

## REQUEST FOR TV DUOPOLY RULE WAIVER

### I. INTRODUCTION AND SUMMARY

By this application, Freedom Broadcasting of New York Licensee, L.L.C. (“Freedom”) and WCWN LLC, request that the Commission grant a “failing station waiver” of its television duopoly rule<sup>1</sup> to permit the assignment of the Commission authorization for commercial broadcast television station WCWN(TV), Schenectady, New York (Facility ID 73264) (“WCWN” or the “Station”) from WCWN LLC, a subsidiary of Tribune Broadcasting Company (“Tribune”), to Freedom. Freedom currently holds the Commission authorization for commercial broadcast television station WRGB(TV), Schenectady, New York (“WRGB”). Both WCWN and WRGB are located in the Albany-Schenectady-Troy, New York Nielsen Designated Market Area (the “DMA”), and their predicted Grade B contours overlap with one another. Because there will be fewer than eight independently owned and operated television stations in the DMA following the assignment of the WCWN authorization to Freedom, a waiver of the TV duopoly rule is required in connection with this proposed assignment.<sup>2</sup>

The DMA is home to nine full power television stations. Although WCWN is not one of the top four rated stations in the DMA, WRGB is. Following the assignment of the authorization for WCWN to Freedom, there would remain seven independently owned and operated full power television stations in the DMA. Consequently, the proposed assignment would comply with the Commission’s television duopoly rule but for the fact that the market would fall one television station short of the required eight.

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<sup>1</sup> 47 C.F.R. 73.3555(b)

<sup>2</sup> *Id.*

Freedom's proposed acquisition of WCWN is precisely the type of case that the Commission contemplated when it adopted the failing station waiver standard. In adopting that standard, the Commission explained its reasoning as follows:

Permitting such [failing] stations to merge should pose minimal harm to our diversity and competition goals, since their financial situation typically hampers their ability to be a viable "voice" in the market. These stations rarely have the resources to provide local news programming, and often struggle to provide local programming at all. Allowing a 'failing' station to join with a stronger station in the market can greatly improve its ability to improve its facilities and programming operations, thus benefiting the public interest. This waiver standard may be of particular assistance to struggling stations in smaller markets that are not covered by the eight voice/top four ranked station test. *Review of Commission's Regulations Governing Television Broadcasting; Television Broadcasting Satellite Stations Review of Policy and Rules*, 14 FCC Rcd 12903, 12938-39 (1999) (the "Television Broadcasting Order").

In its description of a typical failing station, the Commission could have been describing WCWN specifically. The Station's failure to operate profitably has hampered its ability to be a strong local voice in the market, and as a result, it currently broadcasts only one locally-produced public affairs program (which it acquires from WMHT, the local PBS affiliate). If operated in combination with WRGB, WCWN would become a valuable new source for local news, weather and community affairs information. In addition, the Albany-Schenectady-Troy, New York area (the "Capital Region Market") is a market where media competition and diversity is robust, but which falls just short of the eight-station standard that would enable a struggling station such as WCWN to be acquired by a stronger station without the need for a waiver. Finally, the proposed transaction fully meets each of the Commission's specific waiver criteria:

- **WCWN has a low audience share.** The Station's most recent all day audience share, as reported by Nielsen for May 2006, was 1.9%, well below the 4% share that the Commission considers representative of failing station performance. In fact, since the

February 2003 ratings period, WCWN has never managed to garner more than a 2.8% share.

- **WCWN's financial condition is poor.** The station has incurred negative cash flow for the last three fiscal years and had negative cash flow for the first half of 2006.
- **There is no viable out-of-market buyer for WCWN.** Despite a diligent search for potential buyers for WCWN no out-of-market buyer has emerged who has expressed any interest in acquiring the Station.
- **The proposed acquisition of WCWN by Freedom will provide tangible and verifiable public interest benefits.** Among those benefits, Freedom will introduce local news and weather reports on WCWN, which currently provides no local news or weather at all.

Freedom's acquisition of WCWN would combine the oldest local television broadcaster in the market with one of the newest stations, bringing Freedom's vast news experience and knowledge of the Capital Region Market, as well as its strong commitment to public and community service, to the operation of this struggling station, which will be significantly enhanced by Freedom. Moreover, the combination of the two stations would generate substantial efficiencies and cost savings, and allow WCWN to improve the quality of its service. In addition, the Capital Region Market has a multiplicity of broadcast and media outlets, and robust competition among them, so that the acquisition of WCWN by Freedom would not have an adverse impact on either competition or diversity in the market. The proposed assignment is clearly in the public interest, and the Commission should promptly grant the waiver requested herein, and approve this application.

## **II. THE PROPOSED ASSIGNMENT OF WCWN TO FREEDOM MEETS EACH OF THE COMMISSION'S CRITERIA FOR GRANT OF A FAILING STATION WAIVER**

The Commission has established a test consisting of four criteria to determine whether the grant of a failing station waiver of the television duopoly rule would be in the public interest.<sup>3</sup> The proposed assignment to Freedom of WCWN falls squarely within each of those four criteria.

### **A. Failing Station Must Have All Day Audience Share of No More Than 4%**

The first criterion for the failing station waiver is that the failing station have all-day audience share of no more than 4%.<sup>4</sup> While the Commission did not establish a specific calendar period over which the failing station's audience share would be reviewed when it adopted the failing station waiver standard, the Commission has in the past reviewed audience share data for the three years prior to filing of the application.<sup>5</sup>

WCWN has had far less than a 4% share for the three most recent years. As is demonstrated by the audience share information set forth on Exhibit A to Attachment A hereto (Declaration of Gina M. Mazzaferri), for the most recent ratings period available, May 2006,

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<sup>3</sup> *Television Broadcasting Order* at 12938-40. *See, also*, 47 C.F.R. 73.3555, Note 7.

