COMPREHENSIVE EXHIBIT

Table of Contents

1. INTRODUCTION AND SUMMARY 1
2. DESCRIPTION OF TRANSACTION 2
3. PUBLIC INTEREST BENEFITS OF THE TRANSACTION 3
4. OTHER AUTHORIZATIONS 7
5. PARTIES TO THE APPLICATION 10
6. TRANSACTION DOCUMENTS 23
7. MULTIPLE OWNERSHIP COMPLIANCE 25
    i. Duopoly Markets. 26
        a. Cleveland-Akron (Canton), Ohio 26
        b. Richmond-Petersburg, Virginia 26
        c. Honolulu, Hawaii 27
        d. Amarillo, Texas 27
    ii. Divestiture Markets 27
8. TOP-FOUR COMPLIANCE STATEMENTS – HONOLULU, HI AND AMARILLO, TX 28
9. REQUESTS FOR CONTINUATION OF SATELLITE WAIVERS 29
    i. Tyler-Longview (Lufkin and Nacogdoches), TX 30
    ii. Honolulu, HI 32
    iii. Odessa-Midland, TX 34
10. LOCAL RADIO OWNERSHIP RULE 36

Table of Exhibits

Attachment 1 – Top-Four Showing for Continued Common Ownership of KHNL and KGMB (Honolulu, Hawaii)

Attachment 2 – Top-Four Showing for Continued Common Ownership of KFDA & KEYU (Amarillo, Texas)

Exhibit A – Raycom Licenses Being Assigned or Transferred

Exhibit B – Organizational Charts

Exhibit C – *Bostonia* Article: Jacqueline Policastro of Gray Television Delivers the Beltway to Heartland Viewers

Exhibit D – National Ownership Calculation

Exhibit E – May 2018 Nielsen Ratings and Audience Share Data for Cleveland, Ohio DMA

Exhibit F – May 2018 Nielsen Ratings and Audience Share Data for Richmond, Virginia DMA

Exhibit G – Tyler-Longview (Lufkin and Nacogdoches), Texas DMA Contour Maps

Exhibit H – Broker Letter for KTRE(DT)

Exhibit I – Honolulu, Hawaii DMA Contour Maps

Exhibit J – Broker Letter for KHBC-TV and KOGG(DT)

Exhibit K – Hawaii Census Data

Exhibit L – Odessa-Midland, TX Contour Maps

Exhibit M – Broker Letter for KWAB-TV

1. Introduction and Summary

This application is one of several concurrently filed applications that seek the Commission's consent to the proposed merger (the "Transaction") between Raycom Media, Inc. ("Raycom"), a Delaware corporation and Gray Television, Inc. ("Gray"), a Georgia corporation (collectively, the "Applicants"). Specifically, the applications seek consent to (1) the assignment of certain licenses held by subsidiaries of Raycom to Gray Television Licensee, LLC; and (2) the long-form transfer of control to Gray of certain license-holding subsidiaries of Raycom that hold Raycom's remaining licenses.[1] A list of Raycom's broadcast licenses that are being assigned or transferred is provided in Exhibit A.

After the proposed divestitures, Gray will own 124 full-power television stations and two radio stations across 92 markets covering 24 percent of U.S. television households. Combined, the merged company would have the top Nielsen rated television station in 62 markets and one of the top two rated stations in 92% of the markets the combined company will serve. The proposed Transaction will dramatically increase the merged company's operational efficiencies, fueling enhanced service to local communities across the country without diminishing the fierce competition or rich diversity of voices and content in any local television market.

The Applicants have structured the Transaction to address in advance any potential concerns about competition, localism or diversity. Following consummation of the Transaction, Gray will have a national audience reach of just 16.372% under current rules – less than half the national television audience limit. In the Cleveland market, the Applicants will demonstrate compliance with the Local Television Ownership Rule in connection with the continued ownership of two television stations currently held by Raycom, one of which is not a top-four station. In addition, the Applicants seek the Commission's consent to the Transaction, subject to:

- Divestiture of nine full power television stations;
- Consent to Gray's acquisition of existing top-four combinations currently held by Raycom in Honolulu and Amarillo; and
- Continuation of satellite authority for four existing television satellite stations.

This Transaction strongly serves the public interest, and the Applicants urge the Commission to promptly process and grant the associated applications.

---

[1] The Applicants will file separate applications with the appropriate bureaus requesting Commission consent for the transfer of control or assignment of earth station, microwave, and land mobile facilities that are currently held by subsidiaries of Raycom.

2. Description of Transaction

The instant Transaction is an acquisition of Raycom by Gray that will be accomplished through a series of mergers that will be completed substantially contemporaneously at a single closing. Gray will acquire Raycom through a merger of East Future Group, Inc, a wholly owned subsidiary of Gray, into Raycom, with Raycom Media, Inc. surviving as a wholly-owned subsidiary of Gray (the "Merger").

Under the terms of the merger agreement between the parties, Gray will acquire Raycom for $3.647 billion in total proceeds, consisting of $3.547 billion in enterprise value and $100 million of Raycom cash. The consideration will consist of $2.85 billion in cash, $650 million in a new series of preferred stock, and 11.5 million shares of Gray common stock. Following the close of the Transaction, Gray's shareholders will own 89% of the merged company.

Immediately following the consummation of the Merger, Gray will effectuate a reorganization. Certain subsidiaries of Raycom that hold FCC licenses (the "Merger License Subs") will be merged, directly or indirectly through a series of mergers, with and into Gray Television Licensee, LLC, with Gray Television Licensee, LLC as the surviving entity. Certain subsidiaries of Raycom that hold FCC licenses (the "Continuing Merger Subs") will remain subsidiaries of Raycom Media, Inc. for a period of time following consummation of the Transaction. At the conclusion of the Transaction, (a) Gray Television Licensee, LLC will directly hold the FCC Licenses of the Merger License Subs; and (b) the Continuing Merger Subs will be direct or indirect subsidiaries of Raycom Media, Inc., which will be a subsidiary of Gray.[2]

To facilitate the Commission's review of the Transaction, Gray has elected to divest television stations in nine overlap markets where the acquisition would raise local ownership issues rather than seek regulatory approvals of potentially permissive combinations in certain markets. Specifically, the Applicants have initiated a formal process to market the stations listed below to qualified third parties.

Market (DMA Rank and Name)	Retained Full-Power Stations	Divested Full-Power Stations
61 Knoxville	Gray WVLT-TV and WBXX-TV	Raycom WTNZ(DTD)
78 Toledo	Gray WTVG(DT)	Raycom WTOL(DT)
86 Waco	Gray KWTX-TV	Raycom KXXV(DT)
108 Tallahassee	Gray WCTV(DT) and WFXU(DT)	Raycom WTXL-TV
112 Augusta	Gray WRDW-TV	Raycom WFXG(DT)
144 Odessa	Gray KOSA-TV	Raycom KWES-TV
151 Panama City	Gray WJHG-TV	Raycom WPGX(DT)
154 Albany	Raycom WALB(DT)	Gray WSWG(DT)
173 Dothan	Gray WTVY(DT)	Raycom WDFX-TV

[2] The Transaction and the post-closing reorganization discussed herein are illustrated in Exhibit B.

The Transaction's combination of complementary station portfolios will create a stronger, more diverse company. Notably, Gray does not propose to create new station combinations that implicate the remaining duopoly restrictions, and therefore the Transaction poses no danger to local competition in any market.

3. Public Interest Benefits of the Transaction

This Transaction will increase the localism, journalism, and accountability across the Gray and Raycom markets. The Transaction also will serve the public interest by helping the combined company realize the efficiencies of scale and scope necessary to maintain current levels of top-quality service and to make the capital investments necessary to improve that service. This Transaction will secure Gray's ability to continue fulfilling its mission of providing small and medium sized markets with the best local television stations operating anywhere. And the Transaction will accomplish these goals while preserving and promoting competition in every affected market.

Headquartered in Atlanta, Georgia, Gray historically has concentrated on serving small- and mid-sized markets across the country. Gray owns and/or operates over 100 television stations across 57 television markets that collectively broadcast over 200 program streams, including 104 channels affiliated with CBS, NBC, ABC, and FOX. Raycom also has focused on service to small and medium markets. Raycom is currently one of the nation's largest privately-owned local media companies and owns and/or provides services for 65 television stations and 2 radio stations in 44 markets located in 20 states.[3] The companies share an unrivaled commitment to super-serving local communities with industry-leading local news and information.

After the proposed divestitures and Gray's acquisitions in separate transactions pending before the Commission, Gray will own 124 television stations and two radio stations across 92 markets and cover 24 percent of U.S. television households. Combined, the merged company would have the top Nielsen rated television station in 62 markets and one of the top two rated stations in 92% of the markets the combined company will serve. The economies of scale and synergies created by this Transaction will lead to substantial improvements in the already-strong public service provided today by Gray and Raycom separately. Indeed, in the past year alone, Gray's stations received 19 regional Edward R. Murrow Awards for excellence in journalism, dozens of regional Emmy nominations, two NAB Educational Foundation awards for outstanding public service commitment, and numerous other awards from the Associated Press and local community organizations nationwide. During that same time, Raycom's stations were awarded four national Edward R. Murrow awards, twenty-three regional Edward R. Murrow

[3] In addition to television stations, Raycom is the parent company of Raycom Sports (a marketing, production, events management and distribution company), Tupelo Raycom (sports and entertainment production company), RTM Productions (automotive programming production and marketing solutions company) and Broadview Media (a post-production/digital signage company), each of which will be acquired by Gray as part of this transaction. Raycom Media also is the parent company of Community Newspapers Holding, Inc. (community newspapers and information products; over 100 titles located in 23 states) and PureCars (digital ad platform for the automotive industry), neither of which will be acquired by Gray.

awards, seven regional Emmy awards, two awards each from Investigative Reporters & Editors and the Society of Professional Journalists, and numerous awards from the Associated Press, the Alabama Broadcasters Association, and National Headliner. This journalistic excellence is expensive, but the Transaction will enable the merged company to continue to deliver the highest quality services.

Viewers in the small and medium sized markets served by Gray and Raycom deserve the same quality and quantity of local news and information service that viewers in the larger markets receive. Yet, broadcasters serving these communities must overcome significant challenges created by the inherently smaller available revenue base in small markets and the industry-wide market fragmentation that is changing the market dynamics of local broadcasting. Smaller markets by their nature produce less advertising and retransmission consent revenue than larger markets due to their smaller population. At the same time, these markets are often geographically larger, creating increased operating costs to reach every viewer. Moreover, while these markets may have relatively smaller populations, broadcasters serving these markets face the same competitive challenges that all broadcasters face. The market fragmentation caused first by cable networks and more recently by Internet programing offered by services like Netflix and Hulu has affected small and medium sized markets just as much as the larger urban centers. Meanwhile, the costs of program acquisition continue to skyrocket, as the value of live sports and other programming that can draw a mass audience increases. Both Gray and Raycom have embraced and overcome these challenges individually, and combining the companies' market-leading stations and production assets will increase Gray's competitiveness in local broadcast television markets across the country. This combined portfolio of leading local media outlets will excel at what they do best, which is to provide the local news that local communities trust, the entertainment and sports content that viewers crave, and the audience reach that advertisers demand.

Today, viewers rely on the Applicants' stations to provide them with the local news, weather, sports, and other information that they need. Gray will use the synergies generated from the Transaction to expand its service to all of its local communities. One of the principal ways Gray will enhance service to its viewers is by expanding several statewide news networks that share news and video content that is of interest outside the market in which it is created. Examples of specific statewide and regional initiatives that Gray will take include:

- Alabama: Currently, Gray has just one full power station in the state of Alabama, but upon consummation of the Transaction, Gray would own the leading news stations in six of the seven designated market areas ("DMAs") in the state of Alabama. Gray would have local stations whose home markets include the state capitol (Montgomery), the largest metropolitan area and economic engine of the state (Birmingham), and the two largest educational institutions in Alabama (the University of Alabama and Auburn University). By sharing news stories and newsgathering resources, Gray will be able to cover important issues across the state of Alabama in a way that Gray's single station in Dothan, Alabama could never do.

- Louisiana: After adding Raycom's stations in Louisiana to Gray's existing stations, Gray will have a presence in six of the seven DMAs in the state. The

stations in those six DMAs will be able to instantly share locally produced news and public affairs programming between Baton Rouge (the state capitol), New Orleans, Lake Charles, Shreveport, Alexandria, and Monroe. For example, in July 2016, Baton Rouge was shaken by an officer-involved shooting of a black male that was followed less than two weeks later by the shooting of six police officers.[4] Local news stations across the state covered those events and the resulting unrest, but with the shared network Gray envisions for its stations in Louisiana, the stations could have shared resources and information to provide even higher-quality coverage of the incidents.

- Kentucky: Gray will operate stations in nine of ten markets that serve Kentucky. By covering the vast majority of the state, Gray's network of stations will be able to share critically important severe weather information that will lead to viewers across the state knowing about weather emergencies faster. Also, because Gray's meteorologists will track weather as it passes through their respective markets, they will be able to share potentially life-saving information with other markets (inside and outside of Kentucky) that lie in a storm's path.

- Atlantic and Gulf Coast Regions: After consummating the Transaction, Gray will have an unequaled ability to cover hurricanes and similar disasters that affect the Gulf and Atlantic Coasts. With stations in coastal communities from Louisiana to Virginia, Gray's weather personnel will be able to track the development and impact of hurricanes, tropical storms, flooding, and other natural disasters that often befall these areas. Moreover, when natural disasters strike a station's home market, Gray will be able to quickly and easily shift reporting and newsgathering resources from close-by, neighboring DMAs to relieve the local reporters who may have been covering the events for hours on end.

- South Carolina: Prior to the Transaction, Gray has just one station serving a small portion of South Carolina. WRDW-TV is located in the Augusta, GA-Aiken, SC market, but the station is physically located in Georgia and coverage naturally gravitates toward the more populous Georgia side of the market. After the Transaction, Gray will operate stations in six of the seven markets in South Carolina, including the Columbia, SC DMA. With access to more information that is of interest to its viewers in South Carolina, WRDW-TV will be able to better serve the South Carolina-side of its market, including in depth coverage for the University of South Carolina and Clemson athletic programs.

- Ohio: In Ohio, the combined company will have stations that serve all four corners of the state. Gray will use that scale to bring more political information from Washington, D.C. to Ohio viewers. For example, the congressional district for Congresswoman Kaptur stretches from Toledo to Cleveland hugging tightly

[4] *See, e.g.*, Iris Malveaux, *In July of 2016, Shooting of Alton Sterling Set Off a Series of Events*, WAFB (Mar. 27, 2018), http://www.wafb.com/clip/14229858/in-july-of-2016-shooting-of-alton-sterling-set-off-a-series-of-events.

along Lake Erie. Gray's Washington, D.C. news bureau regularly covers Congresswoman Kaptur because she is an important lawmaker representing many of Gray's viewers in Toledo. After the merger, the content that currently only airs on Toledo's WTVG(DT) can be shared with Congresswoman Kaptur's constituents in Cleveland through Raycom's WOIO(DT).

- Mississippi: Gray's WTOK-TV in Meridian operates a remote news bureau in Philadelphia, MS, which is the political base of the Mississippi Band of Choctaw Indians. Choctaw tribal lands extend into the Jackson and Hattiesburg-Laurel DMAs. Raycom's WLBT(DT) in Jackson and WDAM-TV in Laurel would gain access to local coverage of the Choctaw nation central government that affects many viewers through the Choctaw's gaming and industrial technology operations.

In addition to improving local coverage of local issues, Gray will pair the tremendous local and regional newsgathering capabilities of the merged company with its Washington, D.C. news bureau to ensure that its local communities are fully informed of developments in the nation's capital that affect them every day. Headed by Bureau Chief Jacqueline Policastro, Gray's D.C. news bureau has six full time journalists that help connect lawmakers in Washington to their constituents. Gray's seasoned reporters in D.C. work with their colleagues in Gray's local markets to identify the key political issues that viewers care about most and the reporters in the D.C. bureau highlight those key issues in segments that are produced in D.C.[5]

Raycom's national reporting resources will further augment the combined companies' ability to inform viewers about national issues that affect them. Raycom's national investigative unit produces in-depth reports focusing on the local impact of national issues.[6] Partnering with Raycom's investigative journalists in markets across the country, the national investigative unit probes issues of broad importance. These award-winning journalists produce long form documentary style or shorter segments with broad relevance and bearing to each of Raycom's stations and their viewers. Gray will integrate the national investigative unit across the combined company's footprint and incorporate the investigative teams at Gray's existing stations, creating a nationwide team of journalists committed to uncovering critical information for their local viewers.

In addition to improving the quality, breadth, and depth of local, regional and national news, Gray has committed to complementary investments that will further strengthen Gray's service to its viewers. Some of the improvements may include:

---

[5] A recent profile in Boston University's *Bostonia* details the excellent work of Gray's Washington, D.C. news bureau in connection local markets to relevant events in Washington. *Joel* Brown, *Jacqueline Policastro of Gray Television Delivers the Beltway to Heartland* Viewers, Bostonia (Summer 2018), http://www.bu.edu/bostonia/summer18/gray-television-washington-news-bureau-chief-jacqueline-policastro/. *See* Exhibit C.

[6] National Association of Broadcasters, *Raycom's National Investigative Unit*, NAB PILOT (Mar. 1, 2018).

- Realizing economies of scope by adding complementary media platforms that will enhance the production of high-quality sports and entertainment programming,

- Upgrading the stations' physical plant with the latest workstations, equipment, and software,

- Founding news bureaus in underserved areas that could provide important information for viewers in multiple Gray and Raycom markets. For example, Vernon Parish, Louisiana is the home of Fort Polk – the largest employer in Louisiana and a key installation for the U.S. Army – a bureau near Ft. Polk would provide relevant news and information to viewers in the Shreveport, Alexandria, and Lake Charles markets, and

- Expanding the number of journalists that work in the Washington, D.C. news bureau and the national investigative unit.

In the current media environment, the public interest affirmatively demands approval of transactions like Gray's acquisition of Raycom. Government regulation should not impede Gray from taking the commercially reasonable step of increasing its scale and scope to meet the changes to the marketplace and secure the future success of the public services these companies have enthusiastically taken it upon themselves to provide.

4. Other Authorizations

The following chart provides a list of licenses currently held by Gray through its license subsidiary Gray Television Licensee, LLC.

Licensee: Gray Television Licensee, LLC:
KALB-TV, Alexandria, LA (FID 51598)
KBSD-DT, Ensign, KS (FID 66414) *(Satellite of KWCH-DT)*
KBSH-DT, Hays, KS (FID 66415) *(Satellite of KWCH-DT)*
KBSL-DT, Goodland, KS (FID 66416) *(Satellite of KWCH-DT)*
KBTX-TV, Bryan, TX (FID 6669) *(Satellite of KWTX)*
KCRG(DT), Cedar Rapids, IA (FID 9719)
KCWY-DT, Casper, WY (FID 68713)
KNEP(DT), Scottsbluff, NE (FID 17683)
KFYR-TV, Bismarck, ND (FID 41427)
KGIN(DT), Grand Island, NE (FID 7894) *(Satellite of KOLN)*
KGNS-TV, Laredo, TX (FID 10061)
KGWN-TV, Cheyenne, WY (FID 63166)
KHSD-TV, Lead, SD (FID 34348) *(Satellite of KOTA-TV)*
KKCO(DT), Grand Junction, CO (FID 24766)
KKTV(DT), Colorado Springs, CO (FID 35037)
KMOT(DT), Minot, ND (FID 41425) *(Satellite of KFYR-TV)*
KMVT(DT), Twin Falls, ID (FID 35200)

Licensee: Gray Television Licensee, LLC:
KNOE-TV, Monroe, LA (FID 48975)
KNOP-TV, North Platte, NE (FID 49273)
KOLN(DT), Lincoln, NE (FID 7890)
KOLO-TV, Reno, NV (FID 63331)
KOSA-TV, Odessa, TX (FID 6865)
KOTA-TV, Rapid City, SD (FID 34347)
KPRY-TV, Pierre, SD (FID 48660) *(Satellite of KSFY-TV)*
KQCD-TV, Dickinson, ND (FID 41430) *(Satellite of KFYR-TV)*
KSCW-DT, Wichita, KS (FID 72348) *(Satellite of KWCH-DT)*
KSFY-TV, Sioux Falls, SD (FID 48658)
KSGW-TV, Sheridan, WY (FID 17680)
KSNB(DT), Superior, NE (FID 21161)
KSTF(DT), Scottsbluff, NE (FID 63182) *(Satellite of KGWN-TV)*
KTUU-TV, Anchorage, AK (FID 10173)
KTVF(DT), Fairbanks, AK (FID 49621)
KUMV-TV, Williston, ND (FID 41429) *(Satellite of KFYR-TV)*
KVLY-TV, Fargo, ND (FID 61961)
KWCH-DT, Hutchinson, KS (FID 66413)
KWQC(DT), Davenport, IA (FID 6885)
KWTX-TV, Waco, TX (FID 35903)
KXII(DT), Sherman, TX (FID 35954)
KYES-TV, Anchorage, AK (FID 21488)
KYTV(DT), Springfield, MO (FID 36003)
WABI-TV, Bangor, ME (FID 17005)
WAGM-TV, Presque Isle, ME (FID 48305)
WAGT(DT), Augusta, GA (FID 70699)
WBAY-TV, Green Bay, WI (FID 74417)
WBKO(DT), Bowling Green, KY (FID 4692)
WBXX-TV, Knoxville, TN (FID 72971)
WCAX-TV, Burlington, VT (FID 46728)
WCAV(DT), Charlottesville, VA (FID 363)
WCJB-TV, Gainesville, FL (FID 16993)
WCTV(DT), Thomasville, GA (FID 31590)
WDBJ(DT), Roanoke, VA (FID 71329)
WDTV(DT), Weston, WV (FID 70592)
WEAU(DT), Eau Claire, WI (FID 7893)
WFXU(DT), Live Oak, FL (FID 22245)
WHSV-TV, Harrisonburg, VA (FID 4688)
WIBW-TV, Topeka, KS (FID 63160)
WIFR(DT), Freeport, IL (FID 4689)
WILX-TV, Onondaga, MI (FID 6863)
WITN-TV, Washington, NC (FID 594)
WJHG-TV, Panama City, FL (FID 73136)

Licensee: Gray Television Licensee, LLC:
WJRT-TV, Flint, MI (FID 21735)
WKYT-TV, Lexington, KY (FID 24914)
WLUC-TV, Marquette, MI (FID 21259)
WMTV(DT), Madison, WI (FID 6870)
WNDU-TV, South Bend, IN (FID 41674)
WOWT(DT), Omaha, NE (FID 65528)
WQCW(DT), Portsmouth, OH (FID 65130)
WRDW-TV, Augusta, GA (FID 73937)
WSAW-TV, Wausau, WI (FID 6867)
WSAZ-TV, Huntington, WV (FID 36912)
WSWG(DT), Valdosta, GA (FID 28155)
WTAP-TV, Parkersburg, WV (FID 4685)
WTOK-TV, Meridian, MS (FID 4686)
WTVG(DT), Toledo, OH (FID 74150)
WTVY(DT), Dothan, AL (FID 4152)
WVFX(DT), Clarksburg, WV (FID 10976)
WVLT-TV, Knoxville, TN (FID 35908)
WYMT-TV, Hazard, KY (FID 24915)

On February 9, 2018, an application to assign the license of KCPM(DT), Grand Forks, ND (FID 86208) from G.I.G. of North Dakota, LLC to Gray Television Licensee, LLC was filed with the FCC. *See* FCC File No. BALCDT - 20180209ABJ. This application remains pending.

On February 12, 2018, an application to assign the licenses of KGWR-TV, Rock Springs, Wyoming (FID 63170) and KGWL-TV, Lander, Wyoming (FID 63162) from Mark III Media, Inc. to Gray Television Licensee, LLC was filed with the FCC. *See* FCC File No. BALCDT - 20180212ABX. The Commission granted the application, but the parties have not consummated the transaction.

On April 25, 2018, an application to assign the license of WLHG-CD, Lynchburg, Virginia (FID 168095) from Morning Star Broadcasting, LLC to Gray Television Licensee, LLC was filed with the FCC. *See* FCC File No. BALDTA – 20180425ABE. This application remains pending.

On May 16, 2018, an application to assign the licenses of KDLT-TV, Sioux Falls, South Dakota (FID 55379) and KDLV-TV, Mitchell, South Dakota (FID 55375) from Red River Broadcast Co., LLC to Gray Television Licensee, LLC was filed with the FCC. *See* FCC File No. BALCDT – 20180516AAY. This application remains pending.

Elizabeth R. Neuhoff, a Director of Gray Television, Inc., also has an attributable interest in the following:
WDAN(AM), Danville, IL (FID 48330)
WDNL(FM), Danville, IL (FID 48332)
WRHK(FM), Danville, IL (FID 57465)
WCVS-FM, Virden, IL (FID 70275)
WFMB(AM), Springfield, IL (FID 48333)
WFMB-FM, Springfield, IL (FID 48331)
WXAJ(FM) Hillsboro, IL (FAC ID 4738)
WCZQ(FM), Monticello, IL (FAC ID46942)
WDZ(AM), Decatur, IL (FAC ID 53348)
WDZQ(FM), Decatur, IL (FAC ID 47004)
WSOY(AM), Decatur, IL (FAC ID 36945)
WSOY-FM, Decatur, IL (FAC ID 36951)
WBBE(FM), Heyworth, IL(FAC ID 164104)
WIHN(FM), Normal, IL (FAC ID 4617)
WWHX(FM), Normal, IL (FAC ID 164105)
WASK(AM), Lafayette, IN (FAC ID 71065)
WASK-FM, Battle Ground, IN (FAC ID 59361)
WKHY(FM), Lafayette, IN (FAC ID 63185)
WKOA(FM), Lafayette, IN (FAC ID 71064)
WXXB(FM), Delphi, IN (FAC ID 72676)

5. Parties to the Application

The following charts provide the current ownership information for the proposed assignee of the license – Gray Television Licensee, LLC.

Gray Television Licensee, LLC

1	Gray Television Licensee, LLC 4370 Peachtree Road, NE Atlanta, GA 30319	Gray Television Group, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Nevada Limited Liability Company	Delaware Corporation
3	N/A	Sole Member
4	N/A	100%
5	N/A	N/A

The following individuals are officers or directors of **Gray Television Licensee, LLC**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Hilton H. Howell, Jr.	US	Director/ Officer	0%	0%
Kevin P. Latek	US	Director/Officer	0%	0%

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Kristine W. Eppes	US	Director/Officer	0%	0%
Robert J. Folliard, III	US	Officer	0%	0%
James C. Ryan	US	Officer	0%	0%
Wendy Mavrinac	US	Officer	0%	0%

Gray Television Group, Inc.

1	Gray Television Group, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319	WVLT-TV, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Delaware Corporation	Georgia Corporation
3	N/A	Sole Shareholder
4	N/A	100%
5	N/A	N/A

The following individuals are officers or directors of **Gray Television Group, Inc**.

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Hilton H. Howell, Jr.	US	Director/ Officer	0%	0%
Kevin P. Latek	US	Director/Officer	0%	0%
James C. Ryan	US	Officer	0%	0%
Bob Smith	US	Officer	0%	0%
Nick Waller	US	Officer	0%	0%
Mike Braun	US	Officer	0%	0%
Greg Conklin	US	Officer	0%	0%
Jackson S. Cowart, IV	US	Officer	0%	0%
Robert J. Folliard, III	US	Officer	0%	0%
Jan Goldstein	US	Officer	0%	0%
Vance F. Luke	US	Officer	0%	0%
Becky Meyer	US	Officer	0%	0%
Jay Barton	US	Officer	0%	0%
Jim Beck	US	Officer	0%	0%
James Berman	US	Officer	0%	0%
Spencer Bienvenu	US	Officer	0%	0%
Shannon Booth	US	Officer	0%	0%
Roger Brokke	US	Officer	0%	0%
Ulysses Carlini	US	Officer	0%	0%
Julia Campbell	US	Officer	0%	0%
Alan Chatman	US	Officer	0%	0%
Tim Coles	US	Officer	0%	0%
Don Davis	US	Officer	0%	0%
Rick Dean	US	Officer	0%	0%

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Tim DeFazio	US	Officer	0%	0%
Matt Eldredge	US	Officer	0%	0%
Mike Fass	US	Officer	0%	0%
Chris Fedele	US	Officer	0%	0%
Chris Fry	US	Officer	0%	0%
Mark Gentner	US	Officer	0%	0%
Michele D. Godard	US	Officer	0%	0%
Chris Gross	US	Officer	0%	0%
Jasmine Hardin	US	Officer	0%	0%
Annette Heath	US	Officer	0%	0%
Matt Jaquint	US	Officer	0%	0%
Nancy Johnson	US	Officer	0%	0%
Debbie Petersmark	US	Officer	0%	0%
Eric Krebs	US	Officer	0%	0%
Allan Lancaster	US	Officer	0%	0%
Kelly Landeen	US	Officer	0%	0%
Steve Lavin	US	Officer	0%	0%
Kim Lee	US	Officer	0%	0%
Ken Long	US	Officer	0%	0%
Laura Long	US	Officer	0%	0%
Liz Haltiwanger	US	Officer	0%	0%
Brian McDonough	US	Officer	0%	0%
Neil Middleton	US	Officer	0%	0%
Brad Moses	US	Officer	0%	0%
Chris Mossman	US	Officer	0%	0%
Terry McHugh	US	Officer	0%	0%
Tim Myers	US	Officer	0%	0%
Mike Oates	US	Officer	0%	0%
John O'Brien	US	Officer	0%	0%
Brad Odil	US	Officer	0%	0%
Heather Peeples	US	Officer	0%	0%
Thom Pritz	US	Officer	0%	0%
Matt Pumo	US	Officer	0%	0%
Sasha Purciful	US	Officer	0%	0%
Sue Ramsett	US	Officer	0%	0%
Rick Rhoades	US	Officer	0%	0%
Barry Schumaier	US	Officer	0%	0%
Andrew Stewart	US	Officer	0%	0%
Stacey Stewart	US	Officer	0%	0%
Don Vesely	US	Officer	0%	0%
Pete Veto	US	Officer	0%	0%
Tim Walker	US	Officer	0%	0%
James Wareham	US	Officer	0%	0%

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Tregg White	US	Officer	0%	0%
Mike Wright	US	Officer	0%	0%
Luis Villarreal	US	Officer	0%	0%
Chris Mossman	US	Officer	0%	0%
Matt Jaquint	US	Officer	0%	0%
Nick Matesi	US	Officer	0%	0%
Michael King	US	Officer	0%	0%

WVLT-TV, Inc.

