

FCC Form 315
Section IV, Question 5
EXHIBIT 15A

Agreements to Transfer Control of Station

TEGNA Inc. (“TEGNA”), formerly known as Gannett Co., Inc. (“Gannett”), has exercised through subsidiaries its options to acquire three licensees ultimately owned and controlled by Jack Sander (“Sander”).¹ The licensees are:

- Sander Operating Co. I LLC d/b/a WHAS Television, licensee of WHAS-TV, Louisville, Kentucky;
- Sander Operating Co. III LLC d/b/a KGW Television, licensee of KGW, Portland, Oregon; and
- Sander Operating Co. V LLC d/b/a KMSB Television (“KMSB Television”), licensee of KMSB, Tucson, Arizona.²

Following the closing of the transaction, these licensees will be owned by indirect subsidiaries of TEGNA: Sander Operating Co. I will be owned by Belo Kentucky, Inc.; Sander Operating Co. III will be owned by King Broadcasting Company; and Sander Operating Co. V will be owned by KMSB-TV, Inc. Each FCC Form 315 filed in connection with this transaction includes a copy of the applicable Station Option Agreement, attached as **Exhibit 15B**. The Media Bureau reviewed and approved TEGNA’s options to acquire Sander’s stations via the Station Option Agreements when TEGNA acquired Belo Corp. (“Belo”) a year and a half ago.³

¹ TEGNA is the new name of the company formerly known as Gannett. Effective prior to the instant filing, TEGNA has spun off the publishing and certain other parts of the company to a new entity. That new entity has taken the Gannett name.

² Related FCC Forms 603 and 312 for the transfer of control of related certain wireless and earth station authorizations also have been filed. The parties request that the three FCC Form 315s and the related FCC Form 603s and 312s be processed and approved concurrently.

³ *Applications for Consent to Transfer of Control from Shareholders of Belo Corp. to Gannett Co., Inc.*, Memorandum Opinion and Order, 28 FCC Rcd 16867 (Media Bureau 2013) (“*Gannett/Belo*”).

Legacy SSA. KOLD, LLC, a subsidiary of Raycom Media, Inc. (“Raycom”), currently provides certain operational and programming services (not exceeding 15% of KMSB’s weekly broadcast hours) to Tucson station KMSB under an SSA that has been in place since 2011. Raycom will continue to provide such services to KMSB once it is owned by TEGNA under this “Legacy SSA.” The Legacy SSA was already in place, and was reviewed and approved by the Media Bureau, when KMSB Television acquired KMSB from Belo.⁴ A copy of the Legacy SSA, as amended, is attached to the FCC Form 315 for the transfer of control of KMSB Television as **Exhibit 15C**. With respect to the Media Bureau’s SSA Processing Guidelines, it is noted that Raycom has not guaranteed TEGNA’s financing with respect to TEGNA’s acquisition of KMSB. Pursuant to the Legacy SSA, Raycom has a preexisting right of first refusal with respect to KMSB. That right of first refusal does not become effective until November of 2016. The instant transaction does not entail Raycom acquiring any contingent or financial interests in KMSB, but simply a continuation of the Legacy SSA relationship that has been in place since 2011 and was previously reviewed and approved by the FCC less than two years ago in *Gannett/Belo*.

TSA. Certain back office, administrative, and other corporate support services that formerly were provided by Belo when KMSB and its then sister-station KTTU were owned by Belo are not provided by Raycom under the Legacy SSA. KTTU is now owned by Tucker Operation Co. LLC (“Tucker”). TEGNA currently provides certain support services to each of KMSB Television (KMSB) and Tucker (KTTU) pursuant to Transition Service Agreements (“TSAs”) reviewed and approved by the FCC as part of TEGNA’s acquisition of Belo and the

⁴ *Id.*

sale of KMSB and KTTU to KMSB Television and Tucker, respectively.⁵ Following TEGNA's acquisition of KMSB, the TSA for KMSB will terminate. TEGNA intends to continue to provide limited support services to Tucker/KTTU pursuant to the TSA for that station.⁶ The instant transaction does not entail TEGNA acquiring any contingent or financial interests in KTTU, nor any change in ownership of KTTU, but simply continuation of the relationship previously reviewed and approved in *Gannett/Belo*.⁷ Although KTTU is not subject to the instant transaction, a copy of the TSA is submitted as **Exhibit 15D** to the FCC Form 315 for the transfer of control of KMSB Television in order to aid the Media Bureau's review of this transaction.

Legacy JSA. Advertising sales today for KMSB and KTTU are conducted jointly, pursuant to a legacy joint sales agreement ("JSA") previously reviewed and approved by the FCC in *Gannett/Belo*. The JSA is discussed in more detail in Exhibit 20. A copy of the JSA is submitted as **Exhibit 15E** to the FCC Form 315 for the transfer of control of KMSB Television.

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The following material has not been attached to this application, because it contains information that is proprietary, not germane to the Commission's evaluation of the

⁵ *Id.*

⁶ As reviewed and approved by the Media Bureau in *Gannett/Belo*, the initial term of the TSA was one year, with the possibility of a one-year extension. In connection with the sale of the remaining Sander stations, TEGNA and Tucker have been exploring the possibility of a further, limited-term extension of the TSA.

⁷ TEGNA has a pre-existing option to acquire KTTU and guaranteed Tucker's borrowing in connection with its acquisition of KTTU, as approved by the FCC in *Gannett/Belo*. Absent a waiver of the duopoly rule or a change in the duopoly rule, however, TEGNA cannot actually acquire KTTU.

application, or already in the Commission's possession.⁸ Copies of this material will be provided to the Commission upon request, subject to the right of the parties to ask for confidential treatment of such material.

- Legacy SSA: Redactions have been made consistent with the filing of the Legacy SSA in the *Gannett/Belo* transaction. See FCC File No. BALCDT-20130619ADJ.
- KTTU Option: Previously filed with the Media Bureau in FCC File No. BALCDT-20130619ADJ (Attachment 13, "Form of Station Option Agreement").

⁸ See *LUI, Inc.*, Memorandum Op. & Order, 17 FCC Rcd 16980 (2002).