<sup>4</sup> *Id.* at 12939

<sup>5</sup> *See, e.g., KSMO Licensee, Inc.*, 20 FCC Rcd 15254, 15258 (Media Bureau, 2005).

WCWN had a 1.9% share.<sup>6</sup> Since the February 2003 ratings period, WCWN has never had more than a 2.8% share, and has managed to reach that number only once. In an advertiser-supported industry such as broadcasting, a station which cannot achieve meaningful audience share will not be able to generate sufficient revenues to cover its expenses. The Commission recognized that fact when it set the 4% share standard as indicative of a struggling station.<sup>7</sup> WCWN therefore meets the first prong of the failing station test.

**B. Failing Station Must Have Had Negative Cash Flow for the Three Consecutive Years Immediately Prior to Filing of the Application**

The second criterion is that the failing station must have had negative cash flow from its operations for the three consecutive years immediately prior to filing of the application requesting consent to the proposed assignment.<sup>8</sup> As is demonstrated by the financial information attached as Exhibit B to Attachment A hereto (Declaration of Gina M. Mazzaferri), the Station has not achieved positive cash flow for the last three full years. Over that period, operating losses have worsened by more than 13 times; from -\$60,000 to -\$821,000. The Station's net cash flow has also been negative for each of those three years. Nor does 2006 appear to be a turnaround year with operating losses of -\$264,000 in the first half of 2006, and negative net cash flow of -\$64,000 over that period.

In short, the Station has been unable to operate profitably for the last three full years, and 2006 promises to be no different based on first-half performance. The Commission has

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<sup>6</sup> The data on Exhibit A to Attachment A consist of all day (Monday-Sunday 9:00 a.m.-12:00 a.m.) audience share numbers for WCWN.

<sup>7</sup> See *Television Broadcasting Order* at 12938-39.

<sup>8</sup> *Id.* 12939.

consistently recognized such inability to generate positive cash flow and operating income as determinative of poor financial condition for purposes of granting a failing station waiver.<sup>9</sup>

**C. Proposed Buyer Must be the Only Entity Ready, Willing and Able to Operate the Station, and Sale to an Out-of-Market Buyer Would Result in an Artificially Depressed Price**

The third requirement is that the proposed assignee of the license for the failing station be the only entity ready, willing and able to operate the failing station, other than an out-of-market buyer, a sale to whom would result in an artificially depressed purchase price.<sup>10</sup> Attached as Attachment B hereto is the Declaration of Brian Byrnes, President of Paramount Media Advisors, Inc. (“Paramount”) which was retained by WCWN, LLC to identify potential bidders for the Station. Relying on its extensive expertise in the television industry, Paramount identified and contacted 18 prospective buyers for the Station; however, none of those potential buyers who did not already own a television station in the DMA expressed any real interest in pursuing an acquisition of the Station, much less made an offer to acquire the Station.<sup>11</sup> Consequently, a sale of WCWN to an out-of-market buyer, was not an option.

The Commission has stated that “an affidavit from an independent broker affirming that active and serious efforts have been made to sell the station, and that no reasonable offer from an

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<sup>9</sup> See, e.g., *Hispanic Keys Broadcasting Inc.*, 19 FCC Rcd 4603, 4605 (Media Bureau 2004)

<sup>10</sup> *Television Broadcasting Order* at 12939.

<sup>11</sup> Declaration of Bryan Byrnes. Even among in-market prospective buyers, interest in WCWN was scant. Of four in-market prospects contacted by Paramount, only three executed a non-disclosure agreement, and only Freedom made a commercially acceptable bid. *Id.*

entity outside the market has been received” will satisfy this prong of the failing station waiver test.<sup>12</sup> The attached Declaration of Bryan Byrnes clearly satisfies that requirement.

**D. Consolidation of the Stations Would Result in Tangible and Verifiable Public Interest Benefits that Outweigh any Harm to Competition and Diversity**

The final criterion is that the proposed assignment would produce tangible and verifiable public interest benefits that would outweigh any harm to competition and diversity.<sup>13</sup> Combining Freedom’s WRGB with WCWN will result in a vast improvement in the ability of WCWN to originate and otherwise provide locally-oriented programming responsive to the needs and concerns of the residents of the Capital Region Market, a greatly enhanced ability to provide service to the community in numerous ways, and significant cost savings through efficiencies realized by the joint operation of the two stations.

To begin with, Freedom will maintain WCWN as a separate network affiliate with locally employed station staff.<sup>14</sup> In addition to that separate network affiliation, Freedom intends to move swiftly to improve service on WCWN, including by the addition of local news and weather as described below. For a number of years, WCWN has struggled to survive in the competitive Capital Region Market. In an effort to minimize costs at a station that has struggled financially, master control and other technical functions of WCWN are remotely operated from Tribune’s

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<sup>12</sup> *Television Broadcasting Order* at 12939.

<sup>13</sup> *Television Broadcasting Order* at 12939.