1	WVLT-TV, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319	Gray Television, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Georgia Corporation	Georgia Corporation
3	N/A	Sole Shareholder
4	N/A	100%
5	N/A	N/A

The following individuals are officers or directors of **WVLT-TV, Inc.**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Hilton H. Howell, Jr.	US	Director/ Officer	0%	0%
Kevin P. Latek	US	Director/Officer	0%	0%
James C. Ryan	US	Officer	0%	0%
Jackson S. Cowart, IV	US	Officer	0%	0%
Jan Goldstein	US	Officer	0%	0%
Vance F. Luke	US	Officer	0%	0%
Jasmine Hardin	US	Officer	0%	0%
Robert J. Folliard, III	US	Officer	0%	0%

Gray Television, Inc.

The following individuals or entities are an officer, director or hold an attributable interest in **Gray Television, Inc.**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Harriet J. Robinson[7]	US	Owner	28.32%	6.37%

[7] The attributable ownership interest reported herein for Harriet Robinson includes:

(i) her ownership of Class A Common Stock (ten votes each share) and Class B Common Stock (one vote each share);

(ii) the stock held in trust for children or grandchildren; and

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Hilton H. Howell, Jr.[8]	US	Director/ Officer	6.66%	1.86%
Atlantic American Corporation[9]	US	Owner	6.0%	1.1%
Richard L. Boger	US	Director	Less than 1%	Less than 1%
T.L.(Gene) Elder	US	Director	Less than 1%	Less than 1%
Luis A. Garcia	US	Director	Less than 1%	Less than 1%
Richard B. Hare	US	Director	Less than 1%	Less than 1%
Robin R. Howell	US	Director	Less than 1%	Less than 1%
Howell W. Newton	US	Director	Less than 1%	Less than 1%
Hugh E. Norton	US	Director	Less than 1%	Less than 1%
Elizabeth R. Neuhoff	US	Director	Less than 1%	Less than 1%
Kevin P. Latek	US	Officer	Less than 1%	Less than 1%
James C. Ryan	US	Officer	Less than 1%	Less than 1%
Bob Smith	US	Officer	Less than 1%	Less than 1%
Nick Waller	US	Officer	Less than 1%	Less than 1%
Jackson S. Cowart, IV	US	Officer	Less than 1%	Less than 1%
Robert J. Folliard, III	US	Officer	Less than 1%	Less than 1%
Vance F. Luke	US	Officer	Less than 1%	Less than 1%
Jan Goldstein	US	Officer	Less than 1%	Less than 1%

The following charts provide the proposed post-Transaction ownership information for the proposed assignee of the license – Gray Television Licensee, LLC and certain the Raycom entities that are being transferred to Gray.

(iii) shares held by companies controlled by Mrs. Robinson that own both Class A Common and Class B Common Stock of Gray except Atlantic American Corporation, which is reported separately above. *See* Note 9.

[8] The attributable ownership interest reported herein for Hilton H. Howell, Jr. includes:

(i) his individual ownership of Class A Common Stock (ten votes each share) and Class B Common Stock (one vote each share); and

(ii) the stock owned by his wife, Robin R. Howell, and children.

It is not represented that Mrs. Howell's media interests are independently held and not subject to common influence or control. *See In re Clarification of Commission Policies Regarding Spousal Attribution*, Policy Statement, 7 FCC Rcd 1920, para. 1 (finding that "spouses' media interests will not be attributed where the spouses' disclosures confirm that such media interests are independently held and are not subject to common influence or control.")

[9] Atlantic American Corporation is controlled by Mrs. Robinson who owns more than 50% of the stock of this corporation.

Gray Television Licensee, LLC

1	Gray Television Licensee, LLC 4370 Peachtree Road, NE Atlanta, GA 30319	Gray Television Group, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Nevada Limited Liability Company	Delaware Corporation
3	N/A	Sole Member
4	N/A	100%
5	N/A	N/A

The following individuals are the proposed officers or directors of **Gray Television Licensee, LLC**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Hilton H. Howell, Jr.	US	Director/ Officer	0%	0%
Kevin P. Latek	US	Director/Officer	0%	0%
Kristine W. Eppes	US	Director/Officer	0%	0%
Donald Patrick LaPlatney	US	Director/Officer	0%	0%
Robert J. Folliard, III	US	Officer	0%	0%
James C. Ryan	US	Officer	0%	0%
Wendy Mavrinac	US	Officer	0%	0%

KNIN License Subsidiary, LLC

1	KNIN License Subsidiary, LLC 4370 Peachtree Road, NE Atlanta, GA 30319	Raycom Media, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Delaware Limited Liability Company	Delaware Corporation
3	N/A	Sole Member
4	N/A	100%
5	N/A	N/A

The following individuals are the proposed officers or directors of **KNIN License Subsidiary, LLC**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
John Alexander	US	Officer	0%	0%
John D. Burke	US	Officer	0%	0%
Donald Patrick LaPlatney	US	Officer	0%	0%
Kenneth C. Reiner	US	Officer	0%	0%
Kathleen Silk	US	Officer	0%	0%
Brad Streit	US	Officer	0%	0%
Susana Willingham	US	Officer	0%	0%

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Ellenann Yelverton	US	Officer	0%	0%

WBRC License Subsidiary, LLC

1	WBRC License Subsidiary, LLC 4370 Peachtree Road, NE Atlanta, GA 30319	Raycom Media, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Delaware Limited Liability Company	Delaware Corporation
3	N/A	Sole Member
4	N/A	100%
5	N/A	N/A

The following individuals are the proposed officers or directors of **WBRC License Subsidiary, LLC**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
John Alexander	US	Officer	0%	0%
John D. Burke	US	Officer	0%	0%
Donald Patrick LaPlatney	US	Officer	0%	0%
Kenneth C. Reiner	US	Officer	0%	0%
Susana Willingham	US	Officer	0%	0%
Ellenann Yelverton	US	Officer	0%	0%
Colin Gaston	US	Officer	0%	0%

WFLX License Subsidiary, LLC

1	WFLX License Subsidiary, LLC 4370 Peachtree Road, NE Atlanta, GA 30319	Raycom Media, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Delaware Limited Liability Company	Delaware Corporation
3	N/A	Sole Member
4	N/A	100%
5	N/A	N/A

The following individuals are the proposed officers or directors of **WFLX License Subsidiary, LLC**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
John Alexander	US	Officer	0%	0%
John D. Burke	US	Officer	0%	0%
Donald Patrick LaPlatney	US	Officer	0%	0%

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Kenneth C. Reiner	US	Officer	0%	0%
Susana Willingham	US	Officer	0%	0%
Ellenann Yelverton	US	Officer	0%	0%
John Heislman	US	Officer	0%	0%
Donald Richards	US	Officer	0%	0%

WVUE License Subsidiary, LLC

1	WVUE License Subsidiary, LLC 4370 Peachtree Road, NE Atlanta, GA 30319	Raycom Media, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Delaware Limited Liability Company	Delaware Corporation
3	N/A	Sole Member
4	N/A	100%
5	N/A	N/A

The following individuals are the proposed officers or directors of **WVUE License Subsidiary, LLC**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
John Alexander	US	Officer	0%	0%
John D. Burke	US	Officer	0%	0%
Donald Patrick LaPlatney	US	Officer	0%	0%
Kenneth C. Reiner	US	Officer	0%	0%
Susana Willingham	US	Officer	0%	0%
Ellenann Yelverton	US	Officer	0%	0%
Sandy B. McNamara	US	Officer	0%	0%
Timothy Ingram	US	Officer	0%	0%

WXIX License Subsidiary, LLC

1	WXIX License Subsidiary, LLC 4370 Peachtree Road, NE Atlanta, GA 30319	Raycom Media, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Delaware Limited Liability Company	Delaware Corporation
3	N/A	Sole Member
4	N/A	100%
5	N/A	N/A

The following individuals are the proposed officers or directors of **WXIX License Subsidiary, LLC**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
John Alexander	US	Officer	0%	0%
John D. Burke	US	Officer	0%	0%
Donald Patrick LaPlatney	US	Officer	0%	0%
Kenneth C. Reiner	US	Officer	0%	0%
Susana Willingham	US	Officer	0%	0%
Ellenann Yelverton	US	Officer	0%	0%

KYOU Raycom License Subsidiary, LLC

1	KYOU License Subsidiary 4370 Peachtree Road, NE Atlanta, GA 30319	Raycom Media, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Delaware Limited Liability Company	Delaware Corporation
3	N/A	Sole Member
4	N/A	100%
5	N/A	N/A

The following individuals are the proposed officers or directors of **KYOU Raycom License Subsidiary, LLC**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
John Alexander	US	Officer	0%	0%
John D. Burke	US	Officer	0%	0%
Donald Patrick LaPlatney	US	Officer	0%	0%
Kenneth C. Reiner	US	Officer	0%	0%
Sandy Breland	US	Officer	0%	0%
Susana Willingham	US	Officer	0%	0%
Ellenann Yelverton	US	Officer	0%	0%

Raycom Media, Inc.

1	Raycom Media, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319	Gray Television Group, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Delaware Corporation	Delaware Corporation
3	N/A	Sole Shareholder
4	N/A	100%
5	N/A	N/A

The following individuals are the proposed officers or directors of **Raycom Media, Inc**.

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Hilton H. Howell, Jr.	US	Director/ Officer	0%	0%
Kevin P. Latek	US	Director/Officer	0%	0%
Donald Patrick LaPlatney	US	Director/Officer	0%	0%
James C. Ryan	US	Officer	0%	0%
Ellenann Yelverton	US	Officer	0%	0%
Robert J. Folliard, III	US	Officer	0%	0%

Gray Television Group, Inc.

1	Gray Television Group, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319	WVLT-TV, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Delaware Corporation	Georgia Corporation
3	N/A	Sole Shareholder
4	N/A	100%
5	N/A	N/A

The following individuals are the proposed officers or directors of **Gray Television Group, Inc**.

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Hilton H. Howell, Jr.	US	Director/ Officer	0%	0%
Kevin P. Latek	US	Director/Officer	0%	0%
Donald Patrick LaPlatney	US	Director/Officer	0%	0%
James C. Ryan	US	Officer	0%	0%
Bob Smith	US	Officer	0%	0%
Nick Waller	US	Officer	0%	0%
Mike Braun	US	Officer	0%	0%
Greg Conklin	US	Officer	0%	0%
Jackson S. Cowart, IV	US	Officer	0%	0%
Robert J. Folliard, III	US	Officer	0%	0%

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Jan Goldstein	US	Officer	0%	0%
Vance F. Luke	US	Officer	0%	0%
Becky Meyer	US	Officer	0%	0%
Jay Barton	US	Officer	0%	0%
Jim Beck	US	Officer	0%	0%
James Berman	US	Officer	0%	0%
Spencer Bienvenu	US	Officer	0%	0%
Shannon Booth	US	Officer	0%	0%
Roger Brokke	US	Officer	0%	0%
Ulysses Carlini	US	Officer	0%	0%
Julia Campbell	US	Officer	0%	0%
Alan Chatman	US	Officer	0%	0%
Tim Coles	US	Officer	0%	0%
Don Davis	US	Officer	0%	0%
Rick Dean	US	Officer	0%	0%
Tim DeFazio	US	Officer	0%	0%
Matt Eldredge	US	Officer	0%	0%
Mike Fass	US	Officer	0%	0%
Chris Fedele	US	Officer	0%	0%
Chris Fry	US	Officer	0%	0%
Mark Gentner	US	Officer	0%	0%
Michele D. Godard	US	Officer	0%	0%
Chris Gross	US	Officer	0%	0%
Jasmine Hardin	US	Officer	0%	0%
Annette Heath	US	Officer	0%	0%
Matt Moran	US	Officer	0%	0%
Nancy Johnson	US	Officer	0%	0%
Mike King	US	Officer	0%	0%
Eric Krebs	US	Officer	0%	0%
Allan Lancaster	US	Officer	0%	0%
Kelly Landeen	US	Officer	0%	0%
Steve Lavin	US	Officer	0%	0%
Kim Lee	US	Officer	0%	0%
Ken Long	US	Officer	0%	0%
Laura Long	US	Officer	0%	0%
Liz Haltiwanger	US	Officer	0%	0%
Brian McDonough	US	Officer	0%	0%
Neil Middleton	US	Officer	0%	0%
Brad Moses	US	Officer	0%	0%
Jeff Anderson	US	Officer	0%	0%
Terry McHugh	US	Officer	0%	0%
Tim Myers	US	Officer	0%	0%
Mike Oates	US	Officer	0%	0%

Name	Citizenship	Positional Interest	% Votes	% Total Assets
John O'Brien	US	Officer	0%	0%
Brad Odil	US	Officer	0%	0%
Heather Peeples	US	Officer	0%	0%
Thom Pritz	US	Officer	0%	0%
Matt Pumo	US	Officer	0%	0%
Sasha Purciful	US	Officer	0%	0%
Sue Ramsett	US	Officer	0%	0%
Rick Rhoades	US	Officer	0%	0%
Barry Schumaier	US	Officer	0%	0%
Andrew Stewart	US	Officer	0%	0%
Stacey Stewart	US	Officer	0%	0%
Don Vesely	US	Officer	0%	0%
Pete Veto	US	Officer	0%	0%
Tim Walker	US	Officer	0%	0%
James Wareham	US	Officer	0%	0%
Tregg White	US	Officer	0%	0%
Mike Wright	US	Officer	0%	0%
Luis Villarreal	US	Officer	0%	0%
Chris Mossman	US	Officer	0%	0%
Matt Jaquint	US	Officer	0%	0%
Nick Matesi	US	Officer	0%	0%
Michael King	US	Officer	0%	0%

WVLT-TV, Inc.

1	WVLT-TV, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319	Gray Television, Inc. 4370 Peachtree Road, NE Atlanta, GA 30319
2	Georgia Corporation	Georgia Corporation
3	N/A	Sole Shareholder
4	N/A	100%
5	N/A	N/A

The following individuals are the proposed officers or directors of **WVLT-TV, Inc.**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Hilton H. Howell, Jr.	US	Director/ Officer	0%	0%
Kevin P. Latek	US	Director/Officer	0%	0%
James C. Ryan	US	Officer	0%	0%
Jackson S. Cowart, IV	US	Officer	0%	0%
Jan Goldstein	US	Officer	0%	0%
Vance F. Luke	US	Officer	0%	0%

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Jasmine Hardin	US	Officer	0%	0%
Robert J. Folliard, III	US	Officer	0%	0%

Gray Television, Inc.

The following individuals or entities are the proposed officers, directors or holders of an attributable interest in **Gray Television, Inc.**

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Harriet J. Robinson[10]	US	Owner	28.32%	6.37%
Hilton H. Howell, Jr.[11]	US	Director/ Officer	6.66%	1.86%
Donald Patrick LaPlatney	US	Director/Officer	Less than 1%	Less than 1%
Atlantic American Corporation[12]	US	Owner	6.0%	1.1%
Richard L. Boger	US	Director	Less than 1%	Less than 1%
T.L.(Gene) Elder	US	Director	Less than 1%	Less than 1%
Luis A. Garcia	US	Director	Less than 1%	Less than 1%
Richard B. Hare	US	Director	Less than 1%	Less than 1%
Robin R. Howell	US	Director	Less than 1%	Less than 1%
Howell W. Newton	US	Director	Less than 1%	Less than 1%
Hugh E. Norton	US	Director	Less than 1%	Less than 1%

[10] The attributable ownership interest reported herein for Harriet Robinson includes:

(i) her ownership of Class A Common Stock (ten votes each share) and Class B Common Stock (one vote each share);

(ii) the stock held in trust for children or grandchildren; and

(iii) shares held by companies controlled by Mrs. Robinson that own both Class A Common and Class B Common Stock of Gray except Atlantic American Corporation, which is reported separately above. *See* Note 12.

[11] The attributable ownership interest reported herein for Hilton H. Howell, Jr. includes:

(i) his individual ownership of Class A Common Stock (ten votes each share) and Class B Common Stock (one vote each share); and

(ii) the stock owned by his wife, Robin R. Howell, and children.

It is not represented that Mrs. Howell's media interests are independently held and not subject to common influence or control. *See In re Clarification of Commission Policies Regarding Spousal Attribution*, Policy Statement, 7 FCC Rcd 1920, para. 1 (finding that "spouses' media interests will not be attributed where the spouses' disclosures confirm that such media interests are independently held and are not subject to common influence or control.")

[12] Atlantic American Corporation is controlled by Mrs. Robinson who owns more than 50% of the stock of this corporation.

Name	Citizenship	Positional Interest	% Votes	% Total Assets
Elizabeth R. Neuhoff	US	Director	Less than 1%	Less than 1%
Paul McTear	US	Director	Less than 1%	Less than 1%
Kevin P. Latek	US	Officer	Less than 1%	Less than 1%
James C. Ryan	US	Officer	Less than 1%	Less than 1%
Bob Smith	US	Officer	Less than 1%	Less than 1%
Nick Waller	US	Officer	Less than 1%	Less than 1%
Jackson S. Cowart, IV	US	Officer	Less than 1%	Less than 1%
Robert J. Folliard, III	US	Officer	Less than 1%	Less than 1%
Vance F. Luke	US	Officer	Less than 1%	Less than 1%
Jan Goldstein	US	Officer	Less than 1%	Less than 1%

6. Transaction Documents

The Applicants are submitting with this application a copy of the Agreement and Plan of Merger, dated as of June 23, 2018, by and among Gray Television, Inc., East Future Group, Inc., Raycom Media, Inc., and Tara Advisors, LLC (the "Merger Agreement"). The following are exhibits and schedules to the Merger Agreement:

Exhibit A – Definitions
Exhibit B – Company Support Agreement
Exhibit C – Stockholder Written Consent
Exhibit D – Letter of Transmittal
Exhibit E – Articles of Amendment to the Restated Articles of Incorporation of Parent, As Amended
Exhibit F – Payout Spreadsheet
Exhibit G – Registration Rights Agreement
Exhibit H – Side Letter
Annex 1 – Stations
Annex 2 – Sharing Stations

Schedule 1 – Knowledge Parties
Section 2.2 – Requisite Stockholder Vote
Section 2.3 – Subsidiaries
Section 2.4 – Capitalization
Section 2.6 – Non-Contravention
Section 2.8 – No Undisclosed Liabilities
Section 2.9 – Absence of Certain Changes
Section 2.10 – Properties
Section 2.11 – Taxes
Section 2.12 – Litigation
Section 2.13 – Material Contracts
Section 2.15 – Insurance
Section 2.16 – Compliance with Legal Requirements
Section 2.17 – FCC Matters
Section 2.18 – Employee Benefit Plans

Section 2.19 – Employees
Section 2.21 – Interested Party Transactions
Section 2.22 – Environmental Matters
Section 2.24 – Data and Privacy Security
Section 4.2 – Operation of the Company Prior to Closing
Section 4.4 – Consents
Section 4.8 – Regulatory Actions – Required Divestitures
Section 6.2(d) – Required Consents
Section 8.3 – Indemnification of the Parent Indemnitees
Exhibit 2.3(a) – Organizational Chart
Exhibit 2.4(c) – Option Holders
Exhibit 2.4(f)-1 – Form of 1999 Raycom Media, Inc. Shareholders Agreement
Exhibit 2.4(f)-2 – Form of 2007 Raycom Media, Inc. Shareholders Agreement
Exhibit 2.4(f)-3 – Form of 2010 Raycom Media, Inc. Shareholders Agreement
Exhibit 2.4(f)-4 – Form of 2015 Raycom Media, Inc. Shareholders Agreement
Exhibit 2.4(g) – Shareholders
Exhibit 2.10(e) – Leased Property
Exhibit 2.11(b) – Tax Return Filing Jurisdictions
Exhibit 2.11(j) – Tax Classifications
Exhibit 2.11(r) – NOLs
Exhibit 2.13(a)(v) – Retransmission Agreements
Exhibit 2.15 – Insurance Coverage as of May 7, 2018
Exhibit 2.17(a) – FCC Licenses

The Applicants have excluded from the application the exhibits and schedules to the Merger Agreement. The excluded documents contain proprietary information, duplicate information already included in the application or in the possession of the Commission, or are not germane to the Commission's consideration of this application. *See LUJ, Inc. and Long Nine, Inc.*, 17 FCC Rcd 16980 (2002). In addition to the listed material, documents associated with the Transaction will include various employment agreements with individuals and various documents relating to the Securities and Exchange Commission and state merger filings.

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.

A copy of the following agreements, each dated as of June 23, 2018, have been omitted because they are not germane to the Commission's consideration of the Transaction applications:

Consent and Support Agreement, by and among Raycom Media, Inc., Gray Television, Inc., East Future Group, Inc., The Teachers' Retirement System of Alabama, The Employees' Retirement System of Alabama, and Judicial Retirement Fund.

Registration Rights Agreement, by and between Gray Television, Inc., The Teachers' Retirement System of Alabama, The Employees' Retirement System of Alabama, and Judicial Retirement Fund.

Copies of those agreements will be provided to the Commission upon request.

7. Multiple Ownership Compliance

As demonstrated in the attached Exhibit D, the proposed Transaction complies with the Commission's National Television Multiple Ownership rule. The national television audience reach cap limits entities from owning or controlling television stations that, in the aggregate, reach more than 39 percent of the television households in the country after taking into account a 50 percent discount to UHF stations. Following consummation of the instant Transaction, Gray will have a national audience reach of just 16.372% – less than half the national television audience limit.[13] Accordingly, the proposed Transaction complies with the Commission's National Television Multiple Ownership rule.

As described below, the proposed Transaction also complies with the Commission's revised Local Multiple Ownership Rule. In its *Order on Reconsideration* in the media ownership proceeding, the Commission modified its local television ownership rule.[14] Prior to the *Order on Reconsideration*, the Commission's rules prohibited any entity from owning two stations unless (i) eight independent voices remained in the market (the "Eight-Voices Test") after the proposed combination; and (ii) at least one of the stations was not ranked among the top-four television station in a market (the "Top Four Prohibition"). In the *Order on Reconsideration*, the Commission eliminated the Eight-Voices Test. In addition, the Commission adopted a case-by-case approach for evaluating proposals seeking common ownership of two top-four stations.[15] To determine whether the public interest benefits of such proposals outweigh the potential for reduced competition, the Commission will consider information such as: "(1) ratings share data of the stations proposed to be combined compared with other stations in the market; (2) revenue share data of the stations proposed to be combined compared with other stations in the market, including advertising (on-air and digital) and retransmission consent fees; (3) market characteristics, such as population and the number and types of broadcast television stations serving the market (including any strong competitors outside the top-four rated broadcast television stations); (4) the likely effects on programming

---

13 Even without the UHF discount and the planned divestitures, Gray's national ownership reach would be only 24.101%, still far below the national limit. *See* Exhibit D.

14 2014 Quadrennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996, *Order on Reconsideration and Notice of Proposed Rulemaking*, 32 FCC Rcd 9802 (2017) ("*Order on Reconsideration*"). The Commission also eliminated the radio-television cross-ownership in the *Order on Reconsideration.* Accordingly, Applicants need not provide a demonstration that the proposed assignment complies with that former rule.

15 *Order on Reconsideration* at 9836 ¶ 78.

meeting the needs and interests of the community; and (5) any other circumstances impacting the market, particularly any disparities primarily impacting small and mid-sized markets."[16]

Gray does not propose any new combinations of top four stations. The Applicants do, however, each own stations in several markets where common ownership of the combined stations would either exceed the limits imposed by the Commission's local television ownership rule or require a compliance showing under the Commission's case-by-case approach to reviewing common ownership of two top-four stations. Gray is proposing to divest stations in nine (9) of these markets to ensure compliance with the duopoly rule. Indeed, the Applicants commenced a divestiture auction process immediately upon announcing the Transaction through which the Applicants will divest stations in each of the nine markets.

In two markets, Gray seeks Commission consent to Gray's acquisition of existing combinations that implicate the local ownership restrictions. First, Gray seeks Commission consent to Gray's acquisition of an existing combination of top-four stations in the Honolulu market. In addition, Gray seeks Commission consent to acquire Raycom's KFDA-TV (CBS) and KEYU(DT) (Telemundo) in the Amarillo, TX market, notwithstanding KEYU(DT)'s atypically high fourth-place ranking in the May 2018 Nielsen rating period due to KEYU(DT)'s coverage of the lead-up to the World Cup.

Gray also requests herein continuation of television satellite waivers for four existing satellite stations.

In each of the other 34 markets in which Gray is acquiring stations from Raycom, the proposed assignment complies with the Commission's Local Multiple Ownership Rule.

i. Duopoly Markets.

In the following markets, Gray will acquire multiple stations, the common ownership of which complies with the Commission's rules:

a. Cleveland-Akron (Canton), Ohio

In this market, Raycom is the licensee of WOIO(DT), Shaker Heights, Ohio. WOIO(DT) is an affiliate of the CBS network and is ranked fourth in the market. Raycom also is the licensee of WUAB(DT), Lorain, Ohio. WUAB(DT) is an affiliate of the MyNetworkTV and is ranked fifth in the market.[17] Gray's common ownership of WOIO(DT) and WUAB(DT) will comply with the Commission's local television ownership rule.

b. Richmond-Petersburg, Virginia

In this market, Raycom is the licensee of WWBT(DT), Richmond, Virginia. WWBT(DT) is an affiliate of the NBC network and is the second ranked station in the market. Raycom has agreed to acquire WUPV(DT), Ashland, Virginia and WUPV(DT) will become part

16 *Order on Reconsideration* at 9838-39 ¶ 82.

17 *See* Exhibit E.

of the merged company. WUPV(DT) is the Richmond DMA's CW affiliate and is ranked fifth in the market.[18] Gray's common ownership of WWBT(DT) and WUPV(DT) will comply with the Commission's local television ownership rule.

c. Honolulu, Hawaii

In this market, the Applicants are seeking the Commission's consent to the assignment of Raycom's Honolulu television stations. Raycom is the licensee of KGMB(DT), Honolulu, Hawaii and KHNL-TV, Hilo, Hawaii. KGMB(DT) is an affiliate of the CBS network and is the second ranked station in the market. KHNL-TV is an affiliate of the NBC network and is the third ranked station in the market. In Section 8 below and in Attachment 1, the Applicants demonstrate that the assignment of KGMB(DT) and KHNL-TV to Gray is in the public interest.

d. Amarillo, Texas

In this market, Raycom is the licensee of KFDA-TV, Amarillo, Texas. KFDA-TV is an affiliate of the CBS network and is the top ranked station in the market. Raycom also is the licensee of KEYU(DT), Borger, Texas. KEYU(DT) is an affiliate of the Telemundo network and is traditionally the fifth ranked station in the market. Due to a spike in viewership attributable to KEYU(DT)'s coverage of events leading up to the World Cup, KEYU(DT) achieved fourth place (by a slim margin over the local Fox affiliate) in the May 2018 Nielsen ratings period. Ratings over the course of the 2017-2018 television season and over a multi-year period, however, more accurately reflect that KEYU(DT) — which received two failing station waivers in the past eight years — consistently is the market's fifth ranked station. Thus, the continued common ownership of KFDA-TV and KEYU(DT) will comply with the Commission's local television ownership rule.

ii. Divestiture Markets

In the nine (9) markets described in the chart below, both Gray and Raycom own stations ranked among the top four stations in the market. To ensure compliance with the Commission local television ownership rules, in each case, the combined company will continue to own a single station and will divest the second station. An application to assign the license of the station identified for divestiture will be filed as soon as a buyer is selected and a purchase agreement signed.

DMA	Gray Station	Market Rank	Raycom Station	Market Rank	Divestiture Station
Knoxville, TN[19]	WVLT-TV	2	WTNZ(DT)	6	WTNZ(DT)
Toledo, OH	WTVG(DT)	2	WTOL(DT)	1	WTOL(DT)

[18] *See* Exhibit F.

[19] Gray also will continue to own WBXX-TV, Crossville, Tennessee, which is affiliated with the CW network and is the fifth ranked station in the Knoxville DMA. Because WBXX-TV is not ranked among the top 4 stations in the market, the Commission's rules permit Gray's continued common ownership of WVLT-TV and WBXX-TV.

