

Multiple Ownership Analysis

This transaction involves the acquisition of the full power commercial radio stations assigned to the rated markets shown below. The acquisition will be made using two commonly-owned entities – SMG – Tri-Cities, LLC for the stations assigned to the Richland-Kennewick-Pasco, WA rated market, and SMG - Yakima, LLC for the stations assigned to the Yakima, WA rated market. Separate assignment applications have therefore been filed to facilitate the ownership of the stations in the two market-based entities. However, this analysis properly considers all of the stations for purposes of determining compliance with the multiple ownership limits set forth in 47 CFR 73.3555.

<i>Station</i>	<i>Svc</i>	<i>Community</i>	<i>Fac. Id.</i>	<i>Market</i>
KUJ-FM	FM	Burbank, WA	77777	Richland-Kennewick-Pasco, WA
KEGX	FM	Richland, WA	53140	Richland-Kennewick-Pasco, WA
KIOK	FM	Richland, WA	12455	Richland-Kennewick-Pasco, WA
KKSR	FM	Walla Walla, WA	35717	Richland-Kennewick-Pasco, WA
KALE	AM	Richland, WA	63359	Richland-Kennewick-Pasco, WA
KJOX	AM	Kennewick, WA	53139	Richland-Kennewick-Pasco, WA
KXDD	FM	Yakima, WA	7919	Yakima, WA
KRSE	FM	Yakima, WA	49876	Yakima, WA
KARY-FM	FM	Grandview, WA	53674	Yakima, WA
KHHK	FM	Yakima, WA	36031	Yakima, WA
KTCR	AM	Selah, WA	7918	Yakima, WA
KBBO	AM	Yakima, WA	49875	Yakima, WA

As set forth above, there are six stations (4 FMs and 2 AMs) being acquired in each rated market.

The Richland-Kennewick-Pasco WA market has a total of 29 AM and FM commercial and non-commercial stations. *See Exhibit A.* Under 73.3555(a)(1)(iii), common ownership or control of up to six commercial stations, with no more than four in the same service, is permissible in markets with between 15-29 stations. Therefore, the planned acquisition by SMG – Tri-Cities, LLC of 4 FM and 2 AM stations in the Richland-Kennewick-Pasco WA rated market fully complies with the multiple ownership limits.

The Yakima, WA rated market has a total of 30 AM and FM commercial and non-commercial stations. *See Exhibit B.* Under 73.3555(a)(1)(ii), common ownership or control of up to 7 commercial stations, with no more than four in the same service, is permissible in markets with between 30-44 stations. Therefore, the planned acquisition by SMG – Yakima, LLC of 4 FM and 2 AM stations in the Yakima WA rated market fully complies with the multiple ownership limits.

Because KUJ-FM and KKSR are not licensed to communities in a metro county that is part of any Arbitron Market, but have contour overlap with the city-grade contours of KEGX, KIOK, KALE and KTCR, a separate contour overlap analysis is also necessary to show compliance with

the commercial station ownership limits of 73.3555. *See* Exhibit C. As set forth therein, the 73.3555 ownership limits are also met with respect to the non-rated market resulting from the contour overlap.

In summary, the proposed transaction fully complies with the FCC's multiple ownership limits.

EXHIBIT A

The following stations are in this market. To view an individual station's information, click on that station's call letters.

Calls	AM/FM	Frequency	Market	Format
KALE	AM	960	Richland-Kennewick-Pasco, WA (179)	Clsc Hits
KBLD	FM	91.7	Richland-Kennewick-Pasco, WA (179)	Christian
KEGX	FM	106.5	Richland-Kennewick-Pasco, WA (179)	Clsc Rock
KEYW	FM	98.3	Richland-Kennewick-Pasco, WA (179)	Hot AC
KFAE	FM	89.1	Richland-Kennewick-Pasco, WA (179)	Clc/NPR/Jaz
KFLD	AM	870	Richland-Kennewick-Pasco, WA (179)	Talk/Sprts
KGDN	FM	101.3	Richland-Kennewick-Pasco, WA (179)	Christian
KIOK	FM	94.9	Richland-Kennewick-Pasco, WA (179)	Country
KJOX	AM	1340	Richland-Kennewick-Pasco, WA (179)	Sports
KKSR	FM	95.7	Richland-Kennewick-Pasco, WA (179)	AC
KLKY	FM	96.1	Richland-Kennewick-Pasco, WA (179)	Clsc Rock
KLRF	FM	88.5	Richland-Kennewick-Pasco, WA (179)	Christian
KMMG	FM	96.7	Richland-Kennewick-Pasco, WA (179)	Span/CHR
KOLU	FM	90.1	Richland-Kennewick-Pasco, WA (179)	RlgMs/Talk
KOLW	FM	97.5	Richland-Kennewick-Pasco, WA (179)	CHR/Rhymc
KONA	AM	610	Richland-Kennewick-Pasco, WA (179)	Nws/Tlk/Spt
KONA-FM	FM	105.3	Richland-Kennewick-Pasco, WA (179)	AC
KORD-FM	FM	102.7	Richland-Kennewick-Pasco, WA (179)	Country
KQBC	FM	90.5	Richland-Kennewick-Pasco, WA (179)	DARK
KQFO	FM	100.1	Richland-Kennewick-Pasco, WA (179)	AAA
KTCV	FM	88.1	Richland-Kennewick-Pasco, WA (179)	Alternative
KUJ	AM	1420	Richland-Kennewick-Pasco, WA (179)	Nws/Tlk/Spt
KUJ -FM	FM	99.1	Richland-Kennewick-Pasco, WA (179)	Top 40
KWCCQ	FM	106.1	Richland-Kennewick-Pasco, WA (179)	Urban
KWDR	FM	93.5	Richland-Kennewick-Pasco, WA (179)	Smooth Jazz
KXRX	FM	97.1	Richland-Kennewick-Pasco, WA (179)	Rock
KZHR	FM	92.5	Richland-Kennewick-Pasco, WA (179)	Mexican
KZIU-FM	FM	101.9	Richland-Kennewick-Pasco, WA (179)	Country
KZTB	FM	97.9	Richland-Kennewick-Pasco, WA (179)	Mexican