<sup>14</sup> WCWN is currently an affiliate of the WB network, but upon launch of the new CW network, scheduled for September, 2006, WCWN is expected to become a CW network affiliate. Since WRGB is a CBS network affiliate, Freedom’s maintenance of WCWN as an affiliate of a separate network (*i.e.*, the CW) will continue WCWN’s separate programming identity, and will ensure that the CW programming has a viable outlet in the DMA.

station WLVI-TV in the Boston, Massachusetts DMA. Aside from a weekly one-half hour public affairs program, WCWN currently provides no locally-originated programming, and provides no local news at all. In addition, WCWN's ability to participate in community activities in the Capital Region Market is limited due to the small number of WCWN personnel physically located in the area.

As the first local television broadcaster in the market, WRGB has long made significant contributions to local service in the Capital Region Market. With deep roots in the community and a strong local news department, WRGB will be able to bring substantial operational and programming improvements to WCWN, including increased local programming and news, and a greater presence in local community activities. WRGB has been a leader in providing local news coverage in the Capital Region Market, and has more than 80 employees directly involved in local news production, all located in the Capital Region Market. Upon acquiring WCWN, one of Freedom's first improvements to the Station would be to provide local news and weather programming on WCWN, and to improve the community affairs programming currently carried on WCWN.

Within the first six months after acquiring WCWN, Freedom intends to start broadcasting at least thirty minutes of daily local news and weather programming on WCWN. This programming would cover issues and activities of importance to the community, and alert viewers as to weather conditions and breaking news events. The addition of a second news outlet in the market would also create opportunities for Freedom to cover issues that it might not be able to include in the WRGB newscasts, and to provide news at times when WRGB does not

air news, thus providing viewers with more opportunity to receive high quality news coverage. Thus, in contrast to the current situation, where WCWN has no local news at all, Freedom's acquisition of WCWN would result in a new local source of news, weather and community affairs information in the market.

Freedom is well positioned to provide the news coverage described above. Freedom has a long-standing commitment to providing high quality daily news coverage in the Capital Region Market. In fact, through WRGB, Freedom currently provides 23.5 hours of local news per week. In addition to the quantity of news, Freedom's WRGB has long been recognized as a leader in the quality of news coverage. For example, WRGB was the first TV station in the Capital Region Market:

- to air early morning newscasts,
- to have a 24-hour newsroom,
- to computerize its newsroom and to close caption its newscast for the hearing impaired,
- to air a 5:00 p.m. weekly newscast, and
- to obtain live Doppler weather forecasting equipment.

WRGB also has won two prestigious Edward R. Murrow awards for news reporting, and numerous New York Emmy Awards and other awards for its news and weather coverage.

In addition to news generally, weather coverage is of critical importance to residents of the Capital Region Market because of the frequency of severe winter weather in that area.

WRGB is one of only two television stations in the Capital Region Market to have Doppler

weather radar equipment, which enhances the station's ability to predict storms.<sup>15</sup> WRGB also has a network of over 300 local residents who report to the station on weather conditions in their respective areas, and has established processes that provide for 24/7 coverage of important breaking news and severe weather events. Upon acquiring WCWN, Freedom would provide WCWN with access to all of these WRGB news and weather facilities, thus enabling WCWN to provide vastly superior coverage (and at a lower cost) compared to what WCWN otherwise could provide on its own.

In addition to introducing news and weather coverage to WCWN, Freedom's proposed acquisition will allow WCWN to benefit from Freedom's history of community broadcast service, and WRGB's community affairs programming resources, each of which far exceeds what WCWN has been able to accomplish as a stand-alone station. For example, WRGB sponsors and produces "Melodies of Christmas," an annual holiday show featuring musical performances by approximately 300 local schoolchildren which raises hundreds of thousands of dollars each year for the Child Cancer Program at Albany Medical Center and is broadcast each Christmas Day on WRGB. In addition, WRGB broadcasts three annual telethons: St. Jude's Telethon, the Arthritis Telethon, and the MDA Telethon, all of which raise funds for charitable organizations in the Capital Region Market. WRGB also has a long-standing tradition of supporting the American Red Cross by hosting at least two major blood drives each year, and more in times of blood shortages. WRGB makes its facilities available as a donation site for these drives, and provides extensive on-air promotion of the drives, including live broadcasts

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<sup>15</sup> In addition to using the Doppler equipment for its broadcast weather coverage, WRGB provides an "Instant Doppler" link on its website to provide access to real time weather information at any time of the day. Freedom would bring this same internet service to the WCWN website following its proposed acquisition of WCWN.

from the donation site during its newscasts and at other times throughout the day urging viewers to donate blood. In addition, from time to time WRGB broadcasts programs on which candidates for local political office or other local officials appear in order to debate one another, or to participate in question and answer sessions. Those programs address various issues of local concern and are moderated by WRGB newspeople. Upon acquiring WCWN, Freedom intends to simulcast or re-broadcast these community affairs programs on WCWN, making them available to viewers who may have been unable to watch them on WRGB. Moreover, Freedom airs more than 10,000 public service announcements each year on WRGB, representing an estimated value of \$1.7 million of airtime. Freedom intends to air a similarly robust schedule of PSAs on WCWN as well.<sup>16</sup>

Freedom has a long-standing tradition of commitment and service to its community. For example, over the years through its participation in community initiatives, Freedom has helped raise over 1,000 tons of food for the hungry, 17,000 pints of blood for the American Red Cross, 200,000 coats for local children, and millions of dollars through its telethons for organizations such as the Muscular Dystrophy Association. Freedom has also established advisory panels, including the Teachers Advisory Board and the Youth Violence Advisory Board, to help address key issues in the community, and to assist Freedom in staying attuned to issues of concern in the community. The establishment of these panels has made Freedom a leader among TV news organizations in the Capital Region Market in taking a proactive approach to helping to solve important local problems. Freedom will continue this commitment to community service, and

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<sup>16</sup> Freedom's PSAs have a distinctly local focus. For example, Freedom recently created and produced a series of PSAs that helped the Capital Region YMCA raise money to build a new YMCA facility.

the acquisition of WCWN will create opportunities for Freedom to enhance the scope, visibility and impact of these types of activities.