DMA	Gray Station	Market Rank	Raycom Station	Market Rank	Divestiture Station
Waco-Temple-Bryan, TX	KWTX-TV	1	KXXV(DT)	2	KXXV(DT)
Tallahassee, Florida-Thomasville, Georgia[20]	WCTV(DT)	1	WTXL-TV	2	WTXL-TV
Augusta, Georgia-Aiken, South Carolina	WRDW-TV	2	WFXG(DT)	3	WFXG(DT)
Odessa-Midland, Texas	KOSA-TV	1	KWES-TV	2	KWES-TV
Albany, Georgia	WSWG(DT)	2	WALB(DT)	1	WSWG(DT)
Panama City, Florida	WJHG-TV	1	WPGX-TV	4	WPGX-TV
Dothan, Alabama	WTVY-TV	1	WDFX-TV	4	WDFX-TV

8. Top-Four Compliance Statements – Honolulu, HI and Amarillo, TX

In the Honolulu DMA, Raycom has owned both KGMB(DT) and KHNL-TV (the "Honolulu Stations") since 1999, and since 2009, each of the Honolulu Stations has been ranked within the top four in the Honolulu DMA. Experience shows that allowing the Honolulu Stations to operate together—as they have for the past 25 years, including nearly a decade as top-four stations—has greatly enhanced local and community programming while preserving competition in the broadcast television market and the broader media market. Accordingly, as set forth in Annex 1 hereto, applying the Top Four Prohibition under these circumstances is unwarranted and would disserve the public interest.

In the Amarillo DMA, KEYU(DT), a Telemundo affiliate, first came under common ownership with KFDA-TV (a CBS affiliate) in 2010 pursuant to a "failing station" waiver, which the Commission renewed when Raycom acquired the stations in 2015. KEYU(DT) typically is not a top-four station; it achieved a top-four ranking (as measured by Nielsen) in May 2018 as a result of the intense excitement surrounding its coverage of the buildup to the World Cup, which airs on Telemundo—unique programming that airs only every four years and is of passionate interest to the station's Spanish-language audience. As set forth in Attachment 2 hereto, rather than base KEYU(DT)'s market ranking on anomalous data, the Commission should take into account the station's ratings share for the most recent television season and over a multi-year

[20] Gray also will continue to own WFXU(DT), Live Oak, Florida, which is affiliated with MyNetwork and was unranked during the May 2018 sweeps period. Because WFXU(DT) is not ranked among the top 4 stations in the market, the Commission's rules permit Gray's continued common ownership of WCTV(DT) and WFXU-DT.

period. Doing so would accurately reflect KEYU(DT)'s real-world position in the market and confirm that the Top-Four Prohibition is not implicated by, or alternatively should not be applied to, the assignment of these stations pursuant to the Transaction.

9. Requests for Continuation of Satellite Waivers[21]

Raycom owns and operates television satellite stations in three DMAs: (1) Honolulu, Hawaii; (2) Tyler-Longview (Lufkin and Nacogdoches), Texas; and (3) Odessa-Midland, Texas. Each of the DMAs is a geographically widespread area and the satellites allow Raycom to extend over-the-air coverage to serve portions of the DMA that would otherwise be underserved. Gray respectfully requests continuation of the satellite waivers so they may continue to employ these existing satellites to serve the stations' viewers.

In *Television Satellite Stations Review of Policy and Rules*,[22] the Commission set out three criteria under which the Commission will presume that the common ownership of a main and satellite station is in the public interest. Those criteria are that: (1) there is no City Grade overlap between the parent and satellite stations; (2) the proposed satellite will provide service to an underserved area; and (3) no alternative operator is ready and able to construct or purchase and operate the satellite as a full-service station.[23] Alternatively, if the applicant cannot meet the requirements to qualify for the presumption, the Commission reviews proposals on an *ad hoc* basis to determine whether market circumstances warrant grant of the application.[24] Due to the digital transition, the City Grade contour no longer exists.[25] Since the first criteria cannot be satisfied due to the absence of a digital equivalent to the former analog Grade A contour, the Commission generally considers requests for extension of satellite authority under the *ad hoc* test.[26]

---

21 The Commission has adopted a *Notice of Proposed Rulemaking* that proposes to "streamline" certain requests to reauthorize a television satellite station in connection with the assignment or transfer of currently authorized satellite stations. *See* Streamlined Reauthorization Procedures for Assigned or Transferred Television Satellite Stations, *Notice of Proposed Rulemaking*, FCC 18-34 (rel. Mar. 23, 2018) ("*Streamlining NPRM*").

22 *Television Satellite Stations Review of Policy and Rules*, 6 FCC Rcd 4212 (1991) ("*Satellite Order*").

23 *Id.* at 4213.

24 *Id.* at 4214.

25 New Young Broadcasting Holding Company, Inc., *Opinion*, 25 FCC Rcd 7518, 7519 (MB 2010).

26 *2014 Quadrennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996 et al.*, Second Report and Order, 31 FCC Rcd 9864, 9876, para. 32 n.72 (2016).

i. Tyler-Longview (Lufkin and Nacogdoches), TX

KTRE(DT) has operated as a satellite under Commission authority since 1954.[27] The Commission most recently reauthorized KTRE(DT)'s operations as a satellite of KLTV(DT) in September 2000 and again in January 2006.[28] KLTV(DT) has used KTRE(DT) to extend its locally produced and ABC network programming service to the southern portion of the Tyler-Longview DMA that KLTV(DT)'s signal does not reach. Moreover, the efficiencies gained through satellite operation have enabled Raycom to develop and broadcast locally-produced programming on KTRE(DT) directed to the underserved Lufkin and Nacogdoches areas. As shown herein, the bases of the FCC's prior grants of satellite status for KTRE(DT) are equally valid today. Continuation of the satellite waiver for KTRE(DT) is therefore in the public interest.

Lack of City-Grade Overlap.

The engineering map from Joseph M. Davis, attached as Exhibit G, demonstrates that the former analog City Grade contours of satellite KTRE(DT) and parent KLTV(DT) did not overlap.[29] Following the digital transition, there is limited overlap of the stations' noise limited service contours and principal community contours, but the FCC has recognized that neither of those service contours is a substitute for the former analog City Grade contour.[30] In any event, Gray demonstrates below that grant of the instant waiver is in the public interest under the Commission's *ad hoc* test. Under that test, the historical lack of contour overlap between KTRE(DT) and KLTV(DT) weighs in favor of granting this request.

Service to an Underserved Area.

KTRE(DT) serves the underserved southern tier of the Tyler-Longview DMA centered on the small community of Lufkin, Texas. An applicant demonstrates that a proposed satellite serves an underserved area by demonstrating that either (a) there are two or fewer full-service television stations licensed to the station's community of license (the "transmission test"), or (b) 25% or more of the area within the satellite's Grade B contour, but outside the parent station's Grade B contour, is served by four or fewer services (the "reception test").[31] KTRE(DT) is the only full-service television station licensed to Lufkin, Texas. Thus, under the "transmission test," the instant request for satellite waiver qualifies as providing service to an underserved area.

---

27 *Forest Capital Broadcasting Co.*, 44 FCC 69 (1954).

28 *See* Letter from Barbara A. Kreisman, Chief, Video Services Division, Media Bureau, to E. Joseph Knoll III, Counsel for Cosmos Broadcasting Corp., FCC File Nos. BTCCT-20000801ACV/ACW (Sept. 25, 2000) ("2000 Satellite Decision"); *The Liberty Corp. (Transfer of Control to Raycom Media, Inc.)*, 21 FCC Rcd 244 (Jan. 17, 2006) ("2006 Satellite Decision").

29 *See* Exhibit G.

30 *See Streamlining NPRM* at 3, ¶ 5.

31 *See Satellite Order* 6 FCC Rcd at 4215.

No alternative operator is ready and able to purchase and operate KTRE(DT) as a full-service station.

As determined by the FCC in its 2006 Satellite Decision, operation of KTRE(DT) as a satellite of KLTV(DT) also meets the third prong of the FCC's presumptive standard. Nothing has changed since 2006. As Bruce Levy concluded, KTRE(DT) cannot realistically function as a full-service, stand-alone station and no knowledgeable, qualified buyer would be interested in acquiring KTRE(DT) as a full-service station.[32] Thus, the instant request satisfies the third prong of the Commission's satellite test, which weighs in favor of grant under the *ad hoc* standard.

Ad Hoc Public Interest Showing

KTRE(DT) has operated continuously as a satellite since 1954 — first as the satellite of a Houston station, and, beginning in the mid-1960s and thereafter, as a satellite of KLTV(DT). KTRE(DT)'s coverage area does not realistically provide the basis to support full-service, stand-alone operations. The Tyler-Longview DMA is a small television market, ranked 109th by Nielsen and geographically dispersed over 13 counties, extending approximately 175 miles north to south. As demonstrated in Exhibit G, the noise limited service contour of KLTV(DT) covers the northern counties of the DMA – including Smith and Gregg Counties, which have the economic and population centers of the market – Tyler and Longview. KTRE(DT)'s contour covers Lufkin, but it does not reach Tyler or Longview. Thus, the economic base to which KTRE(DT) can sell ads, is far smaller than that of KLTV(DT) and the other stations in the market, all of which serve at least one of Tyler or Longview. The inability of the Lufkin area to support a stand-alone operation repeatedly has led the Commission to grant satellite status to KTRE(DT).[33]

Operating as a satellite has enabled KTRE(DT) to provide important service to an underserved area. KTRE(DT) extends over-the-air ABC, Telemundo, and Bounce TV network television service to more than 300,000 persons who would otherwise not receive such over-the-air service. Moreover, KTRE(DT)'s ability to rebroadcast the top ranked locally produced programming of KLTV(DT) — which is relevant to viewers throughout the Tyler-Longview DMA — has helped subsidize the substantial resources necessary to develop and broadcast locally produced news programming. Indeed, Raycom maintains a separate studio and transmitter facilities for KTRE(DT) to air two hours each weeknight of separate local newscasts — at 6 p.m. and 10 p.m. — which are directed to the underserved Lufkin and Nacogdoches areas. KTRE(DT) also airs two hours of local church services each Sunday, and it sponsors and promotes the Texas State Forest Festival and the Piney Woods Fair (collecting donations for food pantries at both events), among other Lufkin-focused community activities.

---

32 *See* Exhibit H.

33 *See* 2000 Satellite Decision; *see also* 2006 Satellite Decision.

ii. Honolulu, HI

Raycom currently operates KHBC-TV, Hilo, Hawaii and KOGG(DT), Wailuku, Hawaii as satellites of KHNL(DT), Honolulu, Hawaii. KHNL(DT) has long operated KHBC-TV and KOGG(DT) to provide service to the Hawaiian archipelago. Due to its unusual terrain and geographic characteristics of the Honolulu market, KHBC-TV must operate KHBC-TV and KOGG(DT) to serve sparsely-populated parts of the market that KHBC-TV cannot serve.[34] Indeed, the Commission has long recognized the public interest benefits of permitting satellite service to sparsely-settled, underserved rural areas.[35] In its 1987 *Satellite Policy Inquiry*, the FCC noted that "it appears to us that from the point of view of the population in these [sparsely settled] areas that the advantages are likely to outweigh the disadvantages by a considerable margin."[36]

Lack of City-Grade Overlap.

The engineering map from Joseph M. Davis, attached as Exhibit I, demonstrates that the former City Grade contours of satellites KOGG(DT) and KHBC-TV and parent KHNL(DT) did not overlap.[37] Currently, none of the station's principal community contours overlap and a minimal portion of the noise-limited service contours of KHNL(DT) and KOGG(DT) overlap. The historical lack of any meaningful contour overlap between KHNL(DT), KOGG(DT), and KHBC-TV weighs in favor of granting this request.

Service to an Underserved Area.

KHBC-TV serves the underserved western portion of the island of Hawaii or "The Big Island." While more than two full-service television stations are licensed to Hilo, 84.8% of the land area within the former KHBC-TV grade B contour received service from four or fewer stations. Thus, under the "reception test," the instant request for satellite waiver also meets the second criterion.[38]

KOGG(DT), however, no longer serves an underserved area because the station does not satisfy either the transmission test or the reception test. More than two full-service television stations are licensed to Wailuku (though each of those stations is a satellite of another full-power station), and as the attached engineering statement demonstrates, 12.2% of the land area within the former KOGG(DT) grade B contour receives service from four or fewer stations.

---

34 *See The Providence Journal Co.*, 12 FCC Rcd 2883 (Feb. 28, 1997) ("*Providence Journal*"); *see also BBC License Subsidiary*, 10 FCC Rcd 10968 (1995).

35 *See, e.g, Basin TV Co.*, 13 RR 392 (1956).

36 *Notice of Inquiry and Notice of Proposed Rule Making Concerning Television Satellite Stations*, 2 FCC Rcd 1359, 1362 (1987).

37 *See* Exhibit I.

38 *See* Exhibit I.

No alternative operator is ready and able to purchase and operate KHBC-TV or KOGG(DT) as a full-service station.

The State of Hawaii, which is composed of a string of islands that stretches for 1,522 miles is all part of a single DMA, centered on Honolulu and the island of Oahu. Oahu includes more than two-thirds of the population of the state. Due to the significant concentration of Hawaii's population on Oahu and the sparse population and difficult terrain of the other islands, only a station that serves Honolulu is economically viable. Indeed, with just one exception, each of the full-power television stations licensed to Hawaii primarily serves Honolulu and operate satellite stations to cover other parts of Hawaii. For these reasons, Bruce Levy has concluded that KHBC-TV and KOGG(DT) cannot realistically function as full-service, stand-alone stations and no knowledgeable, qualified buyer would be interested in acquiring either satellite to own and operate it as a full-service station.[39]

Ad Hoc Public Interest Showing

As satellite stations, KHBC-TV and KOGG(DT) provide important public interest benefits to their viewers. The stations rebroadcast KHNL(DT)'s locally produced news programming as well as NBC network programming, including CBS's national news and public affairs programs. KHBC-TV and KOGG(DT) also rebroadcast KGMB(DT)'s locally produced and CBS network programming on a digital multicast channel. Thus, if KHBC-TV or KOGG(DT) operated as stand-alone stations, viewers would no longer receive KHNL(DT) or KGMB(DT) programming. Grant of the instant request thus serves the public interest because it will allow residents on this Island of Maui and on The Big Island to continue to receive the full complement of network programming.[40]

In addition to these affirmative public interest benefits, satellite operation is the only economically viable way for KOGG(DT) and KHBC-TV to continue full-power operations. The Commission has long held that the unique historical and geographic circumstances in Hawaii warrant operations of KHBC-TV and KOGG(DT) as satellites of KHNL(DT). In 1997, the Commission stated, "we believe satellite status is warranted in Wailuku and Hilo because, 'Hawaii's geographical constraints and limited population outside of Honolulu constitute … compelling circumstances [to grant the satellite waiver].'"[41] These geographic and demographic

---

39 *See* Exhibit J.

40 *See Satellite Order*, 6 FCC Rcd at 4214 (explaining that an applicant who cannot meet the presumptive waiver standards nevertheless may qualify for a satellite waiver if grant "would result in the provision of the full complement of network signals to its service area").

41 *Providence Journal* at 2890 quoting *BBC License Subsidiary*, 10 FCC Rcd 10968, 10976 (1995); *see also BBC License Subsidiary*, 10 FCC Rcd at ¶ 44 ("Hawaii's geographical constraints and limited population outside of Honolulu constitute such compelling circumstances. Specifically, the eight islands comprising the state of Hawaii are separated by large expanses of water and mountainous terrain. As a result, the nine stand-alone stations in Hawaii, all licensed to Honolulu, serve the islands through a structure of satellite stations. Indeed, the 11 other full power television station in Hawaii are satellite stations.").

challenges have not changed since the FCC approved Raycom's acquisition of the parent and satellite stations in 1999.[42]

Wailuku, community of license for KOGG(DT), is located on the Island of Maui, and each of the four commercial television stations licensed to Wailuku operates as a satellite of a parent station in Honolulu. Wailuku and Honolulu are 89 miles apart and separated by a large expanse of the Pacific Ocean. Furthermore, much of the Island of Maui is rugged mountainous terrain that is largely uninhabitable. The population of the Island of Maui is only 11.6% of the total population of Hawaii, and KOGG(DT) cannot practically provide service to Oahu or Honolulu from a location capable of covering Wailuku.[43]

Likewise, each of the five commercial television stations licensed to Hilo, the community of license for KHBC-TV, operates as a satellite of a parent station in Honolulu. Hilo and Honolulu are 210 miles apart. And with just 14% of the population of the small state of Hawaii, the "Big Island" does not provide a sufficient population or economic base from which to operate a separate full-service station.[44] The Commission repeatedly has explained that these market facts are "compelling circumstances," and they justify granting continuing satellite authority for KHBC-TV and KOGG(DT), which serve the outlying islands in Hawaii.[45]

Given these fundamental realities, it is apparent that neither KHBC-TV or KOGG(DT) nor any other full power television station licensed to Wailuku or Hilo can be sustained as a full-service, stand-alone television station. No network affiliation is available for KHBC-TV or KOGG(DT), because the full-power commercial television stations licensed to communities on the Island of Oahu have secured all viable affiliations in the Hawaiian market. As a result, KHBC-TV and KOGG(DT) would have to compete for advertising dollars as an independent station against network affiliates while serving only a small fraction of the audience in the Hawaiian market. Only by continuing to permit operate KHBC-TV and KOGG(DT) will the Commission enable the satellite stations to maintain their economic viability and ability to continue providing service to their traditional audiences.

For all these reasons continue satellite authorizations for KOGG(DT) and KHBG-TV would serve the public interest and this request should be granted.

iii. Odessa-Midland, TX

Raycom currently operates KWAB-TV as a satellite of KWES-TV. Because Gray proposes to sell KWES-TV as part of this transaction, Gray respectfully requests that the Commission reassociate KWAB-TV as the satellite of Gray's KOSA-TV. The new parent-satellite combination will allow Gray to extend the top-ranked locally produced and CBS programming that airs on KOSA-TV to a population that is currently unable to receive that

---

42 *See* File Nos. BALCT-19990709RA and BALCT-19991116AAA.

43 According to the 2000 U.S. Census, the population of the State of Hawaii is 1,427,538 and the population of Maui County, Hawaii is just 166,260. *See* Exhibit K.

44 The population of Hawaii County is just 200,381. *See* Exhibit K.

45 *BBC License Subsidiary*, 10 FCC Rcd at ¶ 44.

programming from an over-the-air source. As shown herein, continuation of the satellite waiver for KWAB-TV with a new parent is in the public interest when considering the factors that the FCC considers when determining whether to authorize satellite operations.

Lack of City-Grade Overlap.

Historically, the former City Grade contours of satellite KWAB-TV and parent KWES-TV did not overlap.[46] The engineering map from Joseph M. Davis, attached as Exhibit L, demonstrates that the same was true for the former City Grade contours of KWAB-TV as a satellite of KOSA-TV.[47] Under the *ad hoc* test, the historical lack of contour overlap between KOSA-TV and KWAB-TV weighs in favor of granting this request.

Service to an Underserved Area.

KWAB-TV serves the underserved western portion of the Odessa-Midland, Texas DMA centered on the small community of Big Spring, Texas. An applicant demonstrates that a proposed satellite serves an underserved area by demonstrating either (a) that there are two or fewer full-service television stations licensed to the station's community of license (the "transmission test"), or (b) that 25% or more of the area within the satellite's Grade B contour, but outside the parent station's Grade B contour, is served by four or fewer services.[48] KWAB-TV is the only full-service television station licensed to Big Spring, Texas. Thus, under the "transmission test," the instant request for satellite waiver meets this criterion.

No alternative operator is ready and able to purchase and operate KWAB-TV as a full-service station.

As most recently determined by the FCC just two and a half years ago, operation of KWAB-TV as a satellite also meets the third prong of the FCC's presumptive standard.[49] In 2015, the Commission stated KWAB-TV has "no real chance of obtaining a proper network affiliation, the cost of outfitting, staffing, and programming KWAB-TV could not be covered by the advertising revenues to be generated in Big Spring."[50] As demonstrated in the attached statement, Bruce Levy agrees. Mr. Levy, in his letter, stated "KWAB's only true value to the market is to serve as a satellite station of a station that also covers a more populated portion of the Odessa-Midland market."[51]

---

46 *See* Exhibit L.

47 *See* Exhibit L.

48 *See Satellite Order* at 4215.

49 *See Drewry Communications Group*, 30 FCC Rcd 12499 (Nov. 10, 2015).

50 *Id.* at 12503.

51 *See* Exhibit M.

Ad Hoc Public Interest Showing

KWAB-TV serves less than 50,000 people in the eastern portion of the Odessa-Midland market. It does not serve the primary population centers of the DMA, which are located in Odessa and Midland. Each of the other full power stations in the market serve both the population centers of Odessa and Midland and serves far more people than KWAB-TV. Given the small population it serves, a standalone KWAB-TV would have virtually no chance of obtaining a major network affiliation, and the station could not generate sufficient advertising revenues to support its ongoing operational costs. Accordingly, KWAB-TV cannot realistically function as a full-service, stand-alone station and no knowledgeable, qualified buyer would be interested in acquiring KWAB-TV to own and operate it as a full-service station.

As discussed, Gray is committed to serving its viewers, and operating KWAB-TV as a satellite of KOSA-TV will facilitate Gray's plans. Following consummation of the transaction, Gray will use KWAB-TV to expand the distribution of KOSA-TV's locally produced news, CBS, MyNetwork, and Heroes & Icons programming to more than 37,000 people that are not currently served by KOSA-TV. Accordingly, Gray respectfully requests the Commission grant the request to continue operating KWAB-TV as a television satellite station.

10. Local Radio Ownership Rule

Under Section 73.3555(a) (1) of the Commission's rules, the FCC permits at least five (5) commonly-owned radio stations, including three (3) FM station in every market, regardless of size, provided that no station may own more than 50% of the full-power stations in a market unless the combination consists of no more than one FM and one AM station.[52] In this case, Gray proposes to acquire two (2) FM radio stations, each of which is located in a different radio market in Texas, and the contours of the two stations do not overlap.[53] Prior to this Transaction, Gray owns no radio stations.[54] Since this acquisition would lead to the combined company owning no more than one (1) radio station in any local radio market, the acquisition complies with the local ownership rule.

---

52 *See* 47 C.F.R. 73.3555(a) (1) (2006).

53 The stations are KEYU-FM, Amarillo, Texas and KTXC(FM), Lamesa, Texas. KEYU-FM is licensed to a community within the geographic boundaries of the Amarillo, Texas Nielsen Audio market. KTXC(FM)'s community of license is not within the geographic boundaries of any Nielsen Audio market, but BIA classifies KTXC(FM) as "home" to the Odessa-Midland market.

54 Elizabeth R. Neuhoff is a Director of Gray Television, Inc. Ms. Neuhoff has an attributable interest in twenty radio stations that are licensed to communities in Indiana and Illinois. Neither KEYU-FM or KTXC(FM) are assigned to the same radio markets as those in which Ms. Neuhoff holds an attributable interest.

Attachment 1

Top-Four Showing for Continued Common Ownership of KHNL and KGMB (Honolulu, Hawaii)

Attachment 1:
Top-Four Showing for Continued Common Ownership of KHNL & KGMB (Honolulu, Hawaii)

I. INTRODUCTION

Gray Television, Inc., and Raycom Media, Inc., ("Gray" and "Raycom," collectively the "Applicants") request the Commission's consent to the assignment of KHNL(TV) and KGMB(TV), Honolulu, Hawaii, ("KHNL" and "KGMB," collectively the "Honolulu Stations") from Raycom to Gray.[1] Because the Honolulu Stations both are ranked as top-four stations in the Honolulu, Hawaii, Designated Market Area ("DMA"), the Applicants submit this showing in accordance with the Commission's local television ownership rule[2] demonstrating that application of the Top-Four Prohibition would not be in the public interest, given the history of the Honolulu Stations and the characteristics of the Honolulu DMA.

The Commission has noted that although the determination of whether to apply the Top-Four Prohibition to a transaction is not governed by "a rigid set of criteria," it will consider factors such as ratings and revenue share data, market characteristics, the effect of a combination

[1] The Honolulu Stations' license renewal applications are pending. *See* File Nos. BRCDT-20141001CEM and BRCDT-20141001CDU. Pursuant to the Commission's longstanding *Shareholders of CBS* policy, the Commission nonetheless may process and grant this multi-station transaction so long as (1) no basic qualifications issues against the seller and buyer were raised or, if raised, were resolved favorably, and (2) the buyer explicitly agrees to stand in the shoes of the seller in any renewal proceeding that is pending at the time of consummation of the proposed transaction. *See Shareholders of CBS Corporation*, 16 FCC Rcd 16072, 16072–73 (2001); *Stockholders of CBS Inc.*, 11 FCC Rcd 3733 (1995); *see also Quincy Newspapers, Inc.*, Letter to Counsel, 30 FCC Rcd 9987, 9993 (MB Vid. Div. 2015) (applying *Shareholders of CBS* policy to approve license assignment applications). In furtherance of this request, Gray hereby agrees to succeed to the position of Raycom with respect to the Honolulu Stations' pending renewal applications upon consummation of the proposed transaction.

[2] *See* 47 C.F.R. § 73.3555(b)(2).

on local and community programming, and any other circumstances impacting the market, particularly those primarily affecting small and mid-sized markets.[3] In this case, experience shows that allowing the Honolulu Stations to operate together—as they have for the past 25 years, including nearly a decade as top-four stations—has greatly enhanced local and community programming while preserving competition in the broadcast television market and the broader media market. Accordingly, applying the Top-Four Prohibition under these circumstances is unwarranted and would disserve the public interest.

Raycom has owned both Honolulu Stations since 1999, and since 2009, each of the Honolulu Stations has been ranked within the top four in the Honolulu DMA. As a result, the Honolulu Stations have been able to dramatically increase their investment in high-quality local programming, newsgathering, and investigative journalism, including the strong Hawaii News Now news department. During this time, the Honolulu Stations' unwavering commitment to serving the public interest repeatedly has been recognized in the form of over sixty major awards. The past nine years also have proven that the broadcast television market, as well as the broader media market, in Honolulu remains competitive, as demonstrated by the ratings share data and revenue share data discussed below.

Application of the Top-Four Prohibition to require divestiture of either KHNL or KGMB would not serve the public interest. Disrupting the efficiencies of common ownership and integrated operations of the Honolulu Stations would threaten these stations' ability to maintain a high level of investment and resources devoted to local news and other programming responsive to local interests. By declining to apply the Top-Four Prohibition, the Commission can ensure that the

[3] *2014 Quadrennial Regulatory Review*, Order on Reconsideration and Notice of Proposed Rulemaking, 32 FCC Rcd 9802, 9837 ¶ 79 (2017) ("*Reconsideration Order*").

Honolulu Stations continue to serve the public interest and the people of Honolulu and elsewhere in Hawaii.

II. THE HONOLULU STATIONS HAVE SERVED—AND CONTINUE TO SERVE—THE PUBLIC INTEREST, INCLUDING BY PRODUCING AWARD-WINNING LOCAL NEWS.

Raycom acquired the Honolulu Stations in 1999, six years after these stations began operating together under a local marketing agreement.[4] Thus, the Honolulu Stations have been operating together for a quarter of a century. When KGMB became a top-four station nine years ago, the Honolulu Stations were able to enhance their public service by bolstering their production of high-quality local programming, including by pooling their resources to launch Hawaii News Now, which has invested heavily in investigative journalism and local reporting.[5] Combined, the Honolulu Stations air a total of 50 hours of local news per week—more than any other television broadcast station in the Honolulu DMA. Of that programming, 35 hours of news are simulcast on both stations, 12.5 hours of news are exclusive to KGMB, and 2.5 hours of news are exclusive to KHNL.[6]

---

[4] *See* File Nos. BALCT-19990709RA and BALCT-19991116AAA; *see also* http://raycomgroup.worldnow.com/story/717973/raycom-first-to-own-two-stations-in-a-market. KGMB operated at the time under the call sign KFVE.

[5] KGMB became a top-four station pursuant to a 2009 agreement between Raycom and HITV License Subsidiary, Inc. ("HITV") that involved the exchange of non-license assets, including affiliation agreements and call signs, between Raycom's KFVE (now KGMB) and HITV's KGMB (now KFVE), along with the parties' entry into a shared services agreement. *See KHNL/KGMB License Subsidiary, LLC*, Memorandum Opinion and Order and Notice of Apparent Liability for Forfeiture, 26 FCC Rcd 16087, 16091–92 ¶ 14 (MB 2011); *see also 2014 Quadrennial Regulatory Review*, Further Notice of Proposed Rulemaking and Report and Order, 29 FCC Rcd 4371, 4392 ¶ 49 n.124 (2014). The Commission subsequently amended its attribution rules to provide that, going forward, "affiliation swaps" between in-market stations will be subject to the Top-Four Prohibition. *2014 Quadrennial Regulatory Review*, Second Report and Order, 31 FCC Rcd 9864, 9885 ¶ 52 (2016) ("*Second Report and Order*").