Source: BIA/Kelsey Richland-Kennewick-Pasco, WA Metro Station Listing, 3-22-18

EXHIBIT B

The following stations are in this market. To view an individual station's information, click on that station's call letters.

Calls	AM/FM	Frequency	Market	Format
KARY-FM	FM	100.9	Yakima, WA (198)	Oldies
KATS	FM	94.5	Yakima, WA (198)	Rock
KAYB	FM	88.1	Yakima, WA (198)	Chrst/Talk
KBBO	AM	1390	Yakima, WA (198)	Sports
KDBL	FM	92.9	Yakima, WA (198)	Country
KDNA	FM	91.9	Yakima, WA (198)	Spn/Edu/PbS
KDYK	AM	1020	Yakima, WA (198)	Mexican
KDYM	AM	1230	Yakima, WA (198)	Span/Relgn
KFFM	FM	107.3	Yakima, WA (198)	CHR
KHHK	FM	99.7	Yakima, WA (198)	RhyBl/HpHop
KIT	AM	1280	Yakima, WA (198)	News/Talk
KMGW	FM	99.3	Yakima, WA (198)	Rhymc/Oldes
KMNA	FM	98.7	Yakima, WA (198)	Mexican
KNWY	FM	90.3	Yakima, WA (198)	Cls/NPR/Jaz
KRSE	FM	105.7	Yakima, WA (198)	Clsc Rock
KSBC	FM	88.3	Yakima, WA (198)	DARK
KSOH	FM	89.5	Yakima, WA (198)	Chrst/Talk
KTCR	AM	980	Yakima, WA (198)	Country
KUTI	AM	1460	Yakima, WA (198)	Sports
KXDD	FM	104.1	Yakima, WA (198)	Country
KYAK	AM	930	Yakima, WA (198)	Christian
KYKV	FM	103.1	Yakima, WA (198)	ChrsContemp
KYNR	AM	1490	Yakima, WA (198)	VarHt/Ethnc
KYPL	FM	91.1	Yakima, WA (198)	ChrsContemp
KYTR	FM	88.1	Yakima, WA (198)	Religion
KYVT	FM	88.5	Yakima, WA (198)	Nws/Tlk/Inf
KYXE	FM	104.9	Yakima, WA (198)	Span/CCtmp
KZTA	FM	96.9	Yakima, WA (198)	Mexican
KZXR	AM	1310	Yakima, WA (198)	Mexican
KZXR-FM	FM	101.7	Yakima, WA (198)	Span/Oldes

Source: BIA/Kelsey Yakima WA Metro Station Listing, 3/22/18.

EXHIBIT C – Contour Overlap Analysis

TECHNICAL STATEMENT
RADIO MULTIPLE OWNERSHIP ANALYSIS

This radio multiple ownership analysis was prepared on behalf of SMG-Tri-Cities, LLC which is proposing to acquire the AM and FM stations tabulated below. This analysis was prepared under the FCC “Interim” contour analysis method because KUJ-FM and KKSJ are not licensed to communities in a metro county that is part of any Arbitron Market but have contour overlap with other stations being acquired.¹