With financial and staffing resources that far exceed those of WCWN, WRGB also has been able to make a significant commitment to pursuing equal employment opportunity policies. During the period from February 1, 2005 to January 31, 2006, as reported in its 2006 Annual EEO Public File Report, WCWN's EEO initiatives consisted of its internship program (in which up to four college students participate each year), participation in a New York State Broadcasters Association ("NYSBA") paid internship program, and attendance at 2 job fairs (one a Broadcasting Career Fair hosted by NYSBA, and the other a general job fair hosted by CareerBuilder.com). Over that same period, WRGB:

- Conducted its own internship program in which five college students participated in various facets of station operation;
- Co-sponsored (with the NYSBA) the Broadcasting Career Fair in Albany, NY;
- Participated in numerous career day activities at local schools and hosted tours of the station and career-oriented presentations for local students;
- Provided extensive training to managerial employees on EEO and anti-discrimination matters;
- Participated in 3 local job fairs and was represented by Freedom at the National Association of Broadcasters job fair; and

- Participated in a number of activities sponsored by community groups relating to broadcast employment issues.<sup>17</sup>

With its established programs, deep resources and greater staffing needs, Freedom will be able to enhance and expand upon Tribune's current commitment to offering equal employment opportunities at WCWN, and intends to enhance the WCWN EEO program accordingly following the proposed acquisition of the Station.

Finally, the combination of WRGB and WCWN would result in significant efficiencies and costs savings.<sup>18</sup> By consolidating operations, Freedom expects that WCWN's operating expenses will be reduced from approximately \$4 million to \$2 million per year. These savings will result from economies of scale that are achievable only through the joint operation of WCWN with another in-market station, rather than operating the Station remotely from another market with only a small local staff. These savings will make feasible the enhanced news and other local programming and community service initiatives with regard to the Station that Freedom will provide.

As demonstrated above, the public interest benefits that will result from the combination of WRGB and WCWN are significant, tangible and verifiable, and are precisely the type of benefits that the Commission envisioned in enacting the failing station waiver standard, and has

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<sup>17</sup> See, Annual Public File Reports (February 1, 2005-January 31, 2006) for WRGB and WCWN.

<sup>18</sup> The Commission has recognized that "efficiencies inherent in joint ownership and operation of television stations in the same market...can in turn lead to cost savings, which can lead to programming and other service benefits that enhance the public interest." *Television Broadcasting Order* at 12920.

found to satisfy the public interest prong of the standard in the past.<sup>19</sup> Clearly this criterion of the test for a failing station waiver has been met.

### **III. ROBUST COMPETITION WILL REMAIN IN THE CAPITAL REGION MARKET AMONG A LARGE NUMBER OF MEDIA OUTLETS**

Even following a WRGB-WCWN combination, the Capital Region Market will retain a large number of diverse media outlets. As noted above, Freedom's acquisition of WCWN would leave seven independently owned and operated full power television voices in the DMA, and thus would fall only one station short of being permissible without a waiver.<sup>20</sup> In addition to those seven full power television voices, numerous other media voices exist in the market. As is demonstrated by Attachment C hereto, there are 52 full power AM and FM radio stations in the market, owned by 22 different entities, and 25 low power television or television translator stations, 18 of which are owned by 13 different entities who do not own full power television stations in the DMA. Nearly all households in the market are passed by at least one cable television system, and the Time-Warner cable system, by far the largest in the DMA, provides a 24-hour local news channel, thus supplying another source of local programming on a 24-hour basis. Each of DirecTV and Echostar provides direct broadcast satellite service to the market, including local-into-local service, and Sirius and XM Radio provide satellite radio service to the market. The Capital Region Market is served by no fewer than four daily newspapers: the

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<sup>19</sup> See *Television Broadcasting Order* at 12920-22, 12938-40; *KSMO Licensee, Inc.* 20 FCC Rcd 15254 (Media Bureau, 2005).

<sup>20</sup> A list of television stations in the DMA, and owners thereof, is included in Attachment C hereto. Freedom currently is party to an Agreement for the Sale of Commercial Time with Venture Technologies Group, LLC, the licensee of station WNYA(TV), pursuant to which Freedom provides services, including with respect to the brokerage of the sale of advertising time, to WNYA.

Albany Times Union, the Schenectady Daily Gazette, the Glen Falls Post Star, and the Troy Record. These four newspapers have a combined daily paid circulation of approximately 200,000 readers. If the market were analyzed under the Commission's radio-television cross ownership rule, it would fall within the highest tier with respect to competition and diversity, with well over 20 independently owned media voices.<sup>21</sup> In addition to the large number of media outlets which compete with one another in the market, WRGB and WCWN will maintain separate network affiliations.

In making its determination on this waiver request, the Commission should look beyond the number of full power television stations in the DMA, and take into account the high degree of cross media diversity and competition in the Capital Region Market. Although when it revised its television duopoly rule in 1999, the Commission included only full power television stations as the benchmark for competition and diversity, the U.S. Court of Appeals for the District of Columbia Circuit has called that decision into question, and remanded the rule for further consideration and justification.<sup>22</sup> In addition, the Commission itself has recognized the need for flexibility in applying the television duopoly rule.<sup>23</sup> In light of the Court having

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<sup>21</sup> 47 C.F.R. 73.3555(c). With well over 45 radio stations, the market would also fall within the highest tier under the Commission's radio multiple ownership rule. 47 C.F.R. 73.3555(a).