[6] The Stations also produce 11 hours of news per week and a slate of local content for exclusive airing on KFVE(TV), Honolulu, Hawaii—totaling less than 15 percent of KFVE's weekly

The Honolulu Stations' newsroom has been at the forefront of every major news event that has happened in the state since Hawaii News Now began operating. The Honolulu Stations have particularly invested in investigative reporting: in the past two years, Hawaii News Now has provided exclusive award-winning stories involving the ouster of the Honolulu Chief of Police,[7] uncovered a decades-long scandal of pedophilia at a major private school,[8] and produced a news documentary showing how the state's largest homeless service provider is helping homeless individuals with mental health issues get treatment (for which Hawaii News Now was awarded a 2018 National Murrow Award).[9] The Honolulu Stations have produced extensive political coverage, including hosting debates regarding pressing local issues as well as debates among candidates during the recent primary election. For example, KGMB recently devoted three and a half hours of primetime to the Hawaii Democratic Super Debate, which included candidates for governor and lieutenant governor, while KHNL aired the Republican Governor's Debate on live primetime.

The quality of Hawaii News Now's programming repeatedly has been recognized by press organizations, local elected officials, and viewers. The Honolulu Stations have received over sixty major awards, including eleven Emmy Awards, 26 Associated Press Awards, 23 Regional Murrow Awards, two National Murrow Awards, and two Telly Awards. Moreover, Hawaii News Now's coverage has been praised by many of Hawaii's elected officials. For example, in celebration of

---

programming hours—through a shared services agreement entered into in connection with the 2009 exchange of assets between Raycom and HITV. *See* n.5, *supra*.

[7] *The Case Against The Kealohas: A Hawaii News Now Special Report*, Hawaii News Now, *available at* http://www.hawaiinewsnow.com/category/322489/kealoha-under-fire.

[8] *Hidden Betrayal: Scandal at Kamehameha Schools*, Hawaii News Now, *available at* http://www.hawaiinewsnow.com/category/328736/hidden-betrayal-scandal-at-kamehameha-schools.

[9] *Prescribing Hope*, Hawaii News Now, *available at* http://www.hawaiinewsnow.com/category/327966/prescribing-hope.

Hawaii News Now's fifth anniversary, then-Governor Neil Abercrombie declared October 30, 2014, as "Hawaii News Now Day." And Senator Brian Schatz recognized Hawaii News Now, noting that its "high standard for investigative reporting and insightful journalism continue to demonstrate HNN's steadfast commitment and ability to keep our viewers aware and informed."[10]

The Honolulu Stations also produce non-news local programming that highlights Hawaii's unique culture. This includes "Wahi Pana: Hawaii's Special Places," a nine-part series that explores Hawaii's cultural and historical landmarks, and "Liliuokalani – Reflections of Our Queen," a documentary regarding Hawaii's last reigning monarch. Two years ago, Hawaii News Now worked with community leaders to relaunch the airing of the Polynesian Bowl, a game between some of the best Polynesian and non-Polynesian high school football players that takes place during the Polynesian Football Hall of Fame Enshrinement Week. CBS Sports Network has now secured the rights to the show for national airing as of 2019.

Along with producing Hawaii's leading television local news, Hawaii News Now has sought to provide Hawaiians with innovative multi-media local coverage unlike anything offered by other media entities in the state. To that end, in addition to hosting the largest electronic newsroom in the Hawaii, the Honolulu Stations also have developed a strong digital presence. Through its efforts, Hawaii News Now has become the leading digital source of local news in Hawaii. For example—as the recent Kilauea eruptions highlight—Hawaii is a state prone to severe weather events and natural disasters. But the Honolulu Stations' severe weather and digital teams have distinguished themselves time and again in the face of this adversity by providing lifesaving information to local residents. Hawaii News Now's digital metrics, particularly during these horrific

[10] A copy of Governor Abercrombie's official proclamation and Senator Schatz's recognition are included in Exhibit 1, along with several similar congratulatory proclamations and messages from Hawaiian elected officials.

events, demonstrate the success of its digital content. For instance, 2014, Hawaii News Now averaged 1.3 million weekly page views on its website and 2.6 million weekly mobile page views. The week that Hurricane Iselle was poised to strike Hawaii, those numbers jumped to 13 million and 12.5 million, respectively. That is equivalent to each of Hawaii's 1.4 million residents accessing Hawaii News Now twice a day for its life saving information. During January–June 2018, Hawaii News Now's desktop website, mobile website, and mobile app had over 13 million unique visitors.

III. APPLICATION OF THE TOP-FOUR PROHIBITION WOULD NOT SERVE THE PUBLIC INTEREST.

As the Commission "has long conceded," application of the Top-Four Prohibition is not justified in every market or with respect to every transaction because "the rule may prohibit combinations that do not present public interest harms or that offer potential public interest benefits that outweigh any potential harms."[11] The Commission accordingly has adopted a hybrid approach that permits for a case-by-case determination of whether to apply the Top-Four Prohibition to a given transaction.[12] By allowing broadcast stations to achieve economies of scale, common ownership of two top-four ranked stations can produce tangible public interest benefits, including an increase in local programming and news.[13] Therefore, the relevant question is whether a proposed transaction's benefits outweigh any potential harms.

Because the Honolulu Stations' common ownership has produced concrete benefits that outweigh any possible harms, prohibiting these stations from being assigned to Gray would not advance the public interest. Critically, this showing is not based on hypothetical promises of future

[11] *Reconsideration Order*, 32 FCC Rcd at 9837 ¶ 79.

[12] *Reconsideration Order*, 32 FCC Rcd at 9836–37 ¶¶ 78–79.

[13] *See Reconsideration Order*, 32 FCC Rcd at 9837–38 ¶ 81; *Second Report and Order*, 31 FCC Rcd at 9881 ¶ 44.

benefits or market predictions—the Honolulu Stations have been both commonly owned and top-four ranked for almost nine years. And during that time, the Honolulu Stations have proven their commitment to serving their community, for example by investing in and developing some of the nation's best local programming and news. At the same time, the Honolulu DMA remains a competitive market. This record establishes that there is no justification for prohibiting the continued common ownership of the Honolulu Stations.

A. The Honolulu Stations' proven contributions to the public interest have been possible because of their common ownership.

Because of their common ownership, the Honolulu Stations have been able to serve the public interest by producing local programming of remarkable quantity and quality. Absent that common ownership, the Honolulu Stations would lack the resources necessary to produce programming at the award-winning level of Hawaii News Now. Thus, by consenting to the assignment of the Honolulu Stations from Raycom to Gray, the Commission would maintain—rather than disrupt—the status quo. Doing so would allow the Honolulu Stations to continue providing the Honolulu DMA with top-quality programming and local coverage, while preserving market competition. Conversely, prohibiting continued common ownership of the Honolulu Stations would, to the detriment of the public interest, disrupt Hawaii's media market and resurrect many of the issues that faced the Honolulu Stations nine years ago.

Prior to 2009, the Honolulu Stations were struggling to maintain effective operations. As a result of a historically poor advertising market in Hawaii, local television revenues had fallen 30 percent in three years, and the Honolulu Stations expected nearly $2 million in negative cash flow in 2009, an increase of nearly 300 percent over the previous year's losses. Consequently, the Honolulu Stations could no longer make the investments in programming and staffing necessary

to properly serve their community, without implementing substantial cost-saving measures, including discontinuing local news completely on one of the stations. Without the ability to pool the resources of two top-four stations, the Honolulu Stations would have been forced to curtail—substantially or entirely—local news programming and other services and to make greater staff reductions, resulting in great harm to the public interest.

Even today, although the market has improved since 2009, the Honolulu Stations continue to rely on the efficiencies made possible by common ownership in order to remain financially viable. The Honolulu Stations are supported by one master control, one marketing department, one business office, and largely combined sales functions. If the Honolulu Stations were required to operate as standalone entities, they would have to incur these full operational costs (including building out infrastructure), endangering the stations' ability to invest in the amount and quality of news and unique local programming they currently offer. Breaking the Honolulu Stations apart after a quarter-century of common operation would risk severe service reductions, endangering award-winning local programming like Hawaii News Now.

Prohibiting common ownership of the Honolulu Stations would not just harm Hawaiian viewers, it also would harm the Honolulu Stations' employees. Since Hawaii News Now's inception in 2009, the Honolulu Stations have fostered an inspired and collaborative work environment for its employees. As a testament to their efforts, for the fourth straight year, the Honolulu Stations have been voted by their employees as one of the "Best Places to Work in Hawaii"—the only broadcast media organization to earn this distinction.[14] Separating the Honolulu Stations would disrupt this successful workplace.

[14] *Hawai'i's Top Employers*, Hawaii Business Magazine (Mar. 29, 2018), *available at* https://www.hawaiibusiness.com/top-employers-2018/24.

A forced separation would also threaten the Honolulu Stations' ability to remain civically engaged. The Honolulu Stations engage in extensive community outreach to Hawaii's leading non-profit organizations. Through the use of their various platforms, the Honolulu Stations collaborate with nearly three dozen such organizations as their media sponsor, helping increase awareness of these organizations through the "One of the Good Things about Hawaii" campaign as well as with fundraising initiatives. By permitting the Honolulu Stations to remain commonly owned, the FCC would preserve the workplace culture and access to resources needed to produce these public interest benefits.

B. Gray's common ownership of the Honolulu Stations would result in even greater benefits to the public.

Permitting the Honolulu Stations to be assigned from Raycom to Gray would give the Honolulu Stations access to new resources that would enhance their service to the community. In addition to improved economies of scale—which would free the Honolulu Stations to invest even more in local programming and outreach—the Honolulu Stations (and the community that they serve) will gain access to unique resources that Gray offers its local broadcast stations. For example, Hawaii News Now would be able to improve its coverage of news stories involving the federal government by drawing on Gray's Washington News Bureau.

Through its Washington News Bureau, Gray is able to generate tailored coverage of national issues for its local stations. As one recent news article explained, [15] the Washington News Bureau addresses a gap in the current media landscape: large national media outlets are able to report on events occurring in Washington, D.C., but focus on national rather than local stories,

[15] Joel Brown, *Jacqueline Policastro of Gray Television Delivers the Beltway to Heartland Viewers*, Bostonia (2018), *available at* http://www.bu.edu/bostonia/summer18/gray-television-washington-news-bureau-chief-jacqueline-policastro.

while local news providers (both broadcasters and newspapers) increasingly lack the resources needed to support dedicated D.C. correspondents. Gray's Washington News Bureau fills this gap by providing Gray's local television stations with programming that informs local audiences of the impact that events in Washington have on their communities. Just in 2018, the Washington News Bureau has produced and provided Gray's local stations with access to more than 560 such stories.

Although Gray currently does not own any stations in Hawaii, the Washington News Bureau has a proven track record of producing programming relevant to that state.[16] Over the course of this year alone, the Washington News Bureau has conducted twenty interviews with Hawaii's senators, members of Congress, and governor as well as produced nearly thirty stories specifically for Hawaii, including reporting on federal lawmakers' responses to the Kilauea eruption.[17] Integrating the Washington News Bureau's programming into Hawaii News Now's already strong operations would allow the Honolulu Stations to better report on the effect national events have on Hawaii, which undoubtedly would benefit viewers in Hawaii.

C. The Honolulu Stations' common ownership has not resulted in market harms.

As with the benefits that the Honolulu Stations' common ownership has produced, the factual record—rather than conjecture—shows that common ownership of the Honolulu Stations has not harmed competition. Rather, the current state of the Honolulu DMA, which reflects nearly nine years of the Honolulu Stations being commonly owned and ranked as top-four stations,

[16] Gray produced this content for KITV(TV), Honolulu, Hawaii, pursuant to a news-sharing deal. Gray's agreement to provide this news to KITV(TV) expired on July 1, 2018; Gray decided that it could no longer service stations it does not own given the needs of its own stations.

[17] A short video highlighting the Washington News Bureau's Hawaii coverage can be found at: https://www.youtube.com/watch?v=Velp1xE8Ezo&feature=youtu.be.

demonstrates that the Hawaiian market remains competitive. By declining to apply the Top-Four Prohibition to this transaction, the FCC can preserve this competition.

The Honolulu DMA is a unique and challenging market. The DMA encompasses the entire state of Hawaii; broadcasters have to extend their signals to reach distant islands as well as penetrate lush mountains and valleys. Moreover, the market is highly dependent on tourism and military spending, neither of which contribute to local television advertising. Further constraining advertising spending, Hawaii lacks major corporations; the majority of businesses registered with the state's Department of Business and Economic Development employ twenty or fewer people.

In spite of these challenges, in the nearly nine years since the Honolulu Stations have been both commonly owned and ranked as top-four stations, the broadcast television market in the Honolulu DMA has remained competitive. In addition to the Honolulu Stations and their satellites, the Honolulu DMA contains a multitude of diverse stations, including KITV (the local ABC affiliate), KHON-TV (the local Fox affiliate), and many independent stations.

Ratings share data from comScore demonstrates that the Honolulu Stations continue to face strong, effective competitors, even when considering only the broadcast television market:[18]

[18] In 2016, the Honolulu Stations changed their ratings tracking service, discontinuing the use of Nielsen's data. Instead, Raycom licenses audience share data from ComScore, which provides accurate return path data from set-top boxes inside the homes of viewers and uses a consistent methodology across all markets.

Monday–Friday, 6:00 a.m. – 2:00 a.m.[19]

Station	May 2016 Ratings	May 2016 Share	May 2017 Ratings	May 2017 Share	May 2018 Ratings	May 2018 Share
KGMB	[redacted]					
KHNL						
KFVE						
KHON						
KITV						

[19] The Honolulu Stations have historically used the 6 a.m. – 2 a.m. daypart to track sign-on to sign-off viewing. The 6 a.m. – 9 a.m. and 12 a.m. – 2 a.m. period account for 22.9% of the Honolulu Stations' viewership during the 6 a.m. – 2 a.m. period. Thus, nearly one fifth of Honolulu Stations' total audience would be missed by using the 9 a.m. – 12 a.m. period referenced in Section 73.3555(b)(1)(ii) of the Commission's rules.

The Honolulu Stations' revenue share data, as reported by Miller Kaplan, also demonstrates the competition in the broadcast television market:[20]

KHNL

[redacted]

KGMB

[redacted]

[20] Raycom does not have access to data regarding its share of retransmission consent revenue in the market. Thus, the Applicants have not included herein an analysis of retransmission consent revenue for the Honolulu market. While SNL Kagan and BIA Advisory Services prepare estimates of retransmission consent revenues for every station in the country, those estimates are based on data extrapolated from public company reports, and for non-public companies like Raycom, the estimates are not based on publically available data. These estimated retransmission consent revenues cannot be used to accurately compare in-market television stations, because rates included in retransmission consent agreements are not based upon local market factors. Instead, they depend on a number of unrelated factors, including when the agreements with MVPDs were signed, the number of subscribers for each MVPD, competition from cable networks, inclusion of rights to retransmit station programming through an over-the-top provider, and many other factors that are not based upon the competitive balance within a station's local market. Moreover, large station groups often negotiate retransmission consent agreements with large nationwide or regional MVPDs on a nationwide basis without taking into account any specific provisions based upon an included station's performance in its respective market. Retransmission consent revenue numbers also are gross estimated revenues, not net. Therefore, they do not account for the high cost of programming, which varies from station to station and market to market.

Moreover, other broadcast television stations are far from the only competitors in the modern media market.[21] Over-the-air broadcast television advertising accounts for only 8.7 percent of current advertising spending in the Honolulu market, according to BIA Kelsey.[22] Many radio stations operate in Hawaii and produce local content, and over-the-air radio captures 11.5 percent of the market's advertising revenue — a share nearly one-third larger than broadcast television's ad revenue share.[23] In addition, the *Honolulu Star-Advertiser* (formed following the 2010 merger between the *Honolulu Star-Bulletin* and *The Honolulu Advertiser*) is Hawaii's largest newspaper and boasts circulation in the hundreds of thousands as well as a robust newsroom; print newspaper advertising draws nearly as high a share of the market's advertising revenue (8 percent) as broadcast television.[24] Spectrum,[25] the primary cable operator in Hawaii, also competes for local viewership and advertising, in particular because it has secured the rights to air University of Hawaii sports programming. Not only does Spectrum offer popular programming, but is has extensive reach throughout the state of Hawaii. Because Spectrum serves approximately 88 percent of the DMA, its advertising platform is a close substitute for local broadcast stations.[26] Moreover, the

[21] *See Reconsideration Order*, 32 FCC Rcd at 9834 ¶ 72 ("Consumers are increasingly accessing video programming delivered via MVPDs, the Internet, and mobile devices. Moreover, the online video distributor (OVD) industry—which includes entities such as Netflix and Hulu—continues to grow and evolve. In addition to providing on demand access to vast content libraries, many OVDs are now offering original programming and/or live television offerings similar to traditional MVPD offerings." (footnotes omitted)); *id.* at 9895 ("[T]here is ample evidence that cable operators, over-the-top providers, Internet sites, and social media platforms compete with local broadcasters") (statement of Commissioner Michael O'Rielly).

[22] *See* Exhibit 2.

[23] *Id*.

[24] *Id*.

[25] Spectrum was formed from the combination of Charter Communications and Time Warner Cable.

[26] Cable television currently draws 2.6 percent of the market's advertising spending. *See* Exhibit 2.

Honolulu Stations face increasing competition from online sources, especially as the Honolulu Stations themselves invest in digital resources. For example, Honolulu Civil Beat is a local news site entirely dedicated to public affairs reporting. Mobile and online advertising (not including platforms linked to newspapers or over-the-air broadcast stations) already accounts for 24.4 percent of advertising spending in the market, a share exceeded only by direct mail (28.8 percent). Thus, the market for local news in Hawaii—and the accompanying competition for advertisers' business—is robust and contains myriad diverse voices.

IV. CONCLUSION

For a quarter of a century, the Honolulu Stations have pooled their resources under common ownership to provide exceptional service to the people of Hawaii, benefiting the public while maintaining strong competition in the Honolulu media market. Thus, for all the reasons stated herein, the Commission should consent to the assignment of the Honolulu Stations' from Raycom to Gray.

Exhibit 1

REDACTED - FOR PUBLIC INSPECTION

Proclamation

Presented

In Recognition of the 5th Anniversary of Hawai'i News Now

WHEREAS, Hawai'i News Now Day raises awareness that Hawai'i News Now operates under a Shared Service Agreement, and has endeavored to streamline operations to provide high-quality, fast-breaking news coverage; and

WHEREAS, Hawai'i News Now Day highlights that Hawai'i News Now has continually strived to be the leader in delivering breaking news to our community; and

WHEREAS, Hawai'i News Now Day has worked to involve and represent our citizens, ensuring that that they deliver the news that matters most to the islands; and

WHEREAS, Hawai'i News Now Day underlines that Hawai'i News Now has earned a slew of nationally-recognized journalism awards, including several Emmy awards and Radio Television Digital News Association Edward R. Murrow Awards for Video Newscast in the Television Small Market grouping, for the March 11, 2011 broadcast "Disaster in the Pacific;" Best Hard News Reporting, for Malika Dudley's story "Hawai'i Tsunami Damage," and Best News Series, for Teri Okita's series "The Royal Wedding, Royal Ties to Hawai'i,"; and

WHEREAS, Hawai'i News Now Day emphasizes that Hawai'i News Now has also won a number of Associated Press Television-Radio Association Mark Twain Awards, included being honored in 2013 in multiple categories, including Best Evening News Broadcast, awarded to Scott Humber and Mark Platte of KGMB for "Hawai'i News Now at 6pm Twister Hits Oahu"; Best Anchor or Anchor Team, awarded to Teri Okita of KGMB; as well as Best Coverage of an Ongoing Story, awarded to Scott Humber, Mark Platte, Keoki Kerr and Brenda Salgado of KGMB for "Wonder Blunder";

NOW, THEREFORE, I, NEIL ABERCROMBIE, Governor, and **I, SHAN S. TSUTSUI, Lieutenant Governor** for the State of Hawai'i, do hereby proclaim October 30, 2014, as

"HAWAI'I NEWS NOW DAY"

in Hawai'i, and ask all citizens of the Aloha State to join us in recognizing Hawai'i News Now for its efforts to provide thorough, thoughtful and award-winning news coverage.

DONE at the State Capitol, in Executive Chambers, Honolulu, State of Hawai'i, this twenty-eighth day of October, 2014.

Neil Abercrombie

NEIL ABERCROMBIE
Governor, State of Hawai'i

S. T. Jr.

SHAN S. TSUTSUI
Lt. Governor, State of Hawai'i

REDACTED - FOR PUBLIC INSPECTION

BRIAN SCHATZ
Hawaii

Suite 7-212
300 Ala Moana Boulevard
Honolulu, HI 96850
(808) 523-2061



Message from Senator Brian Schatz

Presented in Recognition of the
5th Anniversary of Hawai'i News Now

October 30, 2014

I extend my warmest greetings of *aloha* to the staff, family, and friends of Hawai'i News Now. It is an honor to be a part of today's anniversary celebration.

For the past five years, Hawai'i News Now (HNN) has been a reliable source for relevant information and late-breaking news. With extensive and in-depth coverage conducted and led by one of Hawai'i's most experienced news teams, HNN can always be found at the forefront of the latest, most discussed developing stories. Viewers and online audiences from around the world can trust HNN to ask critical questions, create dialogue around Hawai'i's most significant issues, and highlight the proud accomplishments of our local community members. As it enters its sixth year, HNN and its high standards for investigative reporting and insightful journalism continue to demonstrate HNN's steadfast commitment and ability to keep our viewers aware and informed.

It is my privilege to commend the HNN team for always being attuned to the values and priorities of Hawai'i's viewers and their families. *Mahalo* to the entire crew of HNN for consistently providing comprehensive news and information that are important to the people of Hawai'i.

Congratulations on your five year anniversary. Tonight signifies the continuation of an exciting era of news reporting in Hawai'i. Best wishes for continued success in your future endeavors.

Mahalo Nui Loa,

Brian Schatz

BRIAN SCHATZ
United States Senate

REDACTED - FOR PUBLIC INSPECTION

The United States Congress

AND U.S. REPRESENTATIVE TULSI GABBARD

HEREBY HONOR

HAWAII NEWS NOW

UPON CELEBRATING ITS 5TH ANNIVERSARY OF SERVING THE COMMUNITIES OF THE ALOHA STATE

"The advancement and diffusion of knowledge is the only guardian of true liberty." — James Madison

Congratulations to General Manager Rick Blangiardi, the anchors, reporters, camera professionals, and everyone in the news, sales, marketing, and online departments of Hawaii News Now upon celebrating five great years of service to the people of Hawai'i! It's hard to believe that half a decade has passed since the merge of KHNL and KGMB was first announced, but in this time, your excellent team has proven that this was a wise decision, and the quality of your broadcasts are unmatched.

Mahalo nui loa to Hawaii News Now for its dedication to impactful news coverage. Your outreach and engagement in Hawaii's communities ensure that your stories are both timely and relevant to our unique island home. You have a phenomenal team that makes available a variety of access points for the news throughout the day. Whether it's catching a recap on your website or welcoming the day with the Sunrise show, your team has excelled at providing significant information to our many communities throughout the Aloha State.

Today, we also honor Hawaii News Now for what goes on behind the scenes and outside of the newsroom. Your organizational partnerships keep you connected to resources, and most importantly, the communities you serve each day. We appreciate the hard work that goes into keeping our communities informed and engaged, and therefore, wish you continued success and many more anniversary celebrations to come!

October 30, 2014
Date

Tulsi Gabbard
Tulsi Gabbard, Member of Congress (HI-02)

REDACTED - FOR PUBLIC INSPECTION

UNITED STATES CONGRESS



Message

Congresswoman Colleen Hanabusa

First Congressional District of Hawai'i

October 30, 2014

On behalf of the First Congressional District of Hawai'i, I send my warmest aloha to Hawai'i News Now in honor of the station's 5th Anniversary.

All across Hawai'i, people take pride in their communities and our way of life. Staying connected and up to date with the news allows us to constantly improve our lives as we build towards a stronger Hawai'i. Hawai'i News Now shares this vision and has worked with diligence, integrity, and honesty in serving the people of Hawai'i.

As a leader in the dissemination of news and critical information that affects our state, Hawai'i News Now focuses on the news and stories that matter most to our people. True to the Aloha Spirit, Hawai'i News Now and its management and staff work tirelessly to provide thorough and thoughtful local news coverage.

Recognized for their work nationwide, Hawai'i News Now has maintained the highest levels of journalistic integrity while earning industry awards for their work. All the while, the station's commitment to transparency and service to communities statewide shines through while attracting positive coverage of Hawai'i. I would like to thank and commend Hawai'i News Now for their unparalleled commitment to Hawai'i and covering the news with the utmost attention to detail, all while conforming to the highest ethical standards.

Please accept my most sincere congratulations on this special anniversary. I send my best wishes to Hawai'i News Now for continued success.

Aloha,

COLLEEN W. HANABUSA

Member of Congress

REDACTED - FOR PUBLIC INSPECTION

COUNTY OF HAWAI'I

Proclamation

WHEREAS, *since combining the news operations of KGMB, KFVE, and KHNL in October 2009, Hawai'i News Now has continually strived to be Hawai'i's live, local, and connected leader in delivering breaking news to our community of events that matter most; and*

WHEREAS, *Hawai'i News Now has lead the way in reporting the news and sharing the stories of Hawai'i Island, including live reports from the Merrie Monarch Festival, and most recently, providing comprehensive coverage of Hurricanes Iselle and Ana, and keeping us informed as the Puna community prepares for the approaching lava flow; and*

WHEREAS, *Hawai'i News Now has earned a slew of nationally recognized journalism awards including multiple Associated Press Television-Radio Association (APTRA) Mark Twain, Edward R. Murrow, and Emmy Awards; and*

WHEREAS, *Hawai'i News Now is bringing national recognition to the State of Hawai'i and ensuring that journalistic integrity continues to thrive,*

NOW, THEREFORE, I, BILLY KENOI, Mayor of the County of Hawai'i, do hereby proclaim Thursday, October 30, 2014, as

HAWAI'I NEWS NOW DAY

in the County of Hawai'i and call upon the residents of Hawai'i Island and the entire State of Hawai'i to recognize and appreciate Hawai'i News Now's role in keeping our communities informed.

IN WITNESS WHEREOF, I have hereunto set my hand and caused The Seal of the County of Hawai'i to be affixed. Done this 30th day of October, 2014, in Hilo, Hawai'i.

Billy Kenoi
MAYOR

BILLY KENOI
Mayor

County of Hawai'i
Mayor's Office
25 Aupuni Street
Hilo, Hawai'i 96720-4252

Telephone: (808) 9
Fax: (808) 9
wkenoi@hawai
www.ha

REDACTED - FOR PUBLIC INSPECTION



Office of the Mayor
County of Kaua'i

Proclamation



Hawai'i News Now

5th Anniversary Celebration

WHEREAS, on behalf of the County of Kaua'i we extend our congratulations to Hawai'i News Now on its 5th Anniversary and for providing outstanding news coverage for the people of the State of Hawai'i' and

WHEREAS, under a Shared Service Agreement (SSA) Hawai'i News Now has streamlined operations to provide high-quality, fast-breaking news coverage; and

WHEREAS, Hawai'i News Now has continually strived to be the leader in delivering breaking news to our community; and

WHEREAS, Hawai'i News Now has worked to involve and represent our citizens, ensuring that they deliver the news that matters to us most; and

WHEREAS, Hawai'i News Now is bringing the power of live television to the public through mobile devices and is proud to offer live streaming broadcasts of all newscasts and breaking news to iphone, ipad or Android devices; and.

WHEREAS, Hawai'i News Now earned numerous nationally recognized journalism awards including multiple APTRA Mark Twain, Edward R. Murrow and Emmy Awards.

NOW, THEREFORE, I BERNARD P. CARVALHO, JR., Mayor, County of Kaua'i, State of Hawai'i, do hereby proclaim October 30, 2014 as

"Hawai'i News Now Day"

Throughout the County of Kaua'i, and ask the people of Hawai'i to recognize **"Hawai'i News Now"** for their outstanding and award-winning news coverage.

DONE at the County Building, Lihue
County of Kaua'i, State of Hawai'i

Bernard P. Carvalho, Jr.
Mayor, County of Kaua'i
State of Hawai'i



REDACTED - FOR PUBLIC INSPECTION

County of Maui
Proclamation

WHEREAS, under a Shared Service Agreement (SSA) Hawaii News Now has streamlined operations to provide high-quality, fast-breaking news coverage to our communities; and

WHEREAS, Hawaii News Now has earned a number of nationally recognized journalism awards including multiple APTRA Mark Twain, Edward R. Murrow and Emmy Awards; and

WHEREAS, Hawaii News Now works diligently to involve and represent our citizens, ensuring that they deliver the news that matters to us most.

NOW, THEREFORE, I, ALAN M. ARAKAWA, Mayor of the County of Maui, do hereby proclaim October 30, 2014 as

HAWAII NEWS NOW DAY

throughout Maui County and commend Hawaii News Now for their newscasts that continue to offer thorough, thoughtful and award-winning news coverage.

IN WITNESS WHEREOF, I have hereunto set my hand
and caused the seal of the County of Maui to be affixed hereto.

DONE at Wailuku, Maui, Hawai'i,
on this 15th day of October, 2014.