Call Sign / Facility ID	Location	Facilities
KUJ-FM / 77777 Licensed Facility	Burbank, WA	Channel 256C1 52 kW 385 m
KEGX(FM) / 53140 Licensed Facility	Richland, WA	Channel 293C0 100 kW 424.4 m
KIOK(FM) / 12455 Licensed Facility	Richland, WA	Channel 235C 100 kW 382 m
KKSJ(FM) / 35717 Licensed Facility	Walla Walla, WA	Channel 239C 100 kW 427 m
KALE(AM) / 63359 Licensed Facility	Richland, WA	960 kHz 5 kW-D/1 KW-N DA-N
KJOX(AM) / 53139 Licensed Facility	Kennewick, WA	1340 kHz 1 kW-U/ ND

The principal community contours of these stations are depicted on a map included herein as Figure 1. Since the principal community contours (5 mV/m for AM stations, 3.16 mV/m for FM stations) of the stations above are involved in common overlap, an ownership study was prepared in accordance with the Federal Communications Commission multiple ownership rules as outlined in Section 73.3555.

Radio Markets

The “radio market” applicable to common ownership of the subject stations are defined as the area encompassed by the mutually overlapping principal

¹ See Report and Order and Notice of Proposed Rulemaking, MB Docket 02-277, FCC 03-127, Released July 2, 2003.

community contours of the stations proposed to be commonly owned. As listed in the Table below, there is one defined “radio market” formed by the subject stations:

Defined Radio Market	Stations that Define Radio Market	
	AM Stations	FM Station
Market 1	KALE(AM), KJOX(AM)	KUJ-FM(FM), KEGX(FM), KIOK(FM), KKSR(FM)

Count of Stations in Defined Markets

The number of radio stations in a “radio market” is determined by counting the operating stations having principal community contours that overlap or intersect the principal community contours, which define the radio market. Only those stations located within 92 km of the perimeter of the mutual overlap area of the defined market area were employed in the count of stations. The results of the analysis are tabulated below:

Defined Radio Markets	Total Number of Stations in the Radio Market
Market 1	12 AM, 36 FM; 48 Total

Figure 2 is a tabulation of other stations in the defined markets. Only known licensed, operating stations were employed for the study. It is noted that the tabulation is not a complete list of all of the other stations in the market, but rather enough stations to show compliance with the FCC’s radio multiple ownership rules. Distances to the AM coverage contours were predicted using the antenna patterns as identified in the Commission’s AM database and the appropriate Ground Wave Field Strength versus Distance Graph of 47 CFR 73.184. Ground conductivity data were obtained from FCC Figure M3. Distances to the FM contours were determined based on the method of 47 CFR 73.313. Terrain data was derived from the N.G.D.C. 30 second computer database for each of the FM stations using radials evenly-spaced every 5 degrees of azimuth.

Under 73.3555(a)(1)(iii), in a market with 45 or more stations, a party may own, operate or control up to 8 commercial radio stations, not more than 5 of which are in the same service. Thus, the acquisition of the stations by SMG-

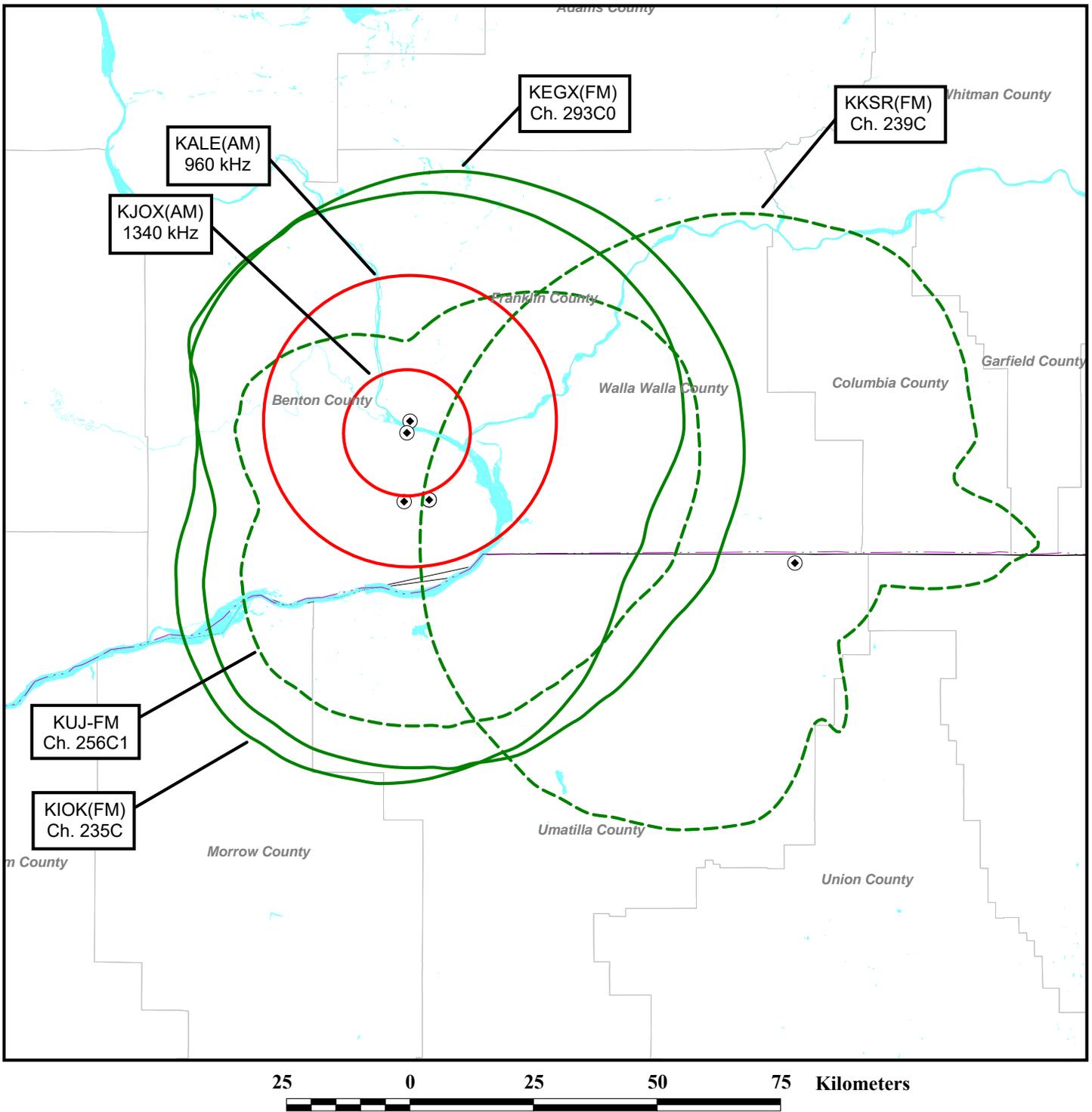
Tri-Cities, LLC will comply with the multiple ownership rules based on the interim analysis method.