<sup>22</sup> The Court held that the Commission failed to sufficiently justify its inclusion of only full power television voices in the media voices test under its television duopoly rule, while it had included television, radio, cable television and newspaper as voices under its radio-television cross ownership rule. *Sinclair Broadcast Group, Inc. v. FCC*, 284 F.3d 148, 162-65 (D.C. Cir. 2002)

<sup>23</sup> See, *LCH Communications, Inc.*, 14 FCC Rcd 9584, 9586 (Mass Media Bureau 1999) ("Waivers should be granted where rigid conformance to the [TV duopoly rule] would be inappropriate," quoting *Multiple Ownership of Standard, FM and Television Broadcast Stations*, 45 FCC 2d 1476 n. 12 (1964))

questioned the FCC's limitation of the diversity test in the television duopoly rule to full power television only, and the Commission's acknowledged need for flexibility in applying its waiver standards in this area, the Commission should take a hard look at the high level of competition and diversity provided by all media outlets in the market. Given the diverse sources of news, information and entertainment in the Capital Region Market, Freedom's acquisition of WCWN will result in little or no decrease in competition and diversity in the market.

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For the reasons stated above, Freedom and WCWN, LLC respectfully request that the Commission determine that the proposed assignment of the license for WCWN to Freedom would be in the public interest, and grant the requested waiver and this application promptly, and prior to the February 1, 2007 deadline for filing of the Station's license renewal application.

ATTACHMENT A

(Declaration of Gina M. Mazzaferri)

## DECLARATION OF GINA M. MAZZAFERRI

I, Gina M. Mazzaferri, do hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information and belief:

1. I am Vice President/Strategy & Administration for Tribune Broadcasting Company ("Tribune"), a position I have held for over two years. Previously I held the position of Director/Strategy & Development at Tribune. Prior to joining Tribune, I worked in financial planning and analysis as Corporate Controller for Weigel Broadcasting and as Audit Manager for PricewaterhouseCoopers, L.L.P.

2. I am providing this Declaration with information on the financial situation and television market share for Tribune-owned television station WCWN-TV, Albany-Schenectady-Troy, New York, ("WCWN" or the "Station"), formerly known as WEWB-TV, as well as Tribune's efforts to sell the Station. I understand that this statement will be provided to the Federal Communications Commission (FCC) in support of a request for waiver of Section 73.3555(b) of the Commission's Rules, 47 C.F.R. § 73.3555(b), in connection with the application for consent to assign the license for WCWN to Freedom Broadcasting of New York Licensee, L.L.C. ("Freedom").

3. Tribune acquired WCWN in September 1999. Prior to Tribune's ownership, the station was operated as a secondary public broadcasting station in the Albany-Schenectady-Troy, New York DMA, which had only four commercial television stations at that time. Upon Tribune's acquisition, WCWN became an affiliate of The WB Network, and will become an affiliate of The CW Network in fall 2006.

4. Under Tribune's ownership, WCWN has steadily invested in its non-network programming. However, WCWN has not been able to garner significant audience

share, and consequently, advertising revenues have been insufficient to cover the station's operating costs. WCWN has had an operating loss in each and every year that Tribune has owned the station.

5. In March 2006, Tribune retained the media brokerage firm Paramount Media Advisors, Inc. ("Paramount Media Advisors") to help market WCWN. The principal of Paramount Media Advisors has extensive knowledge of the television industry in general, having owned and/or operated television properties over a period of thirty years. I worked directly with Paramount Media Advisors and instructed the company to market the Station to the largest possible number of prospective buyers.

6. Despite significant efforts by Paramount Media Advisors, however, Tribune did not receive a single indication of interest letter or offer from an out-of-market buyer to purchase the Station. Therefore, Tribune agreed with Paramount Media Advisors that the brokerage firm should pursue discussions with two broadcasters within the Albany-Schenectady-Troy market that had submitted indication of interest letters for WCWN at reasonable valuations. Although Paramount Media Advisors contacted four in-market potential buyers, only Freedom presented a firm binding offer.

7. Attached to this Declaration as Exhibit A is a true and correct summary of WCWN's Balance Sheet and Income Statement as of and for Fiscal Years 2003 through 2005, and as of and for the six-month period that ended June 25, 2006. These documents are kept in the ordinary course of business for WCWN.

8. Attached to this Declaration as Exhibit B is a true and correct summary of WCWN's household ratings and audience share (Monday-Sunday, 9AM-12 Midnight) for

each of the Nielsen sweep periods (February, May, July and November) from February 2003 through May 2006.

Executed on this 14<sup>th</sup> day of July 2006 at Chicago, IL.