Alan Arakawa

ALAN M. ARAKAWA
Mayor, County of Maui



REDACTED - FOR PUBLIC INSPECTION

Proclamation

WHEREAS, Hawaii News Now consistently provides thorough and thoughtful, high-quality, fast-breaking, and award-winning news coverage; and

WHEREAS, this television and internet newsroom has earned numerous awards from multiple organizations, including regional Emmys, Edward R. Murrow Awards, the Society of Professional Journalists, the Associated Press Television and Radio Association, and more, bringing national recognition to Hawaii and ensuring that journalistic integrity continues to thrive in our community; and

WHEREAS, Hawaii News Now has dedicated tremendous resources to provide urgent timely public safety updates to the people of Oahu and Hawaii during recent natural disasters including Hurricanes Iselle and Ana, tsunami warnings, flooding and high surf events, and in doing so helped residents prepare and keep their families safe; and

WHEREAS, Hawaii News Now strives to be the leader in delivering breaking news to our community by involving and representing residents, ensuring the delivery of news that matters the most to viewers; and

WHEREAS, Hawaii News Now launched on October 26, 2009 with the combined resources of CBS affiliate KGMB, NBC affiliate KHNL, and KFVE, and celebrated its fifth anniversary this week,

NOW, THEREFORE, I, KIRK CALDWELL, Mayor of the City and County of Honolulu, do hereby proclaim October 26 to November 1, 2014, to be

HAWAII NEWS NOW FIFTH ANNIVERSARY WEEK

in appreciation of its outstanding news coverage that keeps residents informed and involved in their community, and for setting a high level of quality in the industry.

Done this 30th day of October, 2014,
in Honolulu, Hawaii.

KIRK CALDWELL

Exhibit 2

REDACTED - FOR PUBLIC INSPECTION

BIA Kelsey

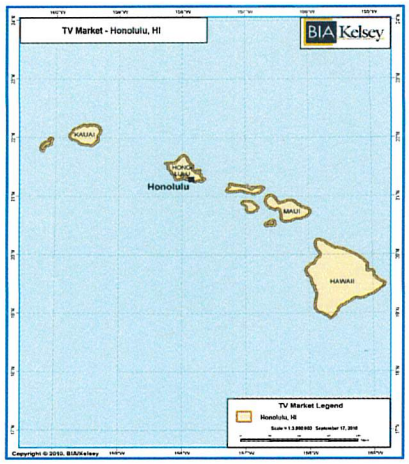
Categories Overview – Local

Honolulu, HI Overview

TV Market Rank: 66

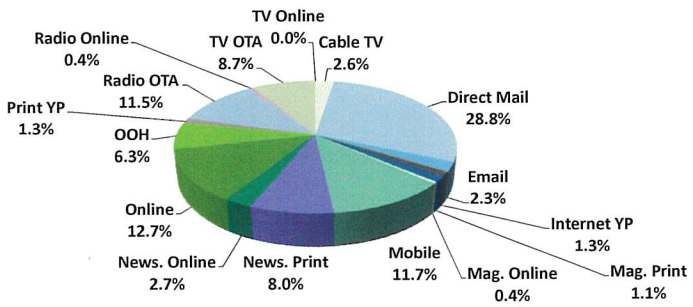
MEDIA AD VIEW PLUS

2018 Advertising Revenue Metrics By Media

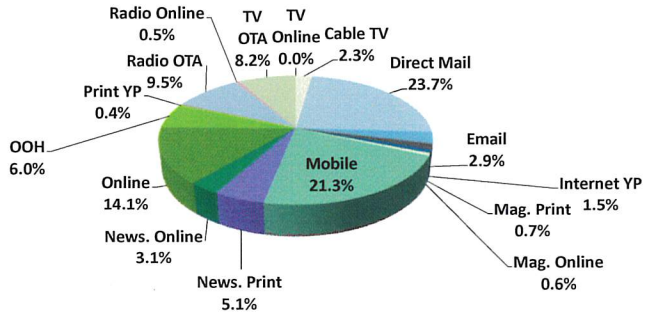


	Market Total(000s)	Per Population	Per Household	Per $1,000 Retail Sales
Cable TV	$16,292	$11.10	$32.16	$0.68
Direct Mail	$178,199	$121.40	$351.73	$7.41
Email	$15,874	$10.81	$31.33	$0.66
Internet YP	$8,666	$5.90	$17.10	$0.36
Magazines Print	$6,490	$4.42	$12.81	$0.27
Magazines Online	$3,030	$2.06	$5.98	$0.13
Mobile	$92,748	$63.18	$183.07	$3.86
Newspaper Print	$45,859	$31.24	$90.52	$1.91
Newspaper Online	$18,208	$12.40	$35.94	$0.76
Online	$82,246	$56.03	$162.34	$3.42
OOH	$39,855	$27.15	$78.67	$1.66
Print YP	$6,527	$4.45	$12.88	$0.27
Radio OTA	$70,587	$48.09	$139.33	$2.93
Radio Online	$2,940	$2.00	$5.80	$0.12
Television OTA	$56,088	$38.21	$110.71	$2.33
Television Online	$141	$0.10	$0.28	$0.01
Total	$643,748	$438.55	$1,270.64	$26.76

2018 Ad Spending by Media for TV Market
Total: $0.64 Billion



2022 Ad Spending by Media for TV Market
Total: $0.75 Billion



Copyright © 2016 BIA/Kelsey (703) 818-2425, info@biakelsey.com

Attachment 2

Top-Four Showing for Continued Common Ownership of KFDA & KEYU (Amarillo, Texas)

Attachment 2:
Top-Four Showing for Continued Common Ownership of KFDA & KEYU (Amarillo, Texas)

I. INTRODUCTION

The Applicants request the Commission's consent to the assignment of KFDA-TV, Amarillo, Texas, ("KFDA") and KEYU(DT), Borger, Texas, ("KEYU")[1] (collectively the "Amarillo Stations") from Raycom to Gray. KEYU historically has not been a top-four station. To the contrary, KEYU first came under common ownership with KFDA in 2010 pursuant to a "failing station" waiver, after the Commission concluded that KEYU's "dire financial situation hampers its ability to be a viable voice in its market" and that KFDA's then-owner was the only viable buyer, in or out of the market.[2] The Commission renewed KEYU's failing station waiver in 2015, finding that "allowing KEYU to operate in tandem with a stronger station will help it to remain a viable voice in the market, through a definite improvement in facilities and programming."[3] Common ownership with KFDA has improved KEYU's condition significantly over the past eight years, but KEYU — a Telemundo affiliate — generally has remained in fifth place, behind the local affiliates of the Big Four networks.

The recent release of Nielsen's May 2018 ratings book marks the end of the 2017–2018 television season, and KEYU again finished in fifth place in the market by averaging the four ratings periods in the 2017–2018 television season (July 2017, November 2017, February 2018, and May 2018):

[1] Nielsen assigns KEYU to the Amarillo DMA.

[2] *Borger Broadcasting, Inc., Debtor-in-Possession*, Letter to Counsel, 25 FCC Rcd 1204, 1207 (MB 2010).

[3] *Drewry Communications Group*, Letter to Counsel, 30 FCC Rcd 12499, 12502 (MB 2015).

Nielsen Rating Share, Monday-Sunday, 9 a.m.-12 a.m.

Station	Affiliation	July 2017	Nov. 2017	Feb. 2018	May 2018	Combined 2017–2018 TV Season
KFDA	CBS	[redacted]				
KVII+	ABC					
KAMR	NBC					
KCIT	FOX					
KEYU	TEL					

However, during the most recent Nielsen ratings period (May 2018), KEYU narrowly passed the local Fox affiliate, ranking fourth in the Amarillo DMA. KEYU achieved this fourth-place ranking despite earning only [redacted] in the May 2018 rating period — a share that would easily satisfy the Commission's requirements for qualifying as a failing station.[4] The Commission's local television ownership rule typically relies on a station's "most recent all-day (9 a.m.–midnight) audience share" in determining whether the station is ranked among the top four stations in its DMA.[5] Nonetheless, good cause exists for the Commission to instead evaluate the proposed assignments of the Amarillo Stations' licenses based on KEYU's market ranking for the most recent 2017–2018 television season and over the past two years, rather than giving undue weight to the atypical May 2018 Nielsen data. In the alternative, the Applicants request that the Commission not apply the Top-Four Prohibition to this transaction and permit the continued common ownership of the Amarillo Stations under the Commission's case-by-case standards.

As demonstrated by the audience share data provided below, KEYU typically is not a

[4] 47 C.F.R. § 73.3555, Note 7.

[5] 47 C.F.R. § 73.3555(b)(1)(ii).

top-four station; it achieved a top-four ranking (as measured by Nielsen) in May 2018 as a result of the intense excitement surrounding its coverage of the buildup to the its World Cup coverage airing on Telemundo — unique programming that airs only every four years and is of passionate interest to KEYU's Spanish-language audience. Rather than base KEYU's market ranking on anomalous data, the Commission should base KEYU's market ranking on the station's ratings share for the most recent television season and over the past two years. Doing so would accurately reflect KEYU's real-world position in the market and confirm that the Top-Four Prohibition is not implicated by this transaction.

Alternatively, even if the Commission were to treat KEYU as a top-four station, it should not apply the Top-Four Prohibition to this transaction. The Commission has noted that although the determination of whether to apply the Top-Four Prohibition to a transaction is not governed by "a rigid set of criteria," it will consider factors such as ratings and revenue share data, market characteristics, the effect of a combination on local and community programming, and any other circumstances impacting the market, particularly those primarily affecting small and mid-sized markets.[6] Here, continued common ownership of the Stations would preserve market competition and benefit the public interest by permitting the Stations to continue producing unique Spanish-language local programming.

II. GOOD CAUSE EXISTS FOR THE FCC TO TREAT KEYU AS A NON-TOP-FOUR STATION BASED ON ITS RATINGS PERFORMANCE OVER TIME.

There is good cause to expand the Commission's review of television ranking data beyond just a single month that provides the most recent audience share data. Relying only on a single data point — the most recent audience shares — can sometimes produce an inaccurate

[6] *2014 Quadrennial Regulatory Review*, Order on Reconsideration and Notice of Proposed Rulemaking, 32 FCC Rcd 9802, 9837 ¶ 79 (2017) ("*Reconsideration Order*").

picture of a market's rankings, subverting the Top-Four Prohibition's goal of promoting competition between top-four stations. Indeed, when determining whether to apply the Top-Four Prohibition to a transaction involving two top-four stations, the Commission considers "data over a substantial period (e.g., the past three years, similar to the requirement in the failing/failed station waiver test) . . . to help avoid circumvention of the Top-Four Prohibition based on anomalous data over a short period of time or manipulation of program offerings prior to the proposed transaction."[7] This reflects the Commission's recognition that in order to accurately analyze a station's ranking, it must consider the station's performance over time. Indeed, the Applicants submit that if a station can demonstrate over a multi-year period that it is not ranked among the top-four stations in a market, the Top-Four Prohibition should not apply.

The particular facts regarding the Amarillo Stations' rankings demonstrate why relying exclusively on KEYU's May 2018 Nielsen ratings would be inappropriate. As described above, KEYU would not even have survived the past eight years as a standalone station. Despite the improvement in KEYU's condition since it came under common ownership with KFDA, KEYU consistently has ranked fifth, including (as shown above) over the course of the 2017–2018 television season. KEYU's ratings over a longer period show the same pattern, as shown in the tables below.

[7] *Reconsideration Order*, 32 FCC Rcd at 9839 ¶ 82.

comScore[8] Ratings Share, Monday–Sunday, 6:00 a.m.–2:00 a.m.[9]

Station	Affiliation	May 2016 Ratings	May 2016 Shares	May 2017 Ratings	May 2017 Shares	May 2018 Ratings	May 2018 Shares
KFDA	CBS	[redacted]					
KVII+	ABC						
KAMR	NBC						
KCIT	FOX						
KEYU	TEL						

Amarillo Stations Ratings Trend (comScore all-day)

[redacted]

[8] In 2016, the Amarillo Stations changed their ratings tracking service, discontinuing the use of Nielsen's data. Instead, Raycom licenses audience share data from comScore, which provides accurate return path data from set-top boxes inside the homes of viewers and uses a consistent methodology across all markets.

[9] The Amarillo Stations have historically used the 6 a.m.–2 a.m. daypart to track sign-on to sign-off viewing. The 6 a.m.–9 a.m. and 12 a.m.–2 a.m. periods — which include the stations' morning news programming — account for 21.4% of the Amarillo Stations' viewership during the 6 a.m.–2 a.m. period. Thus, nearly one fifth of Amarillo Stations' total audience would be missed by using the 9 a.m.–12 a.m. period referenced in Section 73.3555(b)(1)(ii) of the

KEYU's most recent Nielsen 9 a.m.–midnight audience share, during the May 2018 ratings period, was only [redacted], compared to the local Fox affiliate's [redacted]. This anomalous result — placing KEYU just barely in fourth place — is easily explained by the fact that KEYU aired unique programming during the May 2018 period as a result of its coverage of the lead up to the World Cup, programming that airs every four years and lasts only a few months. This is reflected in Nielsen's 9 a.m.–midnight audience share results in the three sweeps periods prior to May 2018 (July 2017, November 2017, and February 2018), in which KEYU was ranked fifth in each period.

The station's history further demonstrates that KEYU is unlikely to maintain a top-four ranking once the World Cup is over, especially if the station were forced to return to standalone operation. In revising its local television ownership rule to permit common ownership of two stations in any market — so long as one station is below the top four — the Commission held that prohibiting such combinations "denies the public interest benefits produced by common ownership," particularly in small- and mid-sized markets "where the efficiencies of common ownership can often yield the greatest benefits."[10] Treating KEYU as a top-four station based on a single, atypical ratings period would have precisely the same result: denying viewers in the 131st-ranked Amarillo DMA the benefits of maintaining the efficiencies that KEYU's survival has relied on over the past eight years.

Accordingly, when considering the most recent audience share data, the Commission

---

Commission's rules. However, if one analyzed the 9 a.m. – 12 a.m. period, the result is the same. KEYU is the fifth ranked station. When looking at Nielsen's annualized audience share data for the three prior broadcast seasons (July 2017- May 2018, July 2016 - May 2017, and July 2015 - May 2016), KEYU was a distant fifth ranked station that never exceeded a [redacted] audience share and at least [redacted] behind the fourth ranked station.

[10] *Reconsideration Order*, 32 FCC Rcd at 9837 ¶ 79.

should review the data from the most recent television season and over the past two years, which shows KEYU is soundly the fifth place station.

III. ALTERNATIVELY, THE FCC SHOULD NOT APPLY THE TOP-FOUR PROHIBITION TO THE ASSIGNMENT OF THE AMARILLO STATIONS.

Even if the Commission were to treat KEYU as a top-four station, it should nonetheless conclude that there is no justification for applying the Top-Four Prohibition to the assignment of the Amarillo Stations. The Commission "has long conceded" that application of the Top-Four Prohibition is not justified in every market or with respect to every transaction because "the rule may prohibit combinations that do not present public interest harms or that offer potential public interest benefits that outweigh any potential harms."[11] Therefore, the Commission has adopted a hybrid approach that allows for a case-by-case determination of whether to apply the Top-Four Prohibition to a given transaction.[12] "In the end, applicants must demonstrate that the benefits of the proposed transaction would outweigh the harms."[13] The facts here demonstrate just that.

A. The Amarillo Stations' common ownership has preserved, not harmed, competition.

The Commission has justified retaining the Top-Four Prohibition because there generally is a significant ratings cushion between a market's fourth-ranked and fifth-ranked stations, meaning that an owner of multiple top-four stations in a market would obtain an outsized market share and thus have reduced competitive incentives.[14] These concerns do not apply to the Amarillo Stations. To the contrary, as described above, KEYU has been far from a dominant station in the market, to the point of receiving two failing station waivers in the past eight years.

---

[11] *Id.*

[12] *Id.* at 9836–37 ¶¶ 78–79.

[13] *Id.* at 9839 ¶ 82.

[14] *See Reconsideration Order*, 32 FCC Rcd at 36 ¶ 79 n.230.

Even with the ratings boost associated with KEYU's World Cup coverage, KEYU beat the local Fox affiliate for fourth place in Nielsen's May 2018 ratings period by only [redacted]. The audience share data set forth above demonstrates that KEYU has historically been the fifth-ranked station in the Amarillo DMA by a clear margin.

KEYU's non-dominant position is also reflected in the market's revenue share data, as reported by Miller Kaplan, which shows that, on average, KEYU has received only [redacted] percent of broadcast advertising revenue in the market from 2014–2017 and thus does not materially increase the Amarillo Stations' overall share of broadcast advertising revenue.

KFDA

[redacted]

KEYU

[redacted]

Moreover, the joint ownership of KEYU and KFDA does not present a threat to competition for another, independent reason. Because KEYU is an affiliate of Telemundo, it broadcasts its programming and advertising in Spanish, making its advertising platform an

[15] [redacted]

imperfect substitute for the English-language KFDA. Indeed, in the radio broadcasting industry, the U.S. Department of Justice's Antitrust Division has excluded Spanish-language radio from the relevant product market for the purposes of antitrust analysis because advertisers do not view Spanish-language programming as a viable substitute.[16] Even if there is some overlap in the audiences of KFDA and KEYU among bilingual viewers or viewers using the SAP feature, the other English-language stations in Amarillo provide a closer substitute for KFDA than KEYU. Allowing the combination to continue will not have a meaningful impact on competition in the Amarillo DMA.

In addition to competition from rival television stations, television broadcasters in the Amarillo DMA also face unique competitive threats from the radio industry. Nationwide, BIA Kelsey has found that 12.7 percent of 2018 advertising spending has been directed toward television broadcasters and 9.8 percent to radio broadcasters. But in Amarillo, BIA Kelsey reports that radio broadcasters captured 11 percent of 2018 advertising spending while television broadcasters obtained only 10.5 percent. Direct mail accounted for the largest share of advertising spending in the market (27.9 percent), while online (12.3 percent), mobile (11.3 percent) and print newspaper (8.1 percent) advertising captured comparable or larger portions of the market's advertising revenues. Further details are set forth on Exhibit 1.

Beyond the general competitive pressures facing television broadcasters in the Amarillo DMA, KEYU in particular would struggle to operate independently because of the market's

[16] *See, e.g., United States v. Entercom Commc'ns. Corp.*, Complaint, Case No. 1:15-cv-01119 (D.D.C. Jul. 14, 2015), ¶ 13 ("[A]dvertisers consider English-language radio, either alone or as a complement to other media, to be the most effective way to reach their target audience, and do not consider other media, including non-English-language radio, such as Spanish-language radio, for example, to be a reasonable substitute.").

relatively small Spanish-speaking population. As noted when KEYU's failing station waiver was renewed in 2015, an analysis by media broker Kalil & Co. found that "Amarillo, as the 50th largest Hispanic market in the country, does not have a Hispanic population base large enough to support stand-alone operation."[17]

The ratings share data, revenue share data, and market characteristics discussed above all demonstrate that the Amarillo Stations' common ownership has not harmed the market for broadcast television in the Amarillo DMA. To the contrary, common ownership was, and remains, essential to preserving KEYU's voice and competitive presence in the market. Thus, applying the Top-Four Prohibition would not protect competition and would not serve the public interest.

B. Common ownership has allowed the Amarillo Stations to serve the public interest, including through their substantial Spanish-language programming.

The Amarillo Stations' common ownership has benefitted the public interest by allowing these stations to produce Spanish-language local programming that KEYU could not feasibly produce on its own. In fact, prior to the Amarillo Stations' common ownership KEYU was struggling to remain financially viable at all. The Commission recognized KEYU's "bleak financial situation" in 2010, noting that during the prior three years the station had suffered "negative cash flow and operating losses" and had "averaged between a 0% and 1.5% audience share."[18] The Bureau concluded that the Amarillo Stations' common ownership would "pose minimal harm" and that it would improve KEYU's "facilities and local programming, an outcome which clearly benefits the public interest."[19]

---

[17] *Drewry Communications Group*, 30 FCC Rcd at 12501.

[18] *Borger Broadcasting*, 25 FCC Rcd at 1207–08.

[19] *Id*.

In 2015, the Amarillo Stations were assigned to Raycom again pursuant to a failing station waiver. At the time, KEYU "had an all-day audience share of less than 2 percent during each of the [prior] five Nielsen ratings books." While noting that KEYU's financial performance had improved, the Bureau confirmed that "without the synergies of joint operation" with KFDA, KEYU "would have had a significant negative cash flow for each of the [prior] three years." Accordingly, the Bureau once again found that the Amarillo Stations' common ownership would pose minimal harms to the market and would allow KEYU remain "a viable voice in the market," which would "clearly benefit the public interest."[20]

This record demonstrates that the operational costs needed to operate KEYU as a stand-alone station repeatedly have proven to be unworkable. Instead, as a result of the synergies and cost savings created by their common ownership, the Amarillo Stations now are able to produce substantial Spanish-language local programming. This includes two half hours of local news, which air on KEYU at 5 p.m. and 10 p.m., Monday through Friday. The Amarillo Stations also have developed a dedicated Spanish-language website and app providing updates on local news and weather.[21] Moreover, KEYU remains the only local Spanish-language broadcast station in the market.[22] The Amarillo Stations also are able to support a sister station in Tyler, Texas, by producing a half hour of local Spanish news that airs Monday through Friday at 5 p.m. in that market.

Without the Amarillo Stations' common ownership, it would not be financially feasible

[20] *Drewry Communications Group*, Letter to Counsel, 30 FCC Rcd at 12500–02.

[21] KEYU's website can be found here: http://www.telemundoamarillo.com. Its app can be found here: https://itunes.apple.com/us/app/keyu-telemundo-amarillo/id1110470866.

[22] Univision is carried on cable but does not produce local news and does not have a local broadcast station.

to support a stand-alone broadcast station that supplies high-quality Spanish-language local programming on a daily basis. Instead, by operating together, the Amarillo Stations have proven able to serve and engage with their Spanish-language community, to the benefit of the public interest.

IV. CONCLUSION

The Amarillo Stations' combined ownership has not resulted in competitive harms and has benefitted the public interest. Thus, for all the reasons stated herein, the Commission should consent to the assignment of the Amarillo Stations from Raycom to Gray.

Exhibit 1

REDACTED - FOR PUBLIC INSPECTION

BIA Kelsey

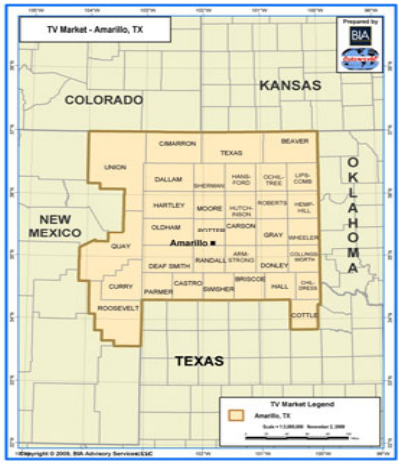
Categories Overview – Local

Amarillo, TX Overview

TV Market Rank: 131

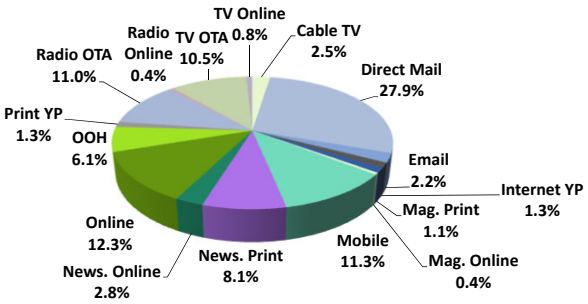
MEDIA AD VIEW PLUS

2018 Advertising Revenue Metrics By Media

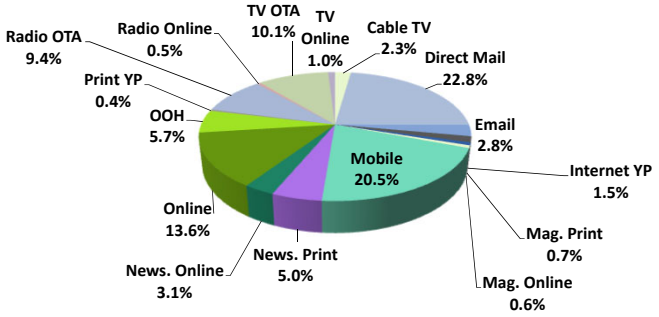


	Market Total(000s)	Per Population	Per Household	Per $1,000 Retail Sales
Cable TV	$6,055	$10.85	$28.06	$0.69
Direct Mail	$65,152	$116.76	$301.96	$7.39
Email	$5,804	$10.40	$26.90	$0.66
Internet YP	$3,168	$5.68	$14.68	$0.36
Magazines Print	$2,452	$4.39	$11.36	$0.28
Magazines Online	$1,145	$2.05	$5.31	$0.13
Mobile	$33,910	$60.77	$157.16	$3.85
Newspaper Print	$17,385	$31.16	$80.57	$1.97
Newspaper Online	$6,902	$12.37	$31.99	$0.78
Online	$30,070	$53.89	$139.37	$3.41
OOH	$14,571	$26.11	$67.53	$1.65
Print YP	$2,386	$4.28	$11.06	$0.27
Radio OTA	$25,603	$45.88	$118.66	$2.90
Radio Online	$1,163	$2.08	$5.39	$0.13
Television OTA	$26,109	$46.79	$121.01	$2.96
Television Online	$2,022	$3.62	$9.37	$0.23
Total	$243,896	$437.09	$1,130.40	$27.67

2018 Ad Spending by Media for TV Market
Total: $0.24 Billion



2022 Ad Spending by Media for TV Market
Total: $0.28 Billion



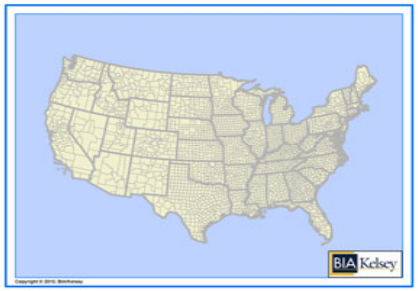
Copyright © 2016 BIA/Kelsey (703) 818-2425, info@biakelsey.com

REDACTED - FOR PUBLIC INSPECTION

Categories Overview – Local

Nationwide Overview

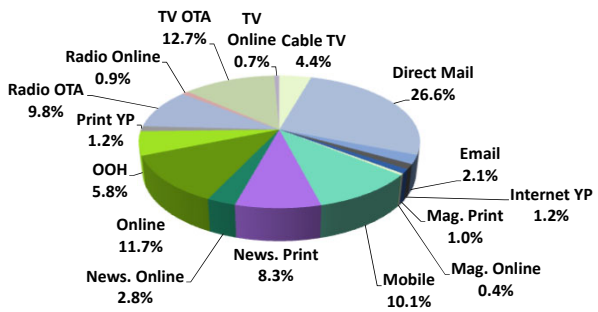
TV Market Rank: 210



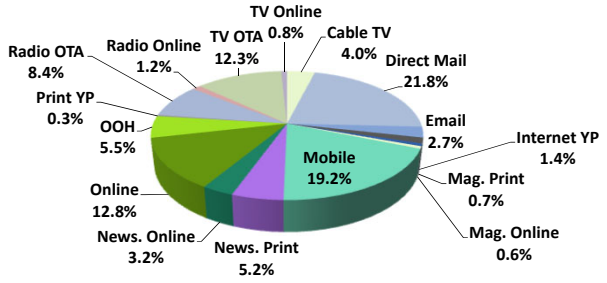
2018 Advertising Revenue Metrics By Media

	Market Total(000s)	Per Population	Per Household	Per $1,000 Retail Sales
Cable TV	$6,806,305	$20.83	$53.34	$1.37
Direct Mail	$38,464,703	$117.69	$301.46	$7.77
Email	$3,426,388	$10.48	$26.85	$0.69
Internet YP	$1,870,481	$5.72	$14.66	$0.38
Magazines Print	$1,397,322	$4.28	$10.95	$0.28
Magazines Online	$652,317	$2.00	$5.11	$0.13
Mobile	$18,987,947	$58.10	$148.82	$3.83
Newspaper Print	$11,009,029	$33.68	$86.28	$2.22
Newspaper Online	$4,371,924	$13.38	$34.26	$0.88
Online	$17,668,297	$54.06	$138.47	$3.57
OOH	$8,602,729	$26.32	$67.42	$1.74
Print YP	$1,408,886	$4.31	$11.04	$0.28
Radio OTA	$14,235,481	$43.56	$111.57	$2.87
Radio Online	$1,485,255	$4.54	$11.64	$0.30
Television OTA	$19,723,954	$60.35	$154.58	$3.98
Television Online	$1,082,920	$3.31	$8.49	$0.22
Total	$151,193,939	$462.62	$1,184.97	$30.53