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PRINCIPAL COMMUNITY CONTOURS OF SUBJECT STATIONS

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TECHNICAL STATEMENT
RADIO MULTIPLE OWNERSHIP ANALYSIS

Tabulation of Other Stations Defined in Radio Markets

Market 1

<u>FM Stations</u>			
<u>Call Sign</u>	<u>Community of License</u>	<u>State</u>	<u>Freq./Ch.</u>
KHSS	ATHENA	OR	264 C2
KQFM	HERMISTON	OR	229 A
KZLY	IONE	OR	258 C3
KZTB	MILTON-FREEWATER	OR	250 C1
KLRF	MILTON-FREEWATER	OR	203 C2
KWHT	PENDLETON	OR	278 C1
KRBM	PENDLETON	OR	215 C2
KWVN-FM	PENDLETON	OR	299 C1
KUMA-FM	PILOT ROCK	OR	221 C3
KLKY	STANFIELD	OR	241 C2
KZIU-FM	WESTON	OR	270 C2
KOLW	BASIN CITY	WA	248 C1
KMMG	BENTON CITY	WA	244 A
KQBC	BENTON CITY	WA	213 A
KGTS	COLLEGE PLACE	WA	217 C2
KZHR	DAYTON	WA	223 C1
KARY-FM	GRANDVIEW	WA	265 C2
KBLD	KENNEWICK	WA	219 C3
KTCV	KENNEWICK	WA	201 A
KONA-FM	KENNEWICK	WA	287 C
KOLU	PASCO	WA	211 C1
KEYW	PASCO	WA	252 C1
KGDN	PASCO	WA	267 C3
KQFO	PASCO	WA	261 C2
KZXR-FM	PROSSER	WA	269 C3
KORD-FM	RICHLAND	WA	274 C0
KFAE-FM	RICHLAND	WA	206 C
KRCW	ROYAL CITY	WA	242 C2
KWCW	WALLA WALLA	WA	213 A
KRKL	WALLA WALLA	WA	227 C1
KXRX	WALLA WALLA	WA	246 C0
<u>KWWS</u>	<u>WALLA WALLA</u>	<u>WA</u>	<u>209 C1</u>
Total	32 FM Stations		

<u>Call Sign</u>	<u>AM Stations</u> <u>Community of License</u>	<u>State</u>	<u>Freq./Ch.</u>
KVAN	BURBANK	WA	1560
KONA	KENNEWICK-RICHLAND-P	WA	610
KFLD	PASCO	WA	870
KZXR	PROSSER	WA	1310
KUJ	WALLA WALLA	WA	1420
KGDC	WALLA WALLA	WA	1320
KTEL	WALLA WALLA	WA	1490
KOHU	HERMISTON	OR	1360
KUMA	PENDLETON	OR	1290
<u>KTIX</u>	<u>PENDLETON</u>	<u>OR</u>	<u>1240</u>
Total	10 AM Stations		