

WLAX(DT), La Crosse, WI
WEUX(DT), Chippewa Falls, WI
FCC Form 315
Exhibit 20

REQUEST FOR SATELLITE STATUS

This exhibit is being filed in connection with applications for the transfer of control of GM LaCrosse Licensing LLC and GM Chippewa Falls Licensing LLC, respectively the licensees of WLAX(DT), La Crosse, Wisconsin and WEUX(DT), Chippewa Falls, Wisconsin, to Nexstar Broadcasting, Inc. (“Nexstar”). Nexstar requests that the Commission allow WEUX to operate as an authorized “satellite” of WLAX.

A. The Commission’s Satellite Policy

Television satellite stations are generally exempt from the restrictions of the Commission’s ownership rules.¹ Under a policy promulgated in 1991, operation as a satellite is presumed to be in the public interest if each of three conditions are met: (i) there is no City Grade contour overlap between the parent and the satellite, (ii) the proposed satellite would provide service to an underserved area, and (iii) no alternative operator is ready and able to purchase and operate the satellite as a full-service station. If the proposed satellite operation does not satisfy each of these factors, the Commission will evaluate the proposal on an *ad hoc* basis and authorize satellite status if there are other public interest benefits or compelling circumstances that warrant approval.²

Although WEUX and WLAX have historically been commonly owned, and are located in the same Designated Market Area (“DMA”), the stations’ analog Grade B contours did not overlap.³ As a result, Commission authority was not required either for the stations to be commonly owned, or for WEUX to rebroadcast WLAX. Following the transition to digital

¹ 47 C.F.R. § 73.3555, note 5.

² *Television Satellite Stations Review of Policy and Rules*, Report and Order, 6 FCC Rcd 4212 (1991) (“Satellite Policy”).

³ See Attachment A; see also 47 C.F.R. § 73.3555(b) (“An entity may directly or indirectly own, operate, or control two television stations licensed in the same [DMA if] ... (1) The Grade B contours of the stations ... do not overlap.”).

television broadcasting, however, the digital protected contours of the stations now overlap.⁴

Consequently, Nexstar seeks authority to operate WEUX as an authorized satellite of WLAX.⁵

B. WEUX Has Rebroadcast WLAX Since 1996

WEUX has rebroadcast WLAX for at least 17 years.⁶ This arrangement has served the public interest. WEUX, licensed to Chippewa Falls, Wisconsin, is located some 90 miles from WLAX, licensed to La Crosse, Wisconsin. Consequently, WEUX's contour reaches a portion of the La Crosse-Eau Claire, WI DMA that WLAX's signal does not – namely, the city of Eau Claire.⁷ Because WEUX rebroadcasts WLAX, residents of Eau Claire are able to receive FOX network programming that they would not otherwise be able to view over-the-air.⁸

C. Satellite Operation Is Warranted

Contour Overlap: To satisfy the first criterion of the presumptive waiver standard, stations must demonstrate that their analog City Grade contours do not overlap. As the

⁴ Following the digital transition, Grade B contours ceased to exist. Although the Commission has not revised its rules to eliminate references to analog service contours, the Commission has recognized that Noise Limited Service contours (NLSC) are generally “considered equivalent to the analog Grade B contour...” See *Letter to Stephen Diaz Gavin, Esq. et al.*, DA 10-312 (Feb. 25, 2010); *Letter to LIN License Company, LLC*, DA 12-1576 (Oct. 2, 2012) at 2, n.5 (“We recognize that the Commission has developed the digital noise-limited contour to approximate the same probability of service as the analog Grade B contour and that it has stated that the two are roughly equivalent.”).

⁵ See Attachment A (showing overlap between the stations' 41 dBu digital NLSCs and lack of overlap between the stations' former analog Grade B contours).

⁶ In fact, the stations were likely operating as parent and satellite even before then. WLAX and WEUX have been simulcast since their parent company acquired them as a pair on May 15, 1996. The parties believe it likely, moreover, that the stations had been operated as parent and satellite by their predecessor licensee for some time before the acquisition.