2018 Ad Spending by Media for TV Market
Total: $151.19 Billion



2022 Ad Spending by Media for TV Market
Total: $174.52 Billion



Copyright © 2016 BIA/Kelsey (703) 818-2425, info@biakelsey.com

Exhibit A

Raycom Licenses Being Assigned or Transferred

Call Sign/Community of License	Fac ID.	Licensee	DMA
KAIT(TV), Jonesboro, AR	13988	KAIT License Subsidiary, LLC	Jonesboro, AR (182)
KCBD(TV), Lubbock, TX	27507	KCBD License Subsidiary, LLC	Lubbock, TX (145)
KFDA(TV), Amarillo, TX	51466	KFDA/KEYU License Subsidiary, LLC	Amarillo, TX (131)
K29HB-D, Clovis, NM	130253	KFDA/KEYU License Subsidiary, LLC	Amarillo, TX (131)
KEYU(TV), Borger, TX	83715	KFDA/KEYU License Subsidiary, LLC	Amarillo, TX (131)
KZBZ-CD, Clovis, NM	51469	KFDA/KEYU License Subsidiary, LLC	Amarillo, TX (131)
KEYU-FM, Amarillo, TX	39892	KFDA/KEYU License Subsidiary, LLC	Amarillo, TX (170)
KFVS-TV, Cape Girardeau, MO	592	KFVS License Subsidiary, LLC	Paducah-Cape Girardeau-Harrisburg, KY-MO-IL (82)
WQTV-LP, Murray, KY	31410	KFVS License Subsidiary, LLC	Paducah-Cape Girardeau-Harrisburg, KY-MO-IL (82)
WQWQ-LP, Paducah, KY	19595	KFVS License Subsidiary, LLC	Paducah-Cape Girardeau-Harrisburg, KY-MO-IL (82)
KHNL(TV), Honolulu, HI	34867	KHNL/KGMB License Subsidiary, LLC	Honolulu, HI (66)
K32IX-D, Lihue, HI	34878	KHNL/KGMB License Subsidiary, LLC	Honolulu, HI (66)
KGMB(TV), Honolulu, HI	34445	KHNL/KGMB License Subsidiary, LLC	Honolulu, HI (66)
K28NN-D, Wailuku, HI	34448	KHNL/KGMB License Subsidiary, LLC	Honolulu, HI (66)
K45CT-D, Hilo, HI	34446	KHNL/KGMB License Subsidiary, LLC	Honolulu, HI (66)
KHBC-TV, Hilo, HI	34846	KHNL/KGMB License Subsidiary, LLC	Honolulu, HI (66)
KOGG(TV), Wailuku, HI	34859	KHNL/KGMB License Subsidiary, LLC	Honolulu, HI (66)
KLTV(TV), Tyler, TX	98540	KLTV/KTRE License Subsidiary, LLC	Tyler-Longview (Lufkin & Nacogdoches), TX (109)
KTRE(TV), Lufkin, TX	38541	KLTV/KTRE License Subsidiary, LLC	Tyler-Longview (Lufkin & Nacogdoches), TX (109)
KNIN-TV, Caldwell, ID	59363	KNIN License Subsidiary, LLC	Boise, ID (104)
KOLD-TV, Tucson, AZ	48663	KOLD License Subsidiary, LLC	Tucson (Sierra Vista), AZ (65)
KPLC(TV), Lake Charles, LA	13994	KPLC License Subsidiary, LLC	Lake Charles, LA (174)
KSLA(TV), Shreveport, LA	70482	KSLA License Subsidiary, LLC	Shreveport, LA (83)

Call Sign/Community of License	Fac ID.	Licensee	DMA
KSWO-TV, Lawton, OK	35645	KSWO License Subsidiary, LLC	Wichita Falls & Lawton, TX-OK (149)
KKTM-LP, Altus, OK	130241	KSWO License Subsidiary, LLC	Wichita Falls & Lawton, TX-OK (149)
KSWX-LP, Duncan, OK	130242	KSWO License Subsidiary, LLC	Wichita Falls & Lawton, TX-OK (149)
KWAB-TV, Big Spring, TX	42008	KWES License Subsidiary, LLC	Odessa-Midland, TX (144)
KTXC(FM), Lamesa, TX	71650	KWES License Subsidiary, LLC	Odessa-Midland, TX (164)
WAFB(TV), Baton Rouge, LA	589	WAFB License Subsidiary, LLC	Baton Rouge, LA (94)
WBXH-CD, Baton Rouge, LA	51806	WAFB License Subsidiary, LLC	Baton Rouge, LA (94)
WAFF(TV), Huntsville, AL	591	WAFF License Subsidiary, LLC	Huntsville-Decatur (Florence), AL (80)
WALB(TV), Albany, GA	70713	WALB License Subsidiary, LLC	Albany, GA (154)
WAVE(TV), Louisville, KY	13989	WAVE License Subsidiary, LLC	Louisville, KY (49)
WBRC(TV), Birmingham, AL	71221	WBRC License Subsidiary, LLC	Birmingham (Anniston and Tuscaloosa), AL (44)
WBTV(TV), Charlotte, NC	30826	WBTV License Subsidiary, LLC	Charlotte, NC (23)
WCSC-TV, Charleston, SC	71297	WCSC License Subsidiary, LLC	Charleston, SC (92)
WDAM-TV, Laurel, MS	21250	WDAM License Subsidiary, LLC	Hattiesburg-Laurel, MS (168)
WECT(TV), Wilmington, NC	48666	WECT License Subsidiary, LLC	Wilmington, NC (130)
WFIE(TV), Evansville, IN	13991	WFIE License Subsidiary, LLC	Evansville, IN (103)
WFLX(TV), West Palm Beach, FL	39736	WFLX License Subsidiary, LLC	West Palm Beach-Ft. Pierce, FL (37)
WIS(TV), Columbia, SC	13990	WIS License Subsidiary, LLC	Columbia, SC (77)
WLBT(TV), Jackson, MS	68542	WLBT License Subsidiary, LLC	Jackson, MS (95)
WLOX(TV), Biloxi, MS	13995	WLOX License Subsidiary, LLC	Biloxi-Gulfport, MS (157)
WMBF-TV, Myrtle Beach, SC	83969	WMBF License Subsidiary, LLC	Myrtle Beach-Florence, SC (101)
WMC-TV, Memphis, TN	19184	WMC License Subsidiary, LLC	Memphis, TN (50)
WOIO(TV), Shaker Heights, OH	39746	WOIO License Subsidiary, LLC	Cleveland-Akron (Canton), OH (19)
WUAB(TV), Lorain, OH	8532	WOIO License Subsidiary, LLC	Cleveland-Akron (Canton), OH (19)
WSFA(TV), Montgomery, AL	13993	WSFA License Subsidiary, LLC	Montgomery, AL (124)
WTOC-TV, Savannah, GA	590	WTOC License Subsidiary, LLC	Savannah, GA (90)

Call Sign/Community of License	Fac ID.	Licensee	DMA
WTVM(TV), Columbus, GA	595	WTVM License Subsidiary, LLC	Columbus, GA (Opelika, AL) (127)
WVUE-DT, New Orleans, LA	4149	WVUE License Subsidiary, LLC	New Orleans, LA (51)
WWBT(TV), Richmond, VA	30833	WWBT License Subsidiary, LLC	Richmond-Petersburg, VA (55)
WWSB(TV), Sarasota, FL	61251	WWSB License Subsidiary, LLC	Tampa-St. Petersburg (Sarasota), FL (13)
WXIX-TV, Newport, KY	39738	WXIX License Subsidiary, LLC	Cincinnati, OH (35)
WUPV(TV), Ashland, VA*	10897	WUPV License Subsidiary, LLC	Richmond-Petersburg, VA (55)
KYOU-TV, Ottumwa, IA*	53820	KYOU License Subsidiary, LLC	Ottumwa-Kirksville, IA-MO (200)
K30MG-D, Kirksville, MO*	189642	KYOU License Subsidiary, LLC	Ottumwa-Kirksville, IA-MO (200)

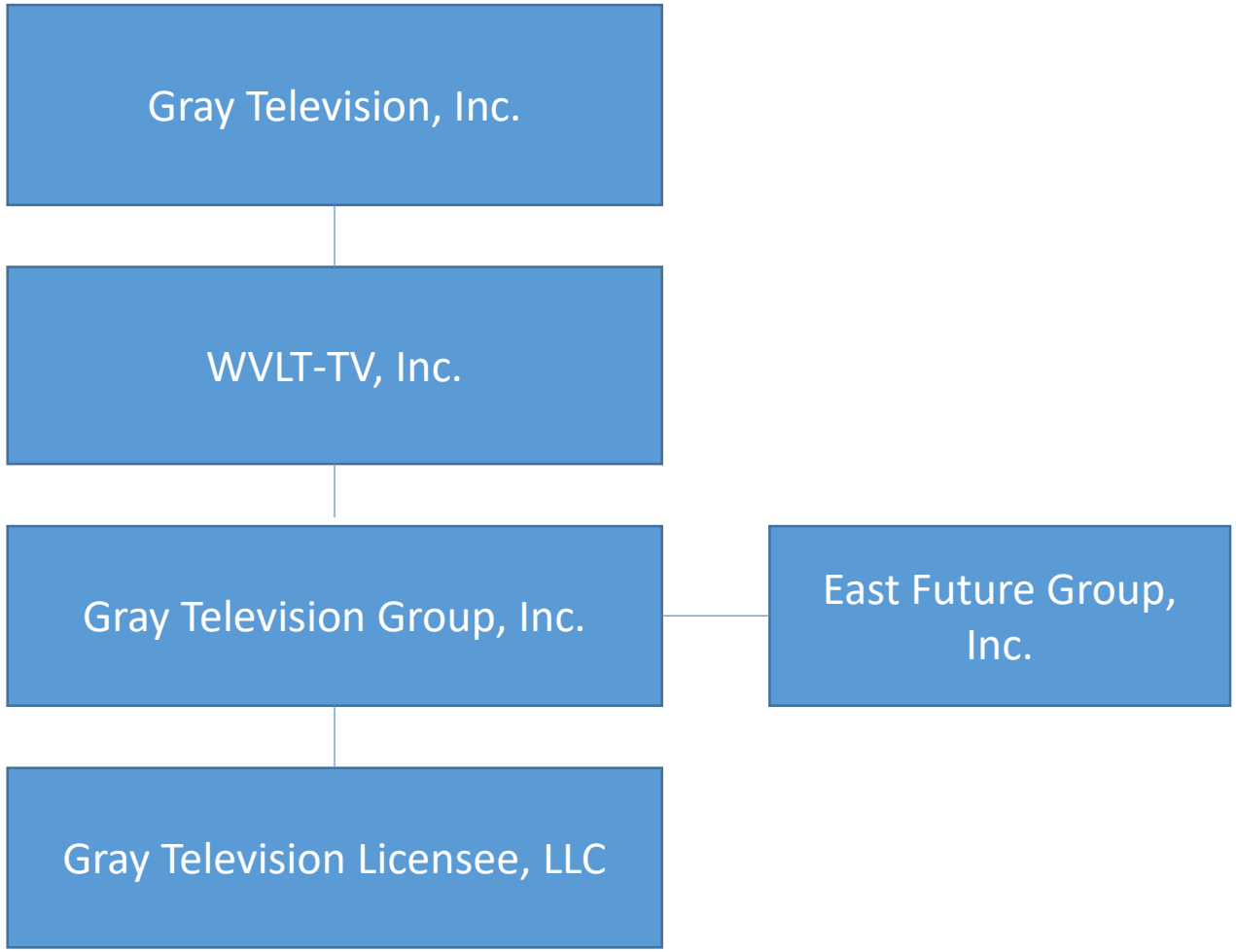
* License held by a subsidiary of American Spirit. Raycom has entered into an agreement to acquire the license subject to FCC consent of separately filed applications.

Exhibit B

Organizational Charts

REDACTED - FOR PUBLIC INSPECTION

Pre-Transaction
Gray Television, Inc. Ownership Chart



REDACTED - FOR PUBLIC INSPECTION

Raycom Media, Inc.
Delaware Corporation
04-3314494

Raycom Program Ventures, Inc.
Delaware
63-1273108
(Raycom Post & Broadview Media)

50% ownership

BR Holding Company, LLC
California
90-1028938

Fix It and Finish, LLC
California
46-4165384

Flip My Food, LLC
California
46-4174712

Albany Tower LLC
Delaware
20-5972696
50% Ownership

Raycom Investments, LLC
Delaware
47-3116625

Raycom Productions, LLC
Delaware
47-4767048

77.41% Ownership

CNHI, LLC
Delaware
Fed. Id. #82-2664009

Bagpipe Properties, LLC
Delaware
Fed. Id. #04-3723692

Scotland Properties, LLC
Delaware
Fed. Id. #01-0721909

Community Newspaper Group, LLC
Delaware
Fed. Id. #20-5787549

Media Aviation Associates, LLC
Delaware
Fed. Id. #13-4274899

TV Stations Holdings, LLC
Delaware
46-1795001

22.59%

Liberty TV Group, LLC
Delaware
46-1788692

Liberty Properties Group, Inc.
South Carolina
57-0836136

LPC of S.C., Inc.
South Carolina
57-0802289

TLC Midland Properties Group, LLC
South Carolina
57-1112212

Raycom TV Broadcasting, LLC
Delaware
20-4137904

TV - 3, LLC
Delaware
20-8090238

KFDA/KEYU, LLC
Delaware
47-4706934

KFDA/KEYU License Subsidiary, LLC
Delaware
47-4670061

KLTV/KTRE, LLC
Delaware
20-5832116

KLTV/KTRE License Subsidiary, LLC
Delaware
20-5832180

KSWO, LLC
Delaware
47-4729593

KSWO License Subsidiary, LLC
Delaware
47-4663952

KWES, LLC
Delaware
47-4740360

KWES License Subsidiary, LLC
Delaware
47-4693943

KXXV, LLC
Delaware
47-4718176

KXXV License Subsidiary, LLC
Delaware
47-4680638

WLBT, LLC
Delaware
20-4186692

WLBT License Subsidiary, LLC
Delaware
20-5831224

WTXL, LLC
Delaware
81-2256273

WTXL License Subsidiary, LLC
Delaware
81-2278603

WWSB, LLC
Delaware
81-2287738

WWSB License Subsidiary, LLC
Delaware
81-2306710

Tupelo Raycom, LLC
Delaware
81-4161002

Tupelo Honey Raycom, LLC
Delaware
45-3985734

WebStream Productions, LLC
Delaware
47-4754429

Raycom Sports, LLC
Delaware
02-0724773

Raycom Sports Network, Inc.
North Carolina Cororation
56-2058765

RTM Studios, LLC
Delaware
47-1650063

Raycom Sports Network, LLC
Delaware
26-1669540

50% Ownership

ACC Digital Network, LLC
Delaware
45-3262371

Cosmos Broadcasting, LLC
Delaware
20-8081158

50% Ownership

Brunswick County Tower, LLC
North Carolina
36-4775014

Charlotte Raycom, LLC
Delaware
47-2380745

WXIX Broadcast Plaza, LLC
Delaware
45-2766701

Raycom Holdings, LLC
Delaware
20-4139033

Hawaii Broadcasting, LLC
Delaware
37-1590496

6.5% Ownership

93.5%Ownership

KHNL/KGMB, LLC
Delaware
20-3955201

KHNL/KGMB License Subsidiary, LLC
Delaware
20-3955256

WFXG, LLC
Delaware
32-0344741

WFXG License Subsidiary, LLC
Delaware
35-2413744

WMBF, LLC
Delaware
33-1169668

WMBF License Subsidiary, LLC
Delaware
26-2429392

WPGX, LLC
Delaware
20-3955582

WPGX License Subsidiary, LLC
Delaware
20-3968171

KNIN, LLC
Delaware
47-3722471

KNIN License Subsidiary, LLC
Delaware
47-3734311

Raycom Digital Ventures, LLC
Delaware
47-2870575

The Southern Weekend, LLC
Delaware
47-2881145

PureCars Automotive, LLC
Delaware
47-5280992

PureCars, LLC
Delaware
35-2496045

KAIT, LLC
Delaware
20-5831919

KAIT License Subsidiary, LLC
Delaware
20-5831980

KCBD, LLC
Delaware
20-4181529

KCBD License Subsidiary, LLC
Delaware
20-4181244

KFVS, LLC (WQWQ/WQTV)
Delaware
20-3967863

KFVS License Subsidiary, LLC
Delaware
20-3967940

KOLD, LLC
Delaware
20-3956858

KOLD License Subsidiary, LLC
Delaware
20-3956923

SAT
86-0194033
50% Ownership

KPLC, LLC
Delaware
20-4174439

KPLC License Subsidiary, LLC
Delaware
20-4174554

KSLA, LLC
63-1240263
Delaware

KSLA License Subsidiary, LLC
Delaware
20-1606338

WAFB, LLC (WBXH)
63-1240264
Delaware

WAFB License Subsidiary, LLC
Delaware
20-1606556

WAFF, LLC
Delaware
20-3958744

WAFF License Subsidiary, LLC
Delaware
20-3958799

WALB, LLC
Delaware
20-4181626

WALB License Subsidiary, LLC
Delaware
20-4181674

WAVE Holdings, LLC
Delaware
20-5833733

WAVE License Subsidiary, LLC
Delaware
20-4186607

WBRC, LLC
Delaware
80-0332491

WBRC License Subsidiary, LLC
Delaware
80-0332516

WBTV, LLC
Delaware
26-2424812

WBTV License Subsidiary, LLC
Delaware
26-2429289

WCSC, LLC
Delaware
26-2424986

WCSC License Subsdiary, LLC
Delaware
26-2429351

WDAM, LLC
Delaware
20-3956004

WDAM License Subsidiary, LLC
Delaware
20-3956096

WDFX, LLC
Delaware
20-3959207

WDFX License Subsidiary, LLC
Delaware
20-3959396

WECT, LLC
Delaware
20-3958540

WECT License Subsidiary, LLC
Delaware
20-3958641

WFIE, LLC
Delaware
20-5833846

WFIE License Subsidiary, LLC
Delaware
20-5833898

WFLX, LLC
Delaware
20-3954954

WFLX License Subsidiary, LLC
Delaware
20-3955078

WIS, LLC
Delaware
20-5834359

WIS License Subsidiary, LLC
Delaware
20-5834529

WLOX, LLC
Delaware
20-5834855

WLOX License Subsidiary, LLC
Delaware
20-5834979

WMC Holdings, LLC
Delaware
20-3957628

WMC License Subsidiary, LLC
Delaware
20-3958015

WOIO, LLC (WUAB)
Delaware
20-3954785

WOIO License Subsidiary, LLC
Delaware
20-3954887

WSFA, LLC
Delaware
20-4186920

WSFA License Subsidiary, LLC
Delaware
20-5831025

WTNZ, LLC
Delaware
20-3958198

WTNZ License Subsidiary, LLC
Delaware
20-3958370

WTOC, LLC
Delaware
20-3959975

WTOC License Subsidiary, LLC
Delaware
20-3967805

WTOL, LLC
Delaware
20-5835185

WTOL License Subsidiary, LLC
Delaware
20-5835642

WTVM, LLC
Delaware
20-3959643

WTVM License Subsidiary, LLC
Delaware
20-3959859

WVUE, LLC
Delaware
46-4140334

WVUE License Subsidiary, LLC
Delaware
82-0958064

WWBT, LLC
Delaware
26-2424918

WWBT License Subsidiary, LLC
Delaware
26-2429447

WXIX, LLC
Delaware
20-3968078

WXIX License Subsidiary, LLC
Delaware
20-3968123

December 11, 2017

REDACTED - FOR PUBLIC INSPECTION

Post-Consummation
Gray Television, Inc. Ownership Chart

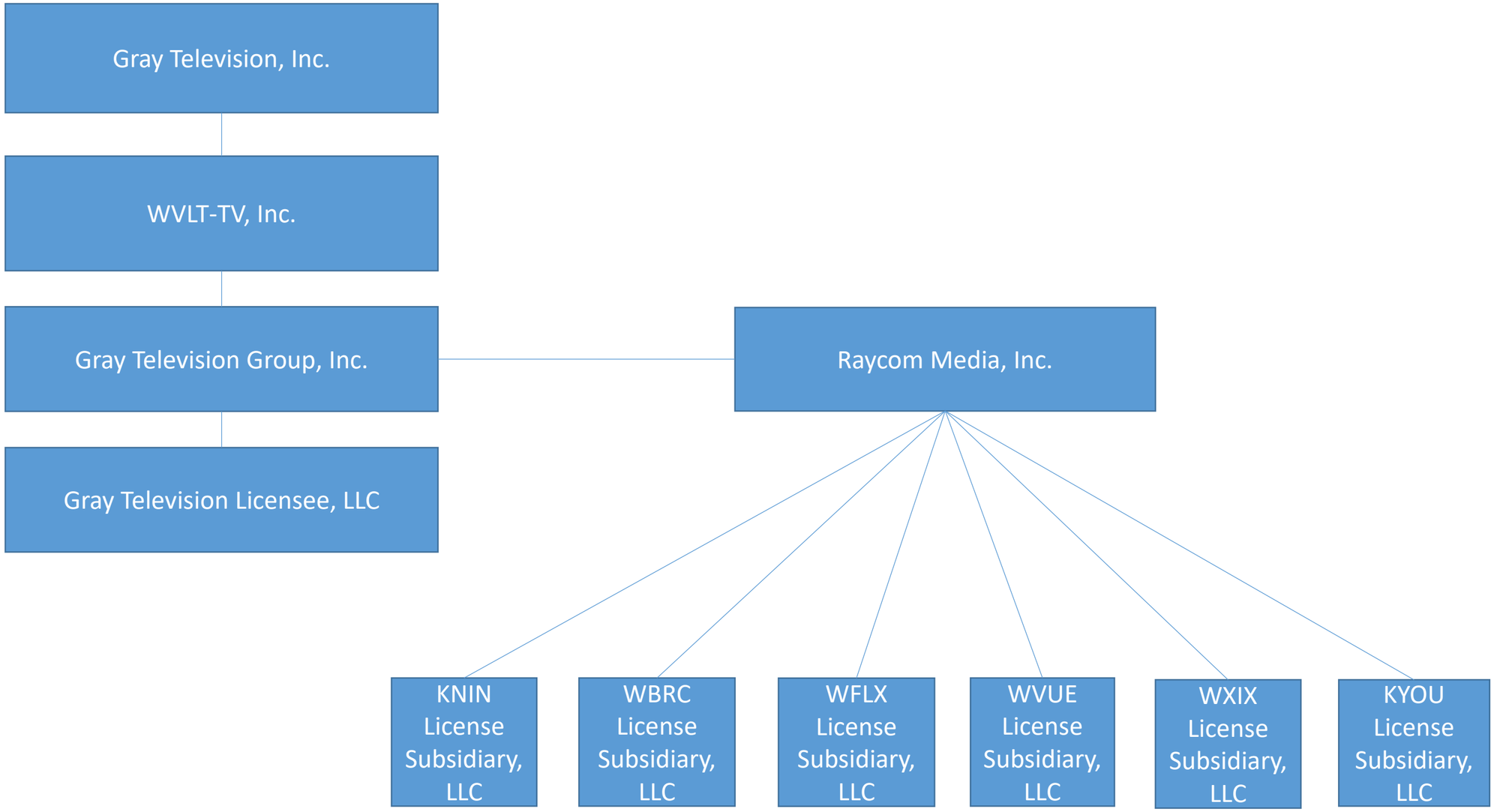


Exhibit C

Bostonia Article: Jacqueline Policastro of Gray Television Delivers the Beltway to Heartland Viewers

EDACTED - FOR PUBLIC INSPECTION



REDACTED - FOR PUBLIC INSPECTION

BY JOEL BROWN

PHOTOGRAPH BY
JIMELL GREENE

MAKING NEWS

Gray TV's Jacqueline Policastro delivers the Beltway to heartland viewers

C. D. "BUDD" RUFFIN, THE District 2 commissioner from rural Choctaw County, Ala., is a big guy—defensive-lineman big—and he sweats a bit as he stands in the grand marble rotunda of the Russell Senate Office Building in his sport coat and scally cap. Ruffin came to Capitol Hill to lobby Alabama's congressional delegation to fund workforce development, infrastructure, and Narcan kits for police and emergency workers fighting the opioid epidemic. Veteran D.C. broadcast journalist Jacqueline Policastro (COM'06) turns on her camera and helps Ruffin adjust the microphone clipped to his lapel.

"We want to make sure the opioid epidemic does not strangle our small communities, and our first responders should be equipped with anything that will help them do their job better," Ruffin tells her.

Ruffin's lobbying efforts might easily go unnoticed by people back home. CNN and the *New York Times* aren't interested, and local media in Alabama no longer have the resources

REDACTED - FOR PUBLIC INSPECTION



Jacqueline Policastro's brand of nuts-and-bolts reporting is not slanted to the left or the right.

to report from Washington, if they ever did. But a clip—of Ruffin talking about road funding, no less—makes the evening news on WTOK-TV in Meridian, Miss., a station watched by many of Ruffin's constituents just across the state line.

"When elected officials go on political business trips, and many go on quite a few, our viewers want to know they are actually working and hear about their agendas," says Pat Peterson, WTOK news director. "And the fact that a local county commissioner went to Washington to do the people's business and we were able to update our audience while he was still physically in D.C. was very important."

WTOK is owned by Gray Television, and Policastro is the chief of its Washington News Bureau. The Washington bureau is Atlanta-based Gray's only news operation that is not part of one of its 100-plus stations. The Gray stations serve 57 small and medium-size US markets and reach 10.4 percent of US households, primarily in the South, Midwest, and Great Lakes region.

Policastro has spent the last decade talking with people like Budd Ruffin, and producing the kind of Washington-based journalism that addresses the concerns of local TV news viewers—nuts-and-bolts reporting that is not slanted to the left or the right. "We approach every story with balance and with a local connection," she says. "We ask: what's the impact on people? Who are the voices for and against an issue? I think fair, unbiased local reporting is essential to informing viewers and voters across the country."

It's a practice that sets Policastro's work apart from the national networks, which can't spend their time and money on stories that are of interest to only one or two markets. It also sets Gray apart from the country's largest owner of local television stations, Sinclair Broadcast Group, whose right-leaning coverage and commentary, recently called out by mainstream media, came under the microscope in March when the company required its TV anchors to read a one-minute script that echoed the president's attack on what he calls "fake news."

This "fair, unbiased local reporting" is also, observers say, more important than ever in an age when false or inaccurate online reporting has the demonstrated power to influence national elections. Local news outlets like Gray's are, in fact, the number-one news source for most Americans. A 2017 Pew Research Center study found that 37 percent of Americans most often get their news from local television, while 28 percent get it from cable news, 26 percent from network news, 18 percent from newspapers, 25 percent from radio, 20 per-

PHOTOGRAPH BY BETH PERKINS

REDACTED - FOR PUBLIC INSPECTION

cent from social media, and 33 percent from news websites. The same study found that 85 percent of Americans trust local news outlets; only 77 percent trust family or friends.

As recently as 20 years ago, local newspapers kept close track of representatives in Washington, D.C. The collapse of the newspaper industry has decimated the Capitol reporting corps; 21 of 50 states do not have a single local daily newspaper with its own dedicated D.C. correspondent accredited to cover Congress, according to a 2016 Pew Research Center study. Statistics are hard to track, but *Newsonomics* author and Nieman Journalism Lab columnist Ken Doctor says he expects that by 2020 the number of broadcast journalists in America will exceed the number of print journalists for the first time. And while the ranks of digital reporters have been growing, many of them specialize in niche topics or political gossip. "That watchdog function has absolutely been watered down," Todd Gillman, the *Dallas Morning News* Washington bureau chief, told Pew.

"What happened was cutbacks, what happened was the internet, what happened was all traditional media getting squeezed," says veteran media watcher John Carroll, a College of Communication assistant professor of journalism. Many news outlets can no longer cover their state house, Carroll says, let alone Capitol Hill. "There's a big gap there, in a range of traditional media, in what they can provide to local audiences."

Online news sources command a huge chunk of Americans' attention, Carroll says, but they lack the broad-based impact that newspapers enjoyed, at least when it comes to telling Americans what their government is doing. "There are a number of terrific investigative organizations that operate in the digital media," he says. "But that tends to be more entertaining and diverting content as opposed to more substantive. And it can be faked." The great mistake that the media made in moving to the internet, he says, may have been eliminating the traditional media's gatekeepers in favor of computer-generated lists of "Today's Most E-Mailed Stories."

Carroll also thinks that connections to local audiences can influence the media as much as the media influence local events, endowing Gray with a perspective that's distinct from the pack. He points out that a local focus gave Knight-Ridder reporters a different and more accurate perspective on the Iraq War. "They were operating on a different plain than the East Coast media, which were pretty much in lockstep, flogging the White House line on Iraq and weapons of mass destruction," he says. "Because they were not part of that pack, they were much more skeptical of what came out of the Bush White House and less inclined to have this copycat coverage."

A 2017 Pew study found that 85 percent of Americans trust local news outlets.

Policastro sees a similar advantage. "Our perspective is much different than big media," she says. "Rather than just talking about what voters want or need or citing a poll, we actually know the voters. We travel to our stations when Congress is out of session. We talk to people who live there and we see issues firsthand."

When the president talks about NAFTA, she says, Gray reporters know what a big-picture trade deal means for a small manufacturer in Michigan or Ohio. When the FCC talks about rural broadband, they know what kind of access issues their viewers are facing.

"We are delivering the truth about the real implications of policy decisions back to decision-makers in Washington and setting the record straight against the pack journalism mentality," Policastro says. "Our coverage highlights what's important to the local communities we serve. Isn't that what good journalism is all about?"

SHE HAS NO QUIT BUTTON

AS A COLLEGE OF COMMUNICATION UNDERGRAD, Policastro wrote for the *Daily Free Press* and racked up several internships in TV news. She did a short stint for Associated Press Television in Washington, then wangled a gig reporting from D.C. for the small station group Lilly Broadcasting. "I started in my 500-square-foot apartment in Virginia," she says. "I was recording voiceovers in my closet with a blanket over my head."

There were other gigs, too, one as an evening anchor in Erie, Pa., and one as a morning reporter in

REDACTED - FOR PUBLIC INSPECTION

When she won the rights to a closet-like workspace in the press gallery, she cleaned it herself.

Indianapolis, but Policastro found herself itching to get back to the Hill. In 2012, she opened a two-person Washington bureau serving a handful of Lilly stations. When she finally won the rights to a closet-like workspace in the cramped Senate press gallery, she spent the weekend cleaning it herself.

