attachment F-1 is the redacted version of the Agreement for the Sale of Commercial Time posted in WHTV's online public inspection file. In addition, Journal leases office space to WHTV pursuant to the redacted Studio and Office Lease Agreement at Attachment F-2, and holds an option and right of first refusal to purchase the station pursuant to the redacted Option Agreement at Attachment F-3, which WHTV has previously filed with the Commission. Journal is submitting unredacted versions of these documents to the Commission, with a request for confidential treatment.

The option is exercisable only if the licensee does not sell the spectrum rights for WHTV at the incentive auction. The exercise price is based on a formula intended to approximate the fair market value of the station at the time of exercise of the option. Journal provides no programming to WHTV and has advanced no funds nor provided any guarantee.

[4] The local television ownership rule permits common ownership of two commercial stations in the same DMA that have overlapping Grade B contours if, at the time the assignment application is filed, at least one of the stations is not ranked among the top four stations in the DMA, and at least eight independently owned and operating full-power television stations would remain in the DMA following the acquisition. *See* 47 C.F.R. § 73.3555(b). In 2014 Quadrennial Regulatory Review, *See 2014 Quadrennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, Further Notice of Proposed Rulemaking and Report and Order, 29 FCC Rcd 4383-84, ¶ 28 (2014), the Commission proposed to replace the analog Grade B contour with the noise limited service contour, which is the digital equivalent of the analog Grade B service contour.

To qualify for a failing station duopoly waiver under Note 7 to Section 73.3555 of the Commission's rules, an applicant must satisfy the following four criteria:

- One of the stations has an all-day audience share of no more than 4 percent;
- The financial condition of the station is poor (with a waiver more likely to be granted if the station has had negative cash flow for three consecutive years immediately prior to the application);
- The common ownership of the stations will produce tangible and verifiable public interest benefits that outweigh any harm to competition and diversity; and
- An in-market buyer is the only reasonably available candidate willing and able to acquire and operate the station, and selling the station to an out-of-market buyer would result in an artificially depressed price.[5]

As demonstrated below, each of these criteria is satisfied in the Green Bay market.

Low All-Day Audience Share. WACY-TV consistently has failed to achieve a meaningful audience share. WACY-TV's all-day audience share (Mo-Su, 9:00A-12:00A) in the last two Nielsen ratings books was 1%. *See* Attachment G-1 to this Exhibit. WACY-TV's negligible audience share meets for first criterion for a failing station waiver.

Poor Financial Condition. Although WACY-TV's financial performance has improved under Journal's stewardship as a result of its joint operation with WGBA-TV, it continues to struggle and, as shown in Attachment G-2 hereto,[6] during the period that it has been owned by Journal would have experienced negative cash flow if operated on a stand-alone basis.[7] The financial data submitted with Attachment G-2 is for the years since Journal's acquisition of WACY-TV.

Public Interest Benefits. As the Commission noted when it approved Journal's acquisition of WACY-TV pursuant to a failed station waiver, both WACY-TV and WGBA-TV had a troubled financial history prior to the combination of the stations, and the joint operation of

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5 *Review of the Commission's Regulations Governing Television Broadcasting*, Report and Order, 14 FCC Rcd 12903 (1999) ("Local Ownership Order"), *recon. granted in part,* 16 FCC Rcd 1067 (2001).

6 The financial data are confidential and have been submitted under separate cover, with a request for confidential treatment.

7 The Commission permits an applicant to demonstrate poor financial condition in a request for continuation of a failing station waiver by the use of adjusted and unadjusted financial statements. *See Applications for Consent to Transfer Control of New Young Broadcasting Holding Co., Inc. and Media General Communications Holdings, LLC*, 28 FCC Rcd 15509, 15522 (Media Bureau 2013).

the stations has resulted in efficiencies that enable both WACY-TV and WGRB-TV to produce and broadcast programming that furthers the public interest. *Ace TV, Inc.*, 27 FCC Rcd at 10866. WACY-TV, which is a MyNetwork affiliate, has been able to broadcast significant amounts of locally-produced, locally-focused programming that would otherwise not have been possible. In particular, WACY-TV produces and broadcasts the N.E.W. Sports Showdown program that focuses on local high school and college sports in northeast Wisconsin (hence the "N.E.W." acronym). WACY-TV projects that it will broadcast nearly 339 hours of locally-produced programming in 2014, an average of 6.5 hours of locally-produced community based programming per week.