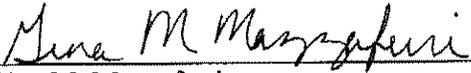
  
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Gina M. Mazzaferri

EXHIBIT A  
(Audience Share)

**WCWN-TV**  
 14 Corporate Wds Blvd.  
 Suite 201  
 Albany, NY 12211  
 518-431-3150 (P)  
 518-431-3155(F)



Station	PROGRAM	HH Rtg	SHR	HH/PVT	Feb03 PAV	May03 PAV	Jul03 PAV	Nov03 PAV	Feb04 PAV	May04 PAV	Jul04 PAV	Nov04 PAV	Feb05 PAV	May05 PAV	Jul05 PAV	Nov05 PAV	Feb06 PAV	May06 PAV
WCWN	VARIOUS				1	0.7	0.6	0.8	0.7	0.6	0.6	0.8	0.7	0.8	0.6	0.7	0.6	0.6
WB	Mo-Su 9:00a-12:00a				2.8	2.5	2.3	2.4	2	2	2.2	2.3	2.1	2.6	2.1	2.4	1.9	1.9
				HUT/PVT	35.3	29.4	28.8	32.2	33.1	29.5	28.2	32.8	34.4	29.7	28.9	31	33.6	29

\*WCWN Audience share peaked at a 2.8 in Feb 2003, Low Share May 2006.

EXHIBIT B

(Financial Information)

Filed separately with the Commission under Request for Confidential Treatment

ATTACHMENT B

(Declaration of Brian Byrnes)

## DECLARATION OF BRIAN BYRNES

I, Brian Byrnes, do hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information and belief:

1. I am President of Paramount Media Advisors, Inc. ("Paramount Media Advisors"), a media and brokerage consulting firm in Chicago, Illinois. I have been with Paramount Media Advisors and its predecessor affiliate company for nineteen years and have five years of experience in media brokerage.

2. As the principal of Paramount Media Advisors, I have extensive knowledge of the television industry in general, having owned and operated television properties over a period of thirty years. I have owned and operated television and radio broadcast properties for both my own benefit and for the benefit of public shareholders, such as the Merrill-Lynch Media Partners partnership. I have both consulted for and appraised television stations for a variety of purposes, including acquisitions, divestitures, mergers, financing, and restructuring of debt. In some instances the valuations have formed the basis for testimony in court cases involving bankruptcy, for both petitioners and estates. I have been personally involved in the acquisition or sale of more than 75 television broadcast properties, including many stations in the top 50 television markets.

3. I am providing this Statement in support of the efforts of Tribune Broadcasting Company ("Tribune") to sell its television station, WCWN-TV ("WCWN"), formerly known as WEWB-TV, which serves the Albany-Schenectady-Troy, New York television market. The station currently is an affiliate of The WB Television Network ("WB") for the market and is soon to be the affiliate of The CW Television Network ("CW") for the market.

4. In March 2006, Paramount Media Advisors was retained by Tribune to market and sell WCWN. Tribune instructed Paramount Media Advisors to market WCWN to the broadest possible number of prospective buyers.

5. After a review of our ongoing contacts within the television station marketplace, Paramount Media Advisors developed a list of 18 prospective buyers for WCWN. Following a substantial undertaking to contact these prospects, it became apparent that WCWN did not represent an attractive opportunity to most of the broadcast companies that were contacted. Specifically, only seven prospects requested and received non-disclosure agreements (NDAs) and of those seven, only four executed NDAs. Only one out-of-market prospect contacted by Paramount Media Advisors executed an NDA, and this potential buyer subsequently failed to express any further interest in WCWN at any time during the marketing process.

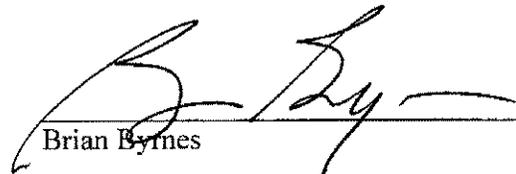
6. Given the lack of interest in WCWN at the national and regional levels, Paramount Media Advisors decided, with Tribune's concurrence, that it would move forward with discussions with two broadcasters within the Albany-Schenectady-Troy market that had submitted an indication of interest letter for WCWN at a reasonable valuation. Paramount Media Advisors contacted four in-market prospects during the marketing process, and of those four, three broadcasters executed NDAs. Of those three, however, only Freedom Broadcasting ("Freedom") came forth with a firm, binding, written offer that was not subject to a overly burdensome amount of due diligence or extensive terms and conditions.

7. On May 5, 2006, Freedom tendered a non-binding expression of interest stating that, subject to further due diligence and finalization of a purchase agreement, it would be willing to pay \$17.0 million for WCWN. On May 31, 2006, pursuant to the marketing process

instructions Paramount Media Advisors provided to prospects, Freedom tendered a binding letter of interest in the amount of \$17.0 million. Tribune and Freedom concluded negotiations and entered into an Asset Purchase Agreement for WCWN on June 14, 2006.

8. In light of these facts, it is the judgment of Paramount Media Advisors that, despite an extensive marketing process, including significant outreach to national and regional broadcasters for a creditable buyer for WCWN, the only potential purchaser of the station is an in-market buyer.

Executed on this 17<sup>th</sup> day of July 2006 at Chicago, IL.