⁷ See Attachment A.

⁸ *Id.* There is no FOX affiliate licensed to Eau Claire. Television & Cable Factbook 2012 at A-1414-15.

Commission has recognized, however, this criterion is no longer relevant in the digital environment.⁹ Following the digital transition,

full-power television stations have a digital Principal Community contour that serves a much larger area than their former analog City Grade contour. Thus, the principal community contour is not an equivalent standard to use in determining whether a satellite qualifies for the presumptive satellite exemption to the duopoly rule.¹⁰

The analog City Grade contours of WEUX and WLAX did not overlap. The fact that their digital contours overlap is not relevant to satellite determinations.

Service to Underserved Areas: In its Satellite Policy, the Commission indicated that a community with two or fewer full-power stations licensed to it would be considered “underserved.”¹¹ WEUX easily meets this criterion, as it is the only full-power television station licensed to Chippewa Falls, Wisconsin.¹² Chippewa Falls is thus an “underserved area” within the meaning of the Policy.

Viability of WEUX as a Full-Service Stand-Alone Station: No alternative operator is ready to purchase and operate WEUX as a full-service, stand-alone station. WLAX and WEUX have long operated as “parent and satellite,” with the latter providing the local and network programming of the former to outlying communities that otherwise would be deprived of such

⁹ *Letter to LIN License Company, LLC*, DA 12-1576 (Oct. 2, 2012) at 2 (recognizing that “[f]ollowing the digital transition, full-power television stations have a digital Principal Community contour that serves a much larger area than their former analog City Grade contour.”).

¹⁰ *In re J. Stewart Bryan III and Media General Communications Holdings, LLC*, DA 13-2140 (¶ 24) (rel. Nov. 8, 2013); *see also Selenka Communications, LLC*, 25 FCC Rcd 278, 279 (¶ 3) (2010).

¹¹ Satellite Policy, 6 FCC Rcd at 4215.

¹² Television & Cable Factbook 2012 at A-1411.

service. Further, as indicated in the attached letter from Brian E. Cobb, Founder and President of CobbCorp, LLC, operating WEUX as a stand-alone full-service station is impracticable.¹³ The station would essentially be a start-up facility with no prospect of major affiliation or full market coverage. Furthermore, the La Crosse-Eau Claire, WI DMA is ranked 128th in television revenue, with five stations fighting for just \$30,000,000 in advertising revenue.¹⁴ With no Big 4 network affiliation and a signal that does not cover La Crosse and Winona, the most populous areas of the DMA, WEUX's "ability to compete would be severely impaired."¹⁵

Viability of WLAX as a Stand-Alone Station: Without the operation of WEUX as a satellite of WLAX, WLAX will not reach the northern portion of the La Crosse-Eau Claire DMA, which will drastically reduce its ability to compete against other in-market stations. The ABC affiliate in the DMA serves the entire market through the operation of stations WXOW(DT), La Crosse, Wisconsin and WQOW(DT), Eau Claire, Wisconsin. Station WKBT-DT, the CBS affiliate in the DMA, operates with facilities that cover a much more significant portion of the DMA, including both the communities of La Crosse and Eau Claire, as does WEAU(DT), the NBC affiliate. Without grant of a satellite waiver for WEUX, WLAX will be unable to compete effectively with the licensees of the CBS, NBC and ABC affiliates in the DMA, thereby threatening its continued viability as well.

Finally, the Commission's grant of a waiver for WEUX will not affect diversity or competition in the DMA; rather it will only preserve a long-established relationship.

¹³ Letter from Brian E. Cobb, President, CobbCorp, LLC, to Barbara Kreisman, Esq, Chief, Video Division, Media Bureau, FCC (Nov. 4, 2013), attached hereto as Attachment B. CobbCorp is a nationally recognized brokerage and appraisal firm.

¹⁴ *Id.*

¹⁵ *Id.*

For the foregoing reasons, Nexstar respectfully requests that the Commission authorize WEUX to operate as a satellite of WLAX.