In 2014, her main Lilly stations were bought by Gray, a rapidly growing outfit that owns stations affiliated with each of the major networks, stations usually ranked number one or two in their markets. Kevin Latek, Gray executive vice president and Policastro's boss, says her work for Lilly convinced him that local stations want the Washington angle on local issues.

"It's the news director calling up and saying, 'Hey, there's this hearing on invasive species that's a really important issue here in the Great Lakes that absolutely no broadcast network is going to cover. Can you cover it for us?'" says Latek. "Or, 'We've got people from the local market coming in for the pope's visit. Can you track them down?' Or the Women's March or you name it. Our newspeople really connect with the communities."

Gray told Policastro to keep doing what she was doing, to do it for more stations—and to do it on a budget. The bureau adopted inexpensive cell phone and internet technologies to go live on Gray stations and move video clips between the bureau and the stations, avoiding steep broadband and satellite charges. They made all multimedia reporters function as their own crew, schlepping camera and tripod around D.C. in a package that Policastro designed. "Sometimes duct tape is the solution instead of buying a new piece of equipment," Latek says.

Last fall, the company built a slick office suite a short walk from Capitol Hill, with a small studio and a glass-walled conference room. "We were impressed with the amount and quality of content coming out of the D.C. bureau, so we thought it was worth an experiment to see if it would be of benefit to our stations and viewers to continue the bureau and expand it to different markets," Latek says. "We trusted that Jacqueline could figure it out, because she's been able to figure out a whole lot of other obstacles."

Latek likes to tell a story about election night 2016, when Policastro was at a Hillary Clinton event in New York fuming over the outrageous amount the campaign charged reporters for internet access. And the connection wasn't even working. "So Jacqueline climbed down underneath the media risers on her hands and knees, which I'm sure no other reporter would have done, found the cable with blue tape that said Gray TV on it, and followed that cable all the way to a staffer for the campaign who was using it. Obviously, we got our internet access back."

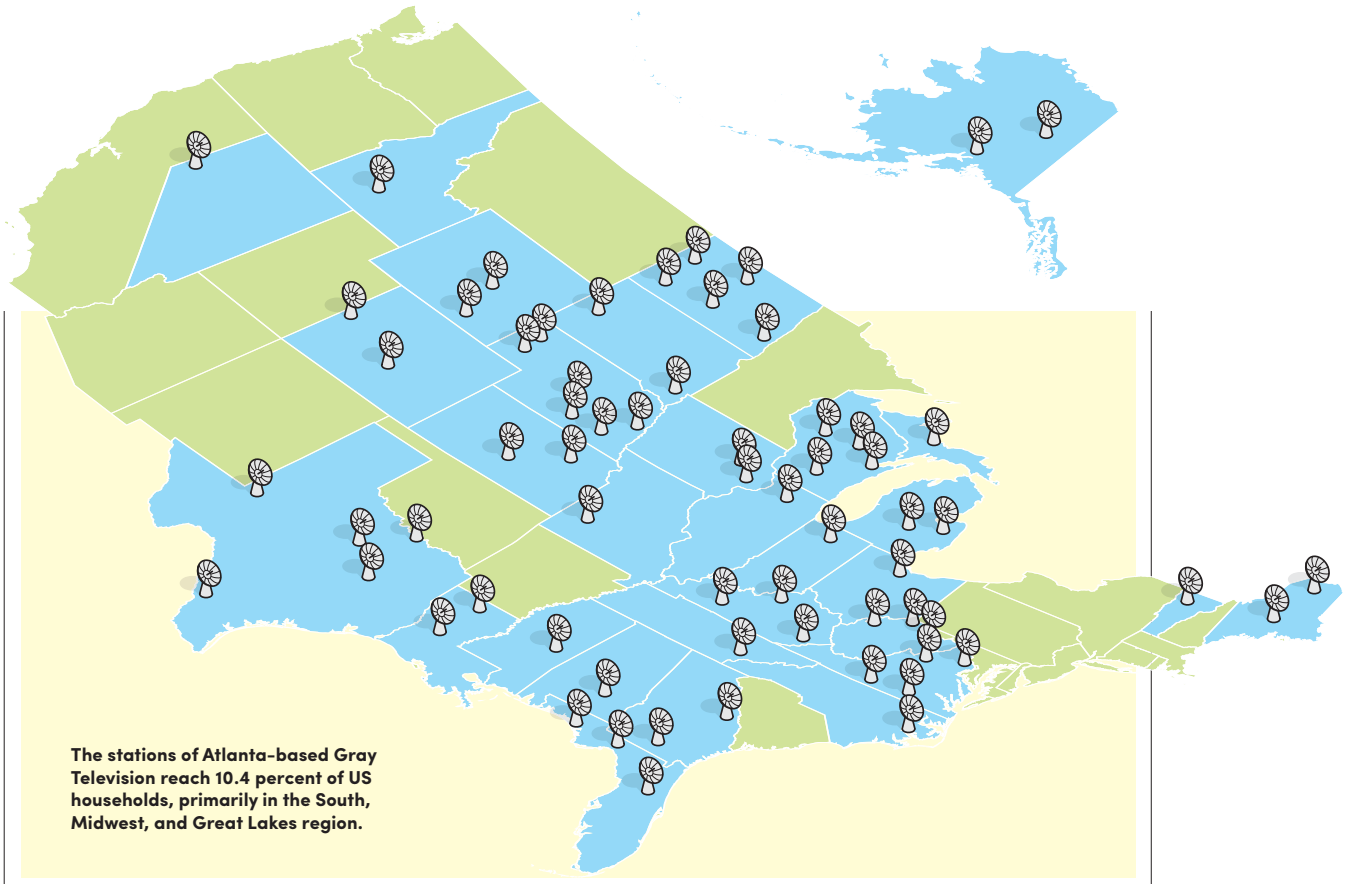
Gray also told Policastro to hire more people, and she did, starting with Ted Fioraliso (COM'07). She met Fioraliso on a field trip to the *Boston Globe* in 2004, when both were BU students, and had hired him at Lilly back in 2012. Fioraliso is now senior reporter/executive producer at the bureau and Policastro's second in command. While she's working on the bureau's budget or up on the Hill persuading a politician to go on camera, he's back at the bureau, supervising the six reporters and producers she has hired and tracking everything on a massive, color-coded Airtable spreadsheet. One of Policastro's other hires is reporter Peter Zampa (COM'15), who as a BU senior hosted a live midterm election show on BUTV10.

ANCHORING UP IN ANCHORAGE

TRACY SABO, THE NEWS DIRECTOR OF GRAY-owned KTUU-TV in Anchorage, Alaska, is accustomed to being out of the office—way out of the office. She recently spent 11 straight days in the field covering the Iditarod. The NBC affiliate is the dominant station in Anchorage, and it brands itself as Alaska's News Source. Its signal is simulcast on stations in Juneau and Sitka, and it broadcasts to 240 rural communities across the state via satellite, cable, and a state-funded low-power transmission system known as the Alaska Rural Communications Service.

KTUU is Gray TV's biggest single user of Washington-based content. And even though Alaska has a special relationship with the federal government—more than half of its land is federally owned—the popularity of Beltway reporting is something that Sabo would not have predicted two years ago when Gray bought her station.

REDACTED - FOR PUBLIC INSPECTION



The stations of Atlanta-based Gray Television reach 10.4 percent of US households, primarily in the South, Midwest, and Great Lakes region.

"I was far less convinced that KTUU would find this resource as beneficial as it might be to Lower 48–based stations," she says. "Alaskans have far more interest in the stories that take place within the 663,000-plus square miles we call home. We often lead with stories on fishing and hunting, summit expeditions on Denali, bear and moose attacks. National and international stories are an incredibly small part of our news broadcasts."

Sabo's opinion changed with Policastro's reporting of a 2016 Supreme Court ruling limiting federal authority on nonpublic lands within Alaska's national parks, preserves, and other national interest areas. Sabo says the story "resonated deeply with our local audience."

Then came the King Cove Road story, which pitted conservationists against those who wanted a 30-mile road across the Izembek National Wildlife Refuge, allowing residents of remote King Cove to access an airstrip in Cold Bay for medical evacuations and other needs. A land swap between the state and the Interior Department finally resolved the dispute in January after years of controversy.

"The collaboration between KTUU's reporting on the issue for many years—and the Gray bureau's assistance in reporting critical updates from D.C.—very well may have had an impact on the timely decision," Sabo says.

The bureau has helped Gray stations do more of what Policastro thinks local media have an obligation to do. When Gray stations in Wisconsin (WEAU in Eau Claire, WMTV in Madison, and WSAW in Wausau) reported the mishandling on Capitol Hill of whistleblower reports on the overprescription of opioids at a Veterans Affairs medical center in Tomah, Wis., the exposure led to the firing of staff in both the US Senate and the VA, Policastro says.

"Pushing for accountability and covering Congress the way we do is the right thing to do," she says. "There are a lot of places I could go and do news or manage news, but I like doing it here, because I know it has impact."

What it doesn't have, according to Latek, is a clear bottom-line return. "I'd be the first to say there's no return on investment on this that I can put on a profit-and-loss statement. That's not the way we measure this," he says. "We believe it's an important part of our mission to serve our smaller local communities in ways they probably wouldn't be getting otherwise. Since we are committed to making news the primary driver of our company, it was just fitting that we would invest in a D.C. bureau."

Although it's impossible to measure, Latek does think that the Washington bureau may help his stations' ratings. He spends a lot of time on the road, talking to executives at Gray stations, and one of the things they talk about is what the execs hear from their viewers.

"I am constantly hearing that people locally have responded to the bureau and get a kick out of knowing that their little TV station has a reporter in Washington," Latek says. "We think the path to success is to be assiduously nonpartisan. We think it's better news."

ONLINE: *Watch video clips of Jacqueline Policastro reporting from the Capitol at bu.edu/bostonia.*

MAP BY CHRIS PHILPOT

Exhibit D

National Ownership Calculation

TV Market	*TV Households*	*% of U.S.*	*Station*	*Channel*	*Current Parent*	*WO/UHF Discount*	*W/UHF Discount*
Tampa-St. Petersburg (Sarasota), FL	1,879,760	1.676	WWSB 61251	24	Raycom	1.676	0.838
Cleveland-Akron (Canton), OH	1,447,310	1.291	WOIO 39746	24	Raycom	1.291	0.646
Cleveland-Akron (Canton), OH	1,447,310	1.291	WUAB 8532	28	Raycom		
Charlotte, NC	1,145,270	1.021	WBTV 30826	23	Raycom	1.021	0.511
Cincinnati, OH	871,970	0.778	WXIX-TV 39738	29	Raycom	0.778	0.389
West Palm Beach-Ft. Pierce, FL	829,110	0.739	WFLX 39736	28	Raycom	0.739	0.370
Birmingham (Anniston and Tuscaloosa), AL	687,180	0.613	WBRC 71221	50	Raycom	0.613	0.307
Louisville, KY	657,030	0.586	WAVE 13989	47	Raycom	0.586	0.293
Memphis, TN	649,360	0.579	WMC-TV 19184	5	Raycom	0.579	0.579
New Orleans, LA	638,020	0.569	WVUE-DT 4149	29	Raycom	0.569	0.285
Richmond-Petersburg, VA	566,930	0.506	WWBT 30833	12	Raycom	0.506	0.506
Richmond-Petersburg, VA	566,930	0.506	WUPV^	8	Raycom		
Knoxville, TN	516,920	0.461	WVLT-TV 35908	30	Gray	0.461	0.231
Knoxville, TN	516,920	0.461	WBXX-TV 72971	20	Gray		
Knoxville, TN	516,920	0.461	WTNZ+ 19200	34	Raycom		
Lexington, KY	459,300	0.41	WYMT-TV 24915	12	Gray	0.410	0.410
Lexington, KY	459,300	0.41	WKYT-TV 24914	36	Gray		

TV Market	*TV Households*	*% of U.S.*	*Station*	*Channel*	*Current Parent*	*WO/UHF Discount*	*W/UHF Discount*
Tucson (Sierra Vista), AZ	433,330	0.386	KOLD-TV 48663	32	Raycom	0.386	0.193
Honolulu, HI	419,540	0.374	KGMB 34445	23	Raycom	0.374	0.187
Honolulu, HI	419,540	0.374	KHNL 34867	35	Raycom		
Honolulu, HI	419,540	0.374	KOGG* 34859	16	Raycom		
Honolulu, HI	419,540	0.374	KHBC-TV* 34846	22	Raycom		
Wichita-Hutchinson Plus, KS	416,400	0.371	KSCW-DT 72348	12	Gray	0.371	0.371
Wichita-Hutchinson Plus, KS	416,400	0.371	KWCH-DT 66413	19	Gray		
Wichita-Hutchinson Plus, KS	416,400	0.371	KBSD-DT* 66414	6	Gray		
Wichita-Hutchinson Plus, KS	416,400	0.371	KBSL-DT* 66416	10	Gray		
Wichita-Hutchinson Plus, KS	416,400	0.371	KBSH-DT* 66415	7	Gray		
Green Bay-Appleton, WI	415,890	0.371	WBAY-TV 74417	23	Gray	0.371	0.186
Roanoke-Lynchburg, VA	414,620	0.37	WDBJ 71329	18	Gray	0.370	0.185
Flint-Saginaw-Bay City, MI	411,210	0.367	WJRT-TV 21735	12	Gray	0.367	0.367
Charleston-Huntington, WV	406,310	0.362	WSAZ-TV 36912	23	Gray	0.362	0.181
Charleston-Huntington, WV	406,310	0.362	WQCW 65130	17	Gray		
Omaha, NE	399,010	0.356	WOWT 65528	22	Gray	0.356	0.178
Springfield, MO	389,750	0.348	KYTV 36003	44	Gray	0.348	0.174

TV Market	*TV Households*	*% of U.S.*	*Station*	*Channel*	*Current Parent*	*WO/UHF Discount*	*W/UHF Discount*
Columbia, SC	384,190	0.343	WIS 13990	10	Raycom	0.343	0.343
Toledo, OH	379,120	0.338	WTVG 74150	13	Gray	0.338	0.338
Toledo, OH	379,120	0.338	WTOL+ 13992	11	Raycom		
Huntsville-Decatur (Florence), AL	367,510	0.328	WAFF 591	48	Raycom	0.328	0.164
Madison, WI	366,690	0.327	WMTV 6870	19	Gray	0.327	0.164
Paducah-Cape Girardeau-Harrisburg, KY-MO-IL	354,790	0.316	KFVS-TV 592	12	Raycom	0.316	0.316
Shreveport, LA	352,540	0.314	KSLA 70482	17	Raycom	0.314	0.157
Waco-Temple-Bryan, TX	346,750	0.309	KWTX-TV 35903	10	Gray	0.309	0.309
Waco-Temple-Bryan, TX	346,750	0.309	KBTX-TV* 6669	50	Gray		
Waco-Temple-Bryan, TX	346,750	0.309	KXXV+ 9781	26	Raycom		
Colorado Springs-Pueblo, CO	344,250	0.307	KKTV 35037	49	Gray	0.307	0.154
Savannah, GA	328,860	0.293	WTOC-TV 590	11	Raycom	0.293	0.293
Cedar Rapids-Waterloo-Iowa City & Dubuque, IA	325,780	0.29	KCRG-TV 9719	9	Gray	0.290	0.290
Charleston, SC	320,980	0.286	WCSC-TV 71297	47	Raycom	0.286	0.143
Baton Rouge, LA	314,970	0.281	WAFB 589	9	Raycom	0.281	0.281
Jackson, MS	306,410	0.273	WLBT 68542	30	Raycom	0.273	0.137
South Bend-Elkhart, IN	297,680	0.265	WNDU-TV 41674	42	Gray	0.265	0.133

TV Market	*TV Households*	*% of U.S.*	*Station*	*Channel*	*Current Parent*	*WO/UHF Discount*	*W/UHF Discount*
Burlington-Plattsburgh, VT-NY	294,020	0.262	WCAX-TV 46728	22	Gray	0.262	0.131
Greenville-New Bern-Washington, NC	285,650	0.255	WITN-TV 594	32	Gray	0.255	0.128
Myrtle Beach-Florence, SC	281,550	0.251	WMBF-TV 83969	32	Raycom	0.251	0.126
Davenport-Rock Island-Moline, IA-IL	277,950	0.248	KWQC-TV 6885	36	Gray	0.248	0.124
Evansville, IN	264,890	0.236	WFIE 13991	46	Raycom	0.236	0.118
Boise, ID	264,300	0.236	KNIN-TV 59363	10	Raycom	0.236	0.236
Reno, NV	263,990	0.235	KOLO-TV 63331	8	Gray	0.235	0.235
Lincoln & Hastings-Kearny, NE	263,110	0.235	KOLN 7890	10	Gray	0.235	0.235
Lincoln & Hastings-Kearny, NE	263,110	0.235	KSNB-TV 21161	4	Gray		
Lincoln & Hastings-Kearny, NE	263,110	0.235	KGIN* 7894	11	Gray		
Tallahassee-Thomasville, FL-GA	257,570	0.23	WCTV 31590	46	Gray	0.230	0.115
Tallahassee-Thomasville, FL-GA	257,570	0.23	WFXU 22245	48	Gray		
Tallahassee-Thomasville, FL-GA	257,570	0.23	WTXL-TV+ 41065	27	Raycom		
Tyler-Longview (Lufkin & Nacogdoches), TX	253,230	0.226	KLTV 68540	7	Raycom	0.226	0.226
Tyler-Longview (Lufkin & Nacogdoches), TX	253,230	0.226	KTRE 68541	9	Raycom		
Sioux Falls (Mitchell), SD	252,660	0.225	KSFY-TV 48658	13	Gray	0.225	0.225
Sioux Falls (Mitchell), SD	252,660	0.225	KPRY-TV* 48660	19	Gray		

TV Market	*TV Households*	*% of U.S.*	*Station*	*Channel*	*Current Parent*	*WO/UHF Discount*	*W/UHF Discount*
Sioux Falls (Mitchell), SD	252,660	0.225	KDLT-TV^ 55379	47	Gray		
Sioux Falls (Mitchell), SD	252,660	0.225	KDLV-TV*^ 55375	26	Gray		
Augusta-Aiken, GA-SC	249,090	0.222	WRDW-TV 73937	12	Gray	0.222	0.222
Augusta-Aiken, GA-SC	249,090	0.222	WFXG+ 3228	31	Raycom		
Fargo, ND	240,560	0.214	KVLY-TV 61961	44	Gray	0.214	0.107
Fargo, ND	240,560	0.214	KCPM^ 86208	27	Gray		
Lansing, MI	238,990	0.213	WILX-TV 6863	10	Gray	0.213	0.213
Montgomery-Selma, AL	218,740	0.195	WSFA 13993	12	Raycom	0.195	0.195
Columbus, GA (Opelika, AL)	206,520	0.184	WTVM 595	11	Raycom	0.184	0.184
La Crosse-Eau Claire, WI	196,160	0.175	WEAU 7893	38	Gray	0.175	0.088
Wilmington, NC	191,440	0.171	WECT 48666	44	Raycom	0.171	0.086
Amarillo, TX	179,920	0.16	KFDA-TV 51466	10	Raycom	0.160	0.160
Amarillo, TX	179,920	0.16	KEYU 83715	31	Raycom		
Wausau-Rhinelander, WI	166,030	0.148	WSAW-TV 6867	7	Gray	0.148	0.148
Monroe-El Dorado, LA-AR	161,950	0.144	KNOE-TV 48975	8	Gray	0.144	0.144
Topeka, KS	161,010	0.144	WIBW-TV 63160	13	Gray	0.144	0.144
Minot-Bismarck-Dickinson (Williston), ND	156,240	0.139	KFYR-TV 41427	31	Gray	0.139	0.070

TV Market	*TV Households*	*% of U.S.*	*Station*	*Channel*	*Current Parent*	*WO/UHF Discount*	*W/UHF Discount*
Minot-Bismarck-Dickinson (Williston), ND	156,240	0.139	KMOT* 41425	10	Gray		
Minot-Bismarck-Dickinson (Williston), ND	156,240	0.139	KUMV-TV* 41429	8	Gray		
Minot-Bismarck-Dickinson (Williston), ND	156,240	0.139	KQCD-TV* 41430	7	Gray		
Odessa-Midland, TX	153,830	0.137	KOSA-TV 6865	7	Gray	0.137	0.137
Odessa-Midland, TX	153,830	0.137	KWES-TV+ 42007	9	Raycom		
Odessa-Midland, TX	153,830	0.137	KWAB-TV* 42008	33	Raycom		
Lubbock, TX	153,370	0.137	KCBD 27507	11	Raycom	0.137	0.137
Anchorage, AK	149,120	0.133	KTUU-TV 10173	10	Gray	0.133	0.133
Anchorage, AK	149,120	0.133	KYES-TV 21488	5	Gray		
Wichita Falls & Lawton, TX-OK	142,990	0.127	KSWO-TV 35645	11	Raycom	0.127	0.127
Panama City, FL	137,830	0.123	WPGX+ 2942	9	Raycom	0.123	0.123
Panama City, FL	137,830	0.123	WJHG-TV 73136	18	Gray		
Albany, GA	134,510	0.12	WALB 70713	10	Raycom	0.120	0.120
Albany, GA	134,510	0.12	WSWG+ 28155	43	Gray		
Bangor, ME	125,970	0.112	WABI-TV 17005	13	Gray	0.112	0.112
Biloxi-Gulfport, MS	124,130	0.111	WLOX 13995	39	Raycom	0.111	0.056
Gainesville, FL	121,060	0.108	WCJB-TV 16993	16	Gray	0.108	0.054

TV Market	*TV Households*	*% of U.S.*	*Station*	*Channel*	*Current Parent*	*WO/UHF Discount*	*W/UHF Discount*
Sherman-Ada, TX-OK	120,100	0.107	KXII 35954	12	Gray	0.107	0.107
Hattiesburg-Laurel, MS	102,840	0.092	WDAM-TV 21250	7	Raycom	0.092	0.092
Clarksburg-Weston, WV	97,020	0.087	WDTV 70592	5	Gray	0.087	0.087
Clarksburg-Weston, WV	97,020	0.087	WVFX 10976	10	Gray		
Rapid City, SD	95,320	0.085	KOTA-TV 34347	7	Gray	0.085	0.085
Rapid City, SD	95,320	0.085	KNEP 17683	7	Gray		
Rapid City, SD	95,320	0.085	KHSD-TV* 34348	5	Gray		
Rapid City, SD	95,320	0.085	KSGW-TV 17680	13	Gray		
Dothan, AL	92,300	0.082	WTVY 4152	36	Gray	0.082	0.041
Dothan, AL	92,300	0.082	WDFX-TV+ 32851	33	Raycom		
Lake Charles, LA	91,490	0.082	KPLC 13994	7	Raycom	0.082	0.082
Harrisonburg, VA	86,700	0.077	WHSV-TV 4688	49	Gray	0.077	0.039
Alexandria, LA	82,270	0.073	KALB-TV 51598	35	Gray	0.073	0.037
Marquette, MI	78,000	0.07	WLUC-TV 21259	35	Gray	0.070	0.035
Bowling Green, KY	77,360	0.069	WBKO 4692	13	Gray	0.069	0.069
Jonesboro, AR	76,860	0.069	KAIT 13988	8	Raycom	0.069	0.069
Charlottesville, VA	72,320	0.064	WCAV 363	19	Gray	0.064	0.032

TV Market	*TV Households*	*% of U.S.*	*Station*	*Channel*	*Current Parent*	*WO/UHF Discount*	*W/UHF Discount*
Laredo, TX	70,980	0.063	KGNS-TV 10061	8	Gray	0.063	0.063
Grand Junction-Montrose, CO	67,150	0.06	KKCO 24766	12	Gray	0.060	0.060
Twin Falls, ID	62,360	0.056	KMVT 35200	11	Gray	0.056	0.056
Meridian, MS	61,460	0.055	WTOK-TV 4686	11	Gray	0.055	0.055
Parkersburg, WV	56,980	0.051	WTAP-TV 4685	49	Gray	0.051	0.026
Cheyenne-Scottsbluff, WY-NE	53,720	0.048	KGWN-TV 63166	30	Gray	0.048	0.024
Cheyenne-Scottsbluff, WY-NE	53,720	0.048	KSTF* 63182	29	Gray		
Casper-Riverton, WY	52,190	0.047	KCWY-DT 68713	12	Gray	0.047	0.047
Casper-Riverton, WY	52,190	0.047	KGWR-TV 63170	13	Gray		
Casper-Riverton, WY	52,190	0.047	KGWL-TV 63162	7	Gray		
Ottumwa, IA-Kirksville, MO	42,990	0.038	KYOU-TV^ 53820	15	Raycom	0.038	0.019
Fairbanks, AK	35,180	0.031	KTVF 49621	26	Gray	0.031	0.016
Presque Isle, ME	25,480	0.023	WAGM-TV 48305	8	Gray	0.023	0.023
North Platte, NE	13,640	0.012	KNOP-TV 49273	2	Gray	0.012	0.012
Total						***24.101***	***16.434***

* Denotes a station that currently is an authorized television satellite station.
^ Denotes a station for which Applicants have a pending application to acquire the FCC license.
+ Denotes a station that Applicants will divest.

Exhibit E

May 2018 Nielsen Ratings and Audience Share Data for Cleveland, Ohio DMA

WRAP Sweeps: Dayparts Analysis

Rank	Market	Sweep	%US	Station	Network	Chn	Time	HOMES DMA RTG	HOMES DMA SHR	HOMES DMA THO
19	CLEVELAND	May '18	1.291%	WEWS	ABC	5	Mon-Sun 9:00A - 12:00M	[redacted]		
19	CLEVELAND	May '18	1.291%	WOIO	CBS	19	Mon-Sun 9:00A - 12:00M			
19	CLEVELAND	May '18	1.291%	WJW	FOX	8	Mon-Sun 9:00A - 12:00M			
19	CLEVELAND	May '18	1.291%	WKYC	NBC	3	Mon-Sun 9:00A - 12:00M			
19	CLEVELAND	May '18	1.291%	WVPX	ION	23	Mon-Sun 9:00A - 12:00M			
19	CLEVELAND	May '18	1.291%	WBNX	CW	55	Mon-Sun 9:00A - 12:00M			
19	CLEVELAND	May '18	1.291%	WUAB	IND	43	Mon-Sun 9:00A - 12:00M			
19	CLEVELAND	May '18	1.291%	HUAB	BOU	43	Mon-Sun 9:00A - 12:00M			

Wrap sweeps plus: Dayparts Analysis report

06/28/2018, 06:19P : Copyright © 1993-2018, SQAD LLC, All Rights Reserved.
Ratings data : Copyright Nielsen Media Research

Exhibit F

May 2018 Nielsen Ratings and Audience Share Data for Richmond, Virginia DMA

WRAP Sweeps: Dayparts Analysis

Rank	Market	Sweep	%US	Station	Network	Chn	Time	HOMES DMA RTG	HOMES DMA SHR	HOMES DMA THO
55	RICHMOND-PETERSBURG	May '18	0.506%	WTVR	CBS	6	Mon-Sun 9:00A - 12:00M	[redacted]		
55	RICHMOND-PETERSBURG	May '18	0.506%	WWBT	NBC	12	Mon-Sun 9:00A - 12:00M			
55	RICHMOND-PETERSBURG	May '18	0.506%	WRIC	ABC	8	Mon-Sun 9:00A - 12:00M			
55	RICHMOND-PETERSBURG	May '18	0.506%	WRLH	FOX	35	Mon-Sun 9:00A - 12:00M			
55	RICHMOND-PETERSBURG	May '18	0.506%	WUPV	CW	65	Mon-Sun 9:00A - 12:00M			
55	RICHMOND-PETERSBURG	May '18	0.506%	ERIC	ION	8	Mon-Sun 9:00A - 12:00M			
55	RICHMOND-PETERSBURG	May '18	0.506%	DTVR	IND	6	Mon-Sun 9:00A - 12:00M			
55	RICHMOND-PETERSBURG	May '18	0.506%	ERLH	IND	35	Mon-Sun 9:00A - 12:00M			
55	RICHMOND-PETERSBURG	May '18	0.506%	ETVR	IND	6	Mon-Sun 9:00A - 12:00M			

Wrap sweeps plus: Dayparts Analysis report

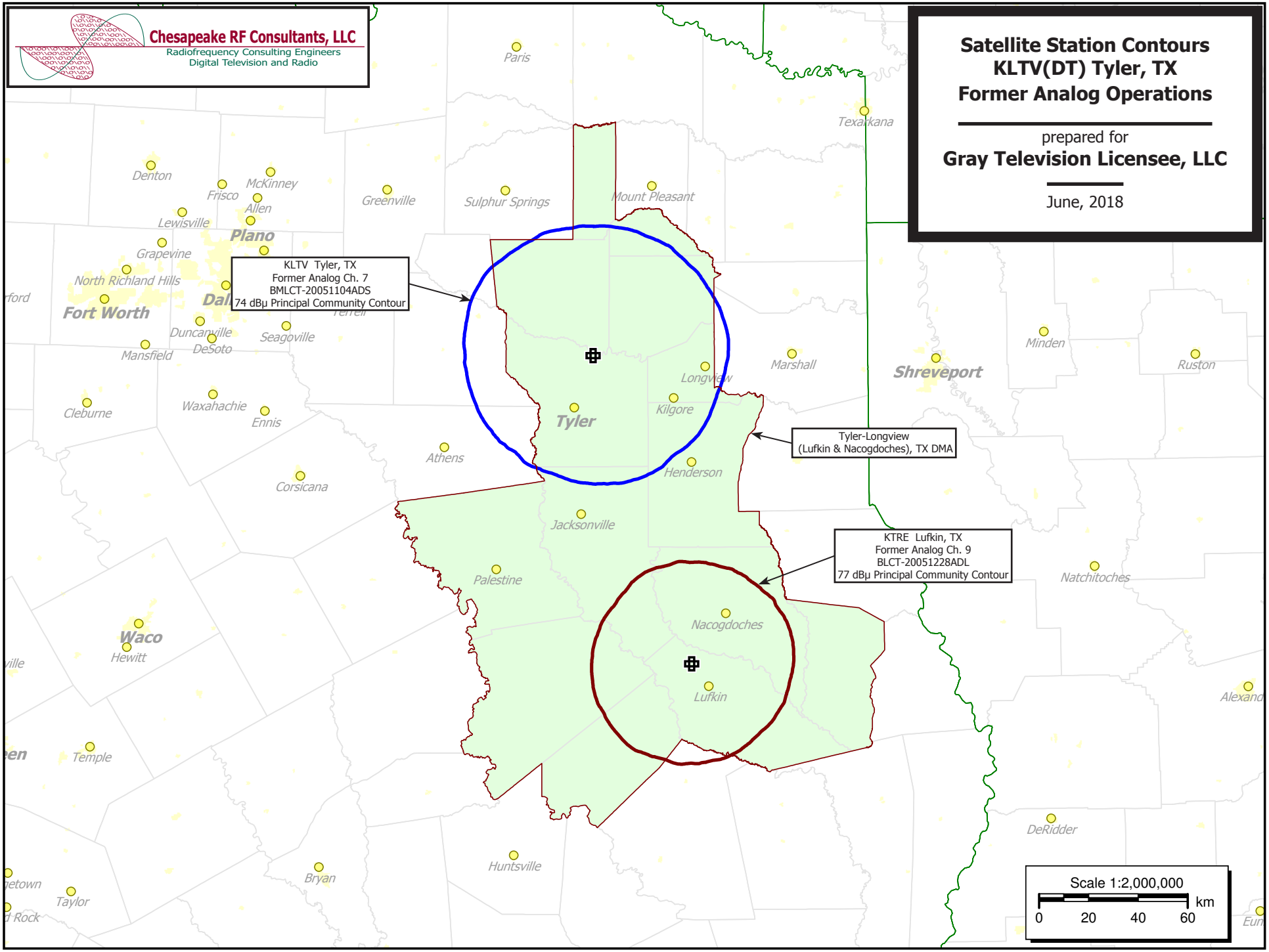
07/09/2018, 07:24A : Copyright © 1993-2018, SQAD LLC, All Rights Reserved.