  
Brian Byrnes

ATTACHMENT C

(Media Outlets in Albany-Schenectady-Troy Market)

CALLS	AM or FM	Market Name	City of License	State of License	Owner
WBOE	FM	Albany-Schenectady-Troy, NY	Ravena	NY	Galaxy Communications
WAMC	AM	Albany-Schenectady-Troy, NY	Albany	NY	WAMC/Northeast Public Radio
WBKK	FM	Albany-Schenectady-Troy, NY	Amsterdam	NY	WMHT Educational Telecommunications
WBUG	FM	Albany-Schenectady-Troy, NY	Fort Plain	NY	Roser Communications
WVLT	AM	Albany-Schenectady-Troy, NY	Amsterdam	NY	WAMC/Northeast Public Radio
WCAN	FM	Albany-Schenectady-Troy, NY	Canajoharie	NY	Entertainics Incorporated
WCCKM	FM	Albany-Schenectady-Troy, NY	Lake George	NY	IZ Communications
WCSS	AM	Albany-Schenectady-Troy, NY	Amsterdam	NY	Crawford Broadcasting Company
WDCD	AM	Albany-Schenectady-Troy, NY	Albany	NY	Crawford Broadcasting Company
WPTR	FM	Albany-Schenectady-Troy, NY	Clifton Park	NY	Northshire Communications
WEOX	FM	Albany-Schenectady-Troy, NY	Manchester	VT	Parnal Broadcasting Ltd
WFLY	FM	Albany-Schenectady-Troy, NY	Troy	NY	Regent Communications, Inc
WIGNA	FM	Albany-Schenectady-Troy, NY	Albany	NY	ABC/Disney
WDDY	AM	Albany-Schenectady-Troy, NY	Albany	NY	Clear Channel Communications
WGY	AM	Albany-Schenectady-Troy, NY	Schenectady	NY	Capital Media Corporation
WHKZ	AM	Albany-Schenectady-Troy, NY	Troy	NY	Clear Channel Communications
WHRL	FM	Albany-Schenectady-Troy, NY	Albany	NY	Parnal Broadcasting Ltd
WFFG	FM	Albany-Schenectady-Troy, NY	Corinth	NY	Parnal Broadcasting Ltd
WOAR	FM	Albany-Schenectady-Troy, NY	Shilwater	NY	Anastos Broadcast Group
WUAM	AM	Albany-Schenectady-Troy, NY	Saratoga Springs	NY	Anastos Broadcast Group
WKBE	FM	Albany-Schenectady-Troy, NY	Warrensburg	NY	Parnal Broadcasting Ltd
WKLI	FM	Albany-Schenectady-Troy, NY	Albany	NY	Viva Communications Group LLC
WSDI	AM	Albany-Schenectady-Troy, NY	Cobleskill	NY	Anastos Broadcast Group
WABY	AM	Albany-Schenectady-Troy, NY	Mechanicville	NY	Capital Media Corporation
WMYY	FM	Albany-Schenectady-Troy, NY	Schoharie	NY	Capital Media Corporation
WHAZ	FM	Albany-Schenectady-Troy, NY	Hoosick Falls	NY	Parnal Broadcasting Ltd
WVAZ	FM	Albany-Schenectady-Troy, NY	Voortreesville	NY	Clear Channel Communications
WPYX	FM	Albany-Schenectady-Troy, NY	Albany	NY	Regent Communications, Inc
WQBJ	FM	Albany-Schenectady-Troy, NY	Cobleskill	NY	Regent Communications, Inc
WQOB	FM	Albany-Schenectady-Troy, NY	Rensselaer	NY	Regent Communications, Inc
WTMM	AM	Albany-Schenectady-Troy, NY	Rensselaer	NY	Regent Communications, Inc
WROW	AM	Albany-Schenectady-Troy, NY	Albany	NY	Parnal Broadcasting Ltd
WRVE	FM	Albany-Schenectady-Troy, NY	Schenectady	NY	Clear Channel Communications
WZMR	FM	Albany-Schenectady-Troy, NY	Altamont	NY	Parnal Broadcasting Ltd
WENU	AM	Albany-Schenectady-Troy, NY	South Glen Falls	NY	Parnal Broadcasting Ltd
WOPX	AM	Albany-Schenectady-Troy, NY	Troy	NY	Clear Channel Communications
WVKZ	AM	Albany-Schenectady-Troy, NY	Schenectady	NY	Anastos Broadcast Group
WKKE	FM	Albany-Schenectady-Troy, NY	Ballston Spa	NY	Clear Channel Communications
WABT	FM	Albany-Schenectady-Troy, NY	Mechanicville	NY	Regent Communications, Inc
WYJB	FM	Albany-Schenectady-Troy, NY	Albany	NY	Parnal Broadcasting Ltd
WTRY	FM	Albany-Schenectady-Troy, NY	Rotterdam	NY	Clear Channel Communications
WOOB	FM	Albany-Schenectady-Troy, NY	Scotte	NY	Galaxy Communications
WNYQ	FM	Albany-Schenectady-Troy, NY	Malta	NY	Vox Media Corporation
WAMC	FM	Albany-Schenectady-Troy, NY	Albany	NY	WAMC/Northeast Public Radio
WCD8	FM	Albany-Schenectady-Troy, NY	Albany	NY	State University of New York
WPGL	FM	Albany-Schenectady-Troy, NY	Pattersonville	NY	Sound of Life Inc
WSSK	FM	Albany-Schenectady-Troy, NY	Saratoga Springs	NY	Sound of Life Inc
WMHT	FM	Albany-Schenectady-Troy, NY	Schenectady	NY	WMHT Educational Telecommunications
WRUC	FM	Albany-Schenectady-Troy, NY	Schenectady	NY	Union College
WSPN	FM	Albany-Schenectady-Troy, NY	Saratoga Springs	NY	Skidmore College
WVCR	FM	Albany-Schenectady-Troy, NY	Loudonville	NY	Sienna College
WRPI	FM	Albany-Schenectady-Troy, NY	Troy	NY	Rensselaer Polytechnical Institute