The N.E.W. Sports Showdown provides comprehensive coverage of local sports, including basketball, hockey, baseball and auto racing. WACY-TV broadcast every game of the Wisconsin High School Basketball Championships, live coverage of 30 minor league Wisconsin Timber Rattlers baseball games, and local racing coverage from the Fox River Racing Club at the Wisconsin International Raceway – all programming that is of interest to local viewers but is unlikely to air otherwise.

WACY-TV actively supports community organizations and events. WACY-TV airs a two hour special each June about the Bellin Run, a local 10K race held that promotes healthy lifestyles. Bellin Hospital is a local health care provider that serves North East Wisconsin. WACY-TV also airs 28 promotional announcements per week to help non-profit groups, charitable organizations, and communities promote local events and fund raisers. This equates to 1,456 announcements per year which provides awareness of charitable events these groups would not otherwise receive.

***No Rational Out-of-Market Buyer*.** Attachment G-3 contains an analysis of the marketability of WACY-TV by Kalil & Co., one of the nation's premier media brokerage firms. Kalil evaluated the prospects for the sale of WACY-TV to an out-of-market buyer. In connection with this evaluation, Kalil considered the challenges to stand-alone MyNetwork affiliates under current market conditions, the size and geographic scope of the Green Bay DMA, which results in added expense to fill in over-the-air coverage and deliver a quality signal to cable head-ends, the overall negative decline (-35%) in Green Bay market revenues for 2013 as compared to 2012, the inability of MyNetwork affiliates to obtain significant political revenues and the problems that stand-alone stations face in finding competitive programming for non-network time periods at a reasonable cost. Kalil explains that, on the basis of its evaluation of factors, as well as WACY-TV's standalone financial performance and the current economic and competitive environment, an in-market buyer would be the only reasonably available candidate willing and able to acquire and operate the station.

VIII. Request for Authorization to Assign Stations to Stand-By Divestiture Trustee

As explained above, the applicants request the Commission's consent to the Transaction conditioned upon Journal's prior divestiture of one FM radio station in Wichita and one television station in Boise. In the event that these divestitures have not been completed by the time otherwise scheduled for closing of the Transaction, Journal proposes to assign the station or stations required to be divested to a divestiture trustee. Within a few days of filing of these applications, Journal will also apply for consent to assign one of its Wichita FM radio stations and one of its Boise television stations to a divestiture trustee. The trustee will be required to complete any pending sales agreements. In the event that there is no agreement in place to sell a station at the time it is placed into trust, or a pending sale is not timely consummated, the trustee will be required, in the trustee's reasonable discretion, (a) to enter into an agreement to divest the station within six months of it being placed in trust or within six months of termination of any sales agreement pending at the time of the assignment to the trustee, or (b) if the Commission is accepting applications from television stations to participate in the incentive auction during the applicable six-month period, to participate in the spectrum auction. If the trustee does not enter into a sale agreement with respect to a station within the time period provided in clause (a) or sell the spectrum rights for any television station in trust during the spectrum auction that commences during the time period specified in clause (b), then the trustee will be required to return the license for such station to the Commission for cancellation. The trust agreement will not contain any minimum price requirement. Approval of such a divestiture trust under these circumstances is consistent with the Commission's decision in *Applications for Consent to Transfer of Control from License Subsidiaries of Allbritton Communications Co. to Sinclair Television Group, Inc.*, DA 14-1055 at ¶ 46 (MB, released July 24, 2014).