Ratings data : Copyright Nielsen Media Research

Exhibit G

Tyler-Longview (Lufkin and Nacogdoches), Texas DMA Contour Maps

REDACTED - FOR PUBLIC INSPECTION



REDACTED - FOR PUBLIC INSPECTION

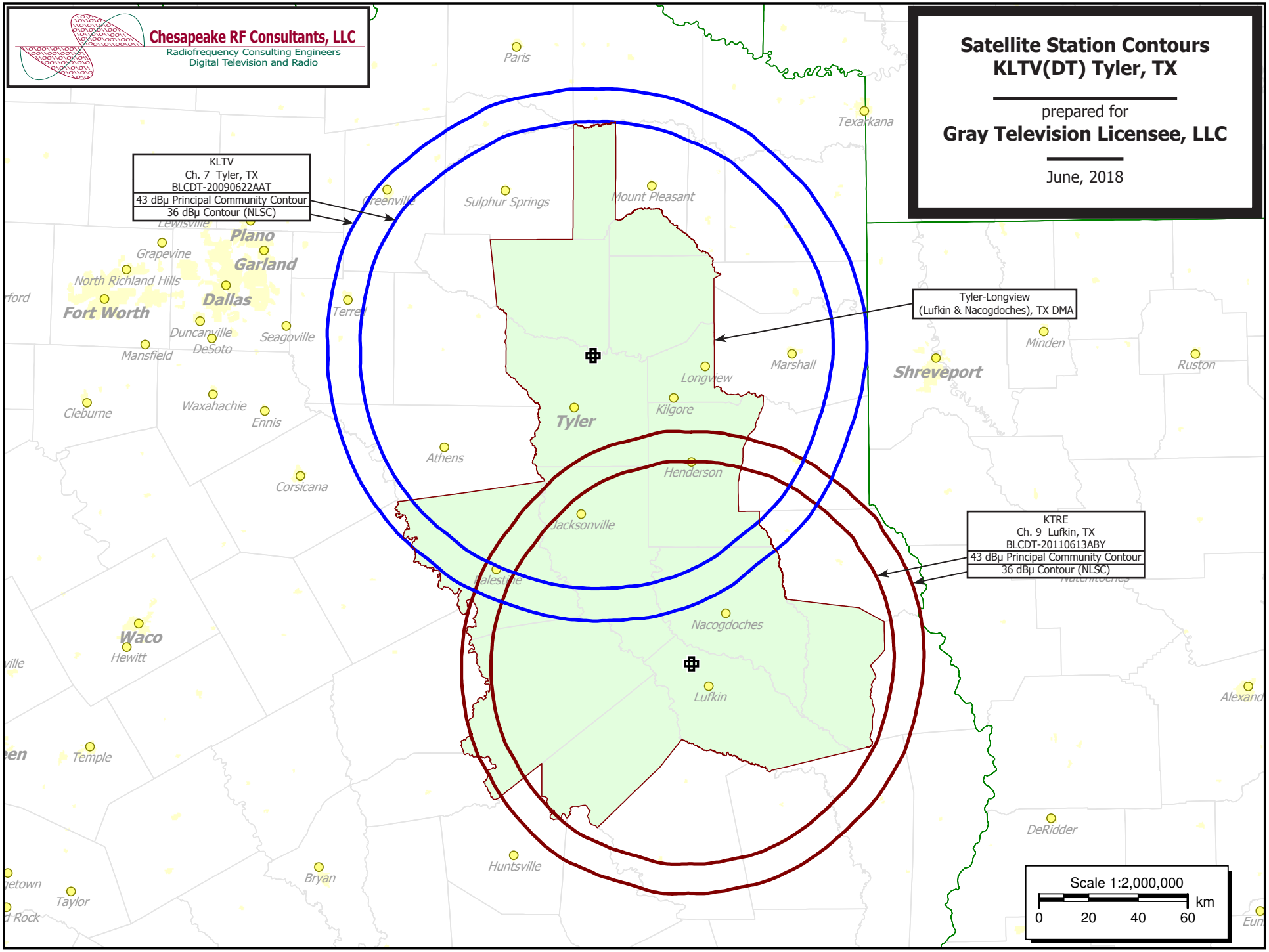


Exhibit H

Broker Letter for KTRE(DT)

REDACTED - FOR PUBLIC INSPECTION

WELLS FARGO SECURITIES

Wells Fargo Securities, LLC
550 South Tryon Street
3th Floor
MAC D1086-031
Charlotte, NC 28202

wellsfargo.com

July 9, 2018

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: KTRE(DT), Lufkin, Texas

Dear Ms. Dortch:

I have been asked to opine on the prospects for a sale of television broadcast station KTRE(DT), Lufkin, Texas ("KTRE") as a full service, standalone station. Based on my knowledge of KTRE and the Tyler-Longview market, I would not recommend that KTRE be marketed for sale as a standalone station.

KTRE is located in the Tyler-Longview (Lufkin and Nacogdoches), Texas designated market area, which has 253,230 television households. Nielsen ranks the Tyler-Longview market as the 109th largest market in the country. Lufkin is a small town with an estimated population of just 35,837 people and 13,073 households. Tyler, on the other hand, has a population of approximately 104,991 and 37,443 households. Longview has an additional 81,522 people and 30,372 households. Unsurprisingly, each of the major networks has an existing affiliate in the market that covers Tyler and Lufkin with an over-the-air signal.

Historically, since at least the mid-1960's, KTRE has served as a satellite of KLTV(DT), Tyler, Texas ("KLTV"). Today, KTRE rebroadcasts the ABC affiliated programming and syndicated programming from KLTV with only a limited technical, sales, or programming staff and limited capabilities to originate programming. Thus, to begin operations as a standalone station, a future buyer would need to make substantial capital investments in the facilities and hire additional staff to operate the station.

KTRE's over-the-air signal does not reach Tyler, Longview, or other major population centers within the Tyler-Longview market. Moreover, as a standalone station, KTRE would no longer have access to KLTV's ABC programming, syndicated programming, or newsgathering resources. Therefore, KTRE would have trouble selling advertising or generating significant retransmission consent revenues. In addition, KTRE would be unlikely to obtain a network affiliation with a top network given its inability to reach the key population centers in the market and given the fact that the major affiliations are already held by other established broadcast

Together we'll go far



stations. Consequently, KTRE with its limited coverage and economics would have little to no chance of generating revenues to cover the substantial costs it would incur by operating a standalone station.

In conclusion, if a company converted KTRE into a full power, standalone television station, in my opinion, it would not be financially viable. Without support from its parent station, KTRE would only have a small local staff and would lose access to much of its existing technical, back office, and management support from KLTV. The cost of outfitting, staffing, and programming KTRE would be significant and likely would not be covered by the revenues that could be generated in the Lufkin area. In other words, KTRE's best value to the market is to serve as a satellite station of a station that serves a more populated portion of the Tyler-Longview market.

Wells Fargo has a global investment bank that provides financial, capital raising, and asset management services to a broad array of clients. Wells Fargo has been the lead broker in a number of the largest broadcast television transactions and continues to advise clients on strategic matters in the television and media industries.

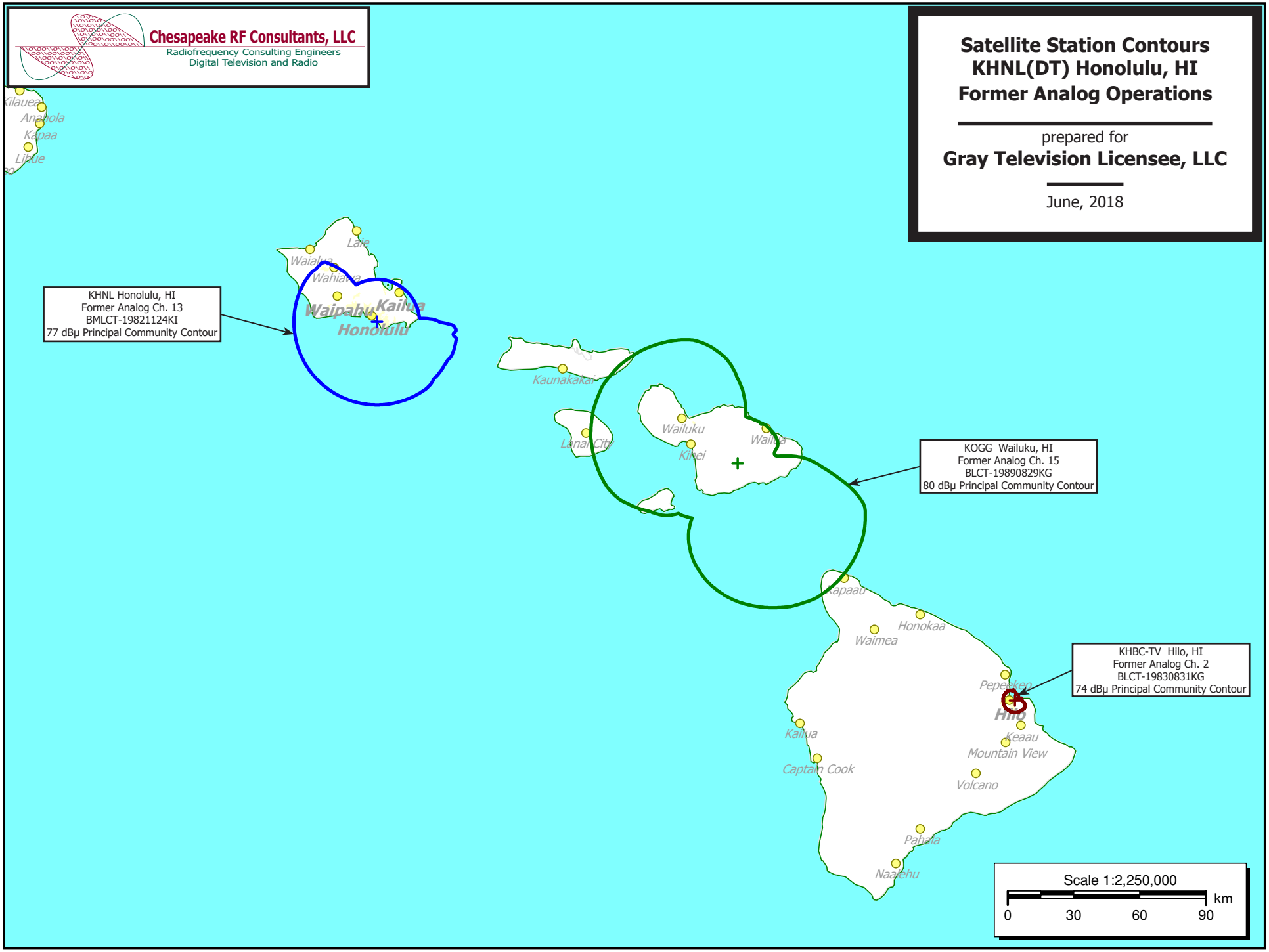
Sincerely,

By: _____
Bruce Levy
Managing Director
Wells Fargo Securities

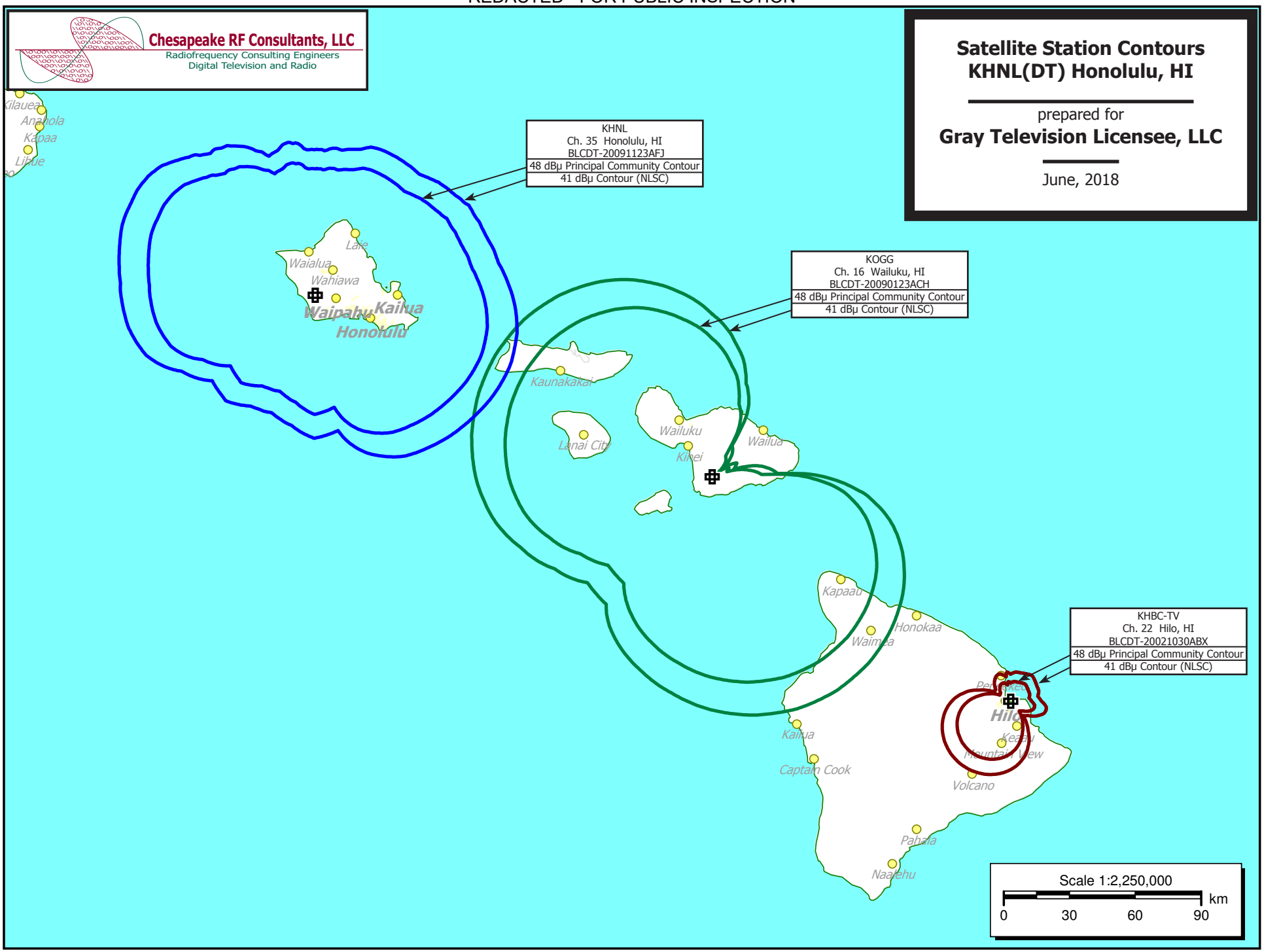
Exhibit I

Honolulu, Hawaii DMA Contour Maps

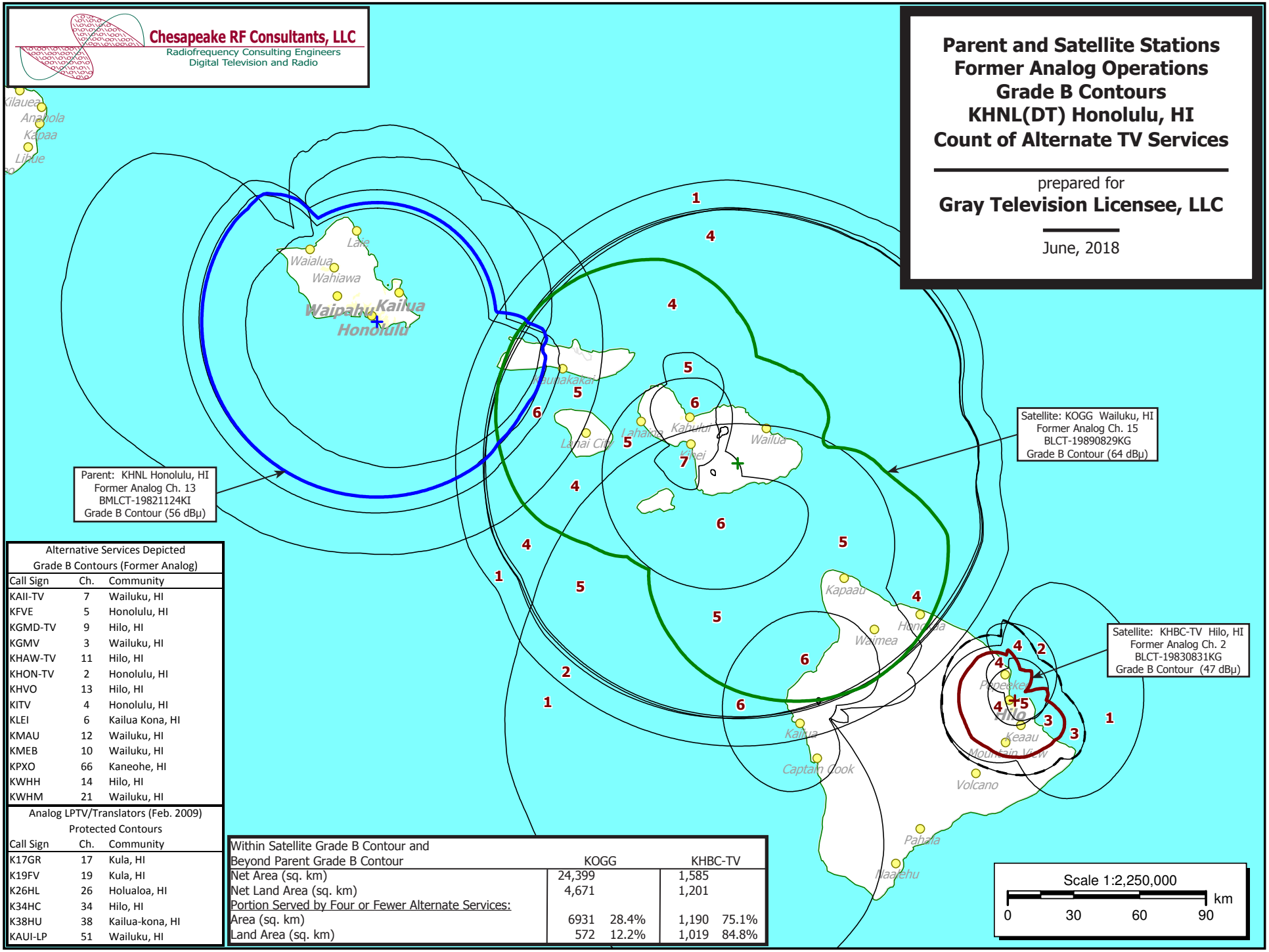
REDACTED - FOR PUBLIC INSPECTION



REDACTED - FOR PUBLIC INSPECTION



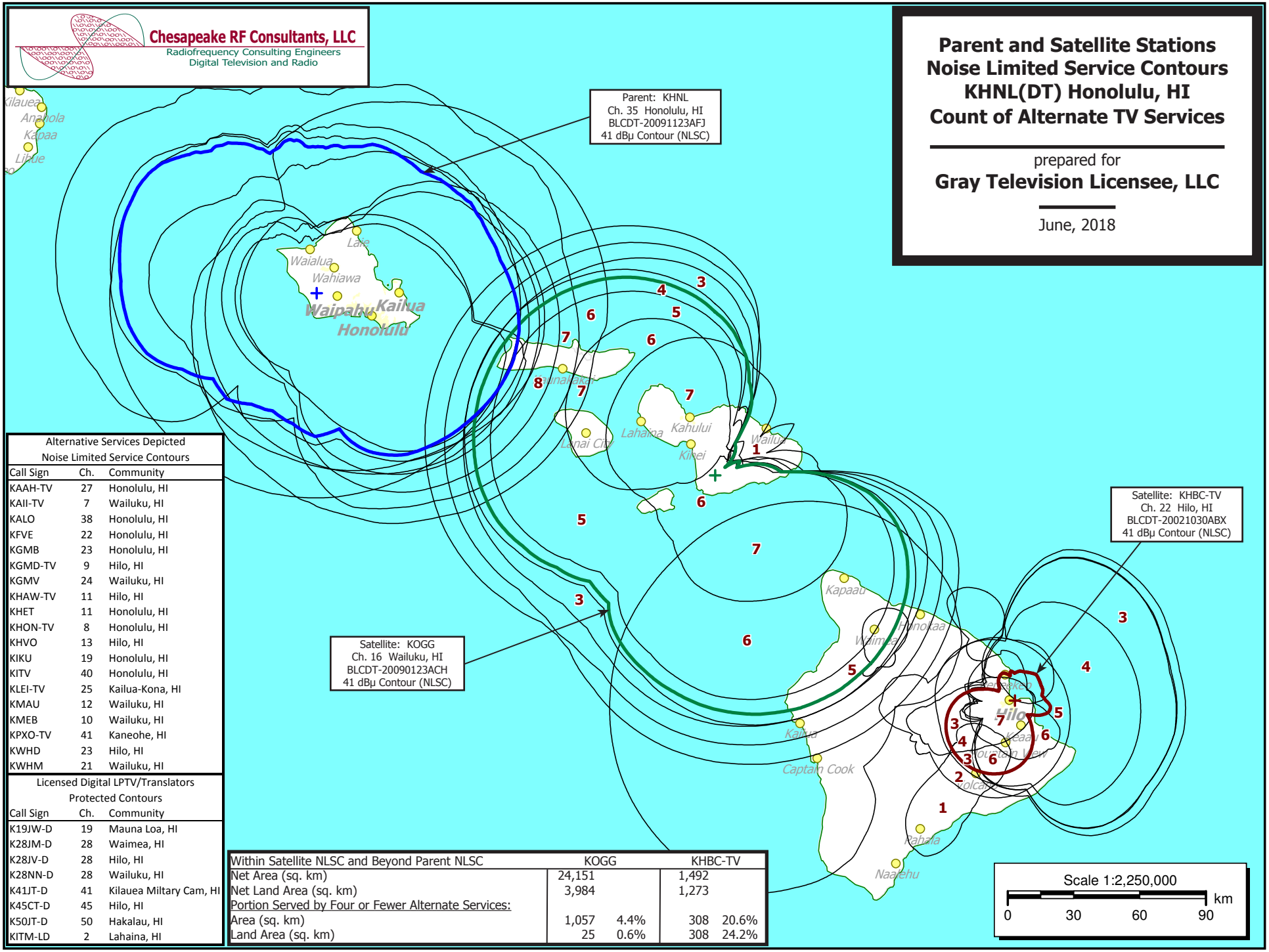
REDACTED - FOR PUBLIC INSPECTION



Alternative Services Depicted Grade B Contours (Former Analog)		
Call Sign	Ch.	Community
KAII-TV	7	Wailuku, HI
KFVE	5	Honolulu, HI
KGMD-TV	9	Hilo, HI
KGMV	3	Wailuku, HI
KHAW-TV	11	Hilo, HI
KHON-TV	2	Honolulu, HI
KHVO	13	Hilo, HI
KITV	4	Honolulu, HI
KLEI	6	Kailua Kona, HI
KMAU	12	Wailuku, HI
KMEB	10	Wailuku, HI
KPXO	66	Kaneohe, HI
KWHH	14	Hilo, HI
KWHM	21	Wailuku, HI

Analog LPTV/Translators (Feb. 2009) Protected Contours		
Call Sign	Ch.	Community
K17GR	17	Kula, HI
K19FV	19	Kula, HI
K26HL	26	Holualoa, HI
K34HC	34	Hilo, HI
K38HU	38	Kailua-kona, HI
KAUI-LP	51	Wailuku, HI

Within Satellite Grade B Contour and Beyond Parent Grade B Contour	KOGG		KHBC-TV	
Net Area (sq. km)	24,399		1,585	
Net Land Area (sq. km)	4,671		1,201	
Portion Served by Four or Fewer Alternate Services:				
Area (sq. km)	6931	28.4%	1,190	75.1%
Land Area (sq. km)	572	12.2%	1,019	84.8%



Alternative Services Depicted Noise Limited Service Contours		
Call Sign	Ch.	Community
KAAH-TV	27	Honolulu, HI
KAII-TV	7	Wailuku, HI
KALO	38	Honolulu, HI
KFVE	22	Honolulu, HI
KGMB	23	Honolulu, HI
KGMD-TV	9	Hilo, HI
KGMV	24	Wailuku, HI
KHAW-TV	11	Hilo, HI
KHET	11	Honolulu, HI
KHON-TV	8	Honolulu, HI
KHVO	13	Hilo, HI
KIKU	19	Honolulu, HI
KITV	40	Honolulu, HI
KLEI-TV	25	Kailua-Kona, HI
KMAU	12	Wailuku, HI
KMEB	10	Wailuku, HI
KPXO-TV	41	Kaneohe, HI
KWHD	23	Hilo, HI
KWHM	21	Wailuku, HI

Licensed Digital LPTV/Translators Protected Contours		
Call Sign	Ch.	Community
K19JW-D	19	Mauna Loa, HI
K28JM-D	28	Waimea, HI
K28JV-D	28	Hilo, HI
K28NN-D	28	Wailuku, HI
K41JT-D	41	Kilauea Miltary Cam, HI
K45CT-D	45	Hilo, HI
K50JT-D	50	Hakalau, HI
KITM-LD	2	Lahaina, HI

Within Satellite NLSC and Beyond Parent NLSC	KOGG		KHBC-TV	
Net Area (sq. km)	24,151		1,492	
Net Land Area (sq. km)	3,984		1,273	
Portion Served by Four or Fewer Alternate Services:				
Area (sq. km)	1,057	4.4%	308	20.6%
Land Area (sq. km)	25	0.6%	308	24.2%

Exhibit J

Broker Letter for KHBC-TV and KOGG(DT)

REDACTED - FOR PUBLIC INSPECTION

WELLS FARGO SECURITIES

Wells Fargo Securities, LLC
550 South Tryon Street
3th Floor
MAC D1086-031
Charlotte, NC 28202

wellsfargo.com

July 9, 2018

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: KHBC-TV, Hilo, HI and KOGG(DT), Wailuku, HI

Dear Ms. Dortch:

I have been asked to opine on the prospects for a sale of television satellite stations KHBC-TV, Hilo, Hawaii ("KHBC") and KOGG(DT), Wailuku, Hawaii ("KOGG") as full service, standalone television stations (collectively, KHBC and KOGG are referred to herein as the "Satellite Stations"). Based on my knowledge of the Satellite Stations and the Honolulu market, I would not recommend that either Satellite Station be marketed for sale as a standalone station.

The Satellite Stations are located in the Honolulu, Hawaii designated market area, which has 419,540 television households. Nielsen ranks the Honolulu market as the 66th largest market in the country. KHBC is located at Hilo on Hawaii Island. Hawaii Island has a total population of 200,381 and 66,094 households. KOGG is