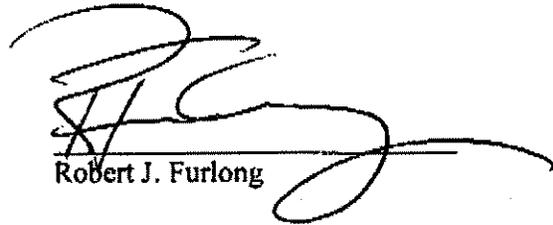
Type/Service	Owner	CALLS	Channel	Affiliation	Market Name	City of License	State of License	Licensee Name
LPTV	Adulam Gospel Church	WYBR-LP	57		Albany-Schenectady-Troy, NY	Cobleskill	NY	Adulam Gospel Church
LPTV	Adulam Gospel Church	WUCL-LP	41		Albany-Schenectady-Troy, NY	Cobleskill	NY	Adulam Gospel Church
TRLT	Centralnet-Basic Corporation	W88AD	68	CBS	Albany-Schenectady-Troy, NY	Blenheim	VT	Centralnet Broadcasting Corp
TRLT	Hubbard Broadcasting Inc.	W07AV	21	NBC	Albany-Schenectady-Troy, NY	Gloversville	NY	WNYT-TV LLC
TRLT	Hubbard Broadcasting Inc.	W07AI	7	NBC	Albany-Schenectady-Troy, NY	Pittsfield	MA	WNYT-TV LLC
TRLT	Hubbard Broadcasting Inc.	W39DL	38	NBC	Albany-Schenectady-Troy, NY	Adams	MA	WNYT-TV LLC
LPTV	Hudson Valley Television Inc	WSSS-LP	21	NBC	Albany-Schenectady-Troy, NY	Adams	MA	Hudson Valley Television Inc
LPTV	Larson, Brian A	WVGN-LP	28	REL	Albany-Schenectady-Troy, NY	Hudson	NY	Larson, Brian A
TRLT	Northern Broadcasting Company Inc	WVNC-LP	42	REL	Albany-Schenectady-Troy, NY	Schenectady	NY	Northern Broadcasting Company
CLA	Szezer, Michael A	WVNE-CA	9	NBC	Albany-Schenectady-Troy, NY	Glen Falls	NY	Michael A. Szezer
TRLT	Three Angels Basic Network Inc	WVNY-CA	49	NBC	Albany-Schenectady-Troy, NY	Glen Falls	NY	Three Angels Basic Network Inc
TRLT	Three Angels Basic Network Inc	WVSCX	58	TBN	Albany-Schenectady-Troy, NY	Saratoga Springs	NY	Three Angels Basic Network Inc
TRLT	Town Of Johnsburg	W07BH	7	PBS	Albany-Schenectady-Troy, NY	North Creek	NY	Town Of Johnsburg
TRLT	Trinity Broadcasting Network Inc	W11AW	11	NBC	Albany-Schenectady-Troy, NY	North Creek	NY	Trinity Broadcasting Network
TRLT	Trinity Broadcasting Network Inc	W47CM	47	TBN	Albany-Schenectady-Troy, NY	Glen Falls	NY	Trinity Broadcasting Network
TRLT	Trinity Broadcasting Network Inc	W45ZDF	52	TBN	Albany-Schenectady-Troy, NY	Glen Falls	NY	Trinity Broadcasting Network
CLA	Venture Technologies Group LLC	WVNY-CA	15	UPN	Albany-Schenectady-Troy, NY	Albany	NY	Venture Technologies Group LLC
TRLT	Vermont ETV Inc	W53AS	53	DRK	Albany-Schenectady-Troy, NY	Powell	VT	Vermont ETV Inc
TRLT	Vermont ETV Inc	W36AX	26	DRK	Albany-Schenectady-Troy, NY	Manchester	VT	Vermont ETV Inc
CLA	Vision 3 Broadcasting Inc	WVBR-CA	2	FOX	Albany-Schenectady-Troy, NY	Manchester	VT	Vision 3 Broadcasting Inc
TRLT	Western New York Public Broadcasting Association	WV58A-V	58	PBS	Albany-Schenectady-Troy, NY	Rushford Heights	NY	Western New York Public B.C. Inc
LPTV	Wireless Access LLC	WVBC-LP	41	NBC	Albany-Schenectady-Troy, NY	Albany	NY	Wireless Access LLC
TRLT	WMHT Educational Telecommunications	W04AJ	4	PBS	Albany-Schenectady-Troy, NY	Schoharie	NY	WMHT Educational Telecomm
TRLT	WMHT Educational Telecommunications	W04BD	4	PBS	Albany-Schenectady-Troy, NY	Glen Falls	NY	WMHT Educational Telecomm
TRLT	Young Broadcasting Inc	W07AN	7	ABC	Albany-Schenectady-Troy, NY	Schoharie	NY	Young Broadcasting Inc

\* Highlighted areas denote entities who do not own full power TV stations

DECLARATION OF ROBERT J. FURLONG

I, Robert J. Furlong, hereby declare, under penalty of perjury, as follows:

1. I am Vice President of Freedom Broadcasting of New York, Licensee, L.L.C. ("Freedom").
2. I understand that this declaration will be provided to the Federal Communications Commission (the "FCC") in support of the foregoing Request for TV Duopoly Waiver (the "Waiver Request"), to be filed as part of an application for FCC consent to the assignment to Freedom of the FCC license for television broadcast station WCWN(TV), Schenectady, New York.
3. The statements in the Waiver Request, excepting those which are the subject of the separate declarations of Gina Mazzaferri and Brian Byrnes, which declarations are included as part of the Waiver Request, are true and correct to the best of my knowledge, information and belief.



Robert J. Furlong

Executed July 24, 2006 at Schenectady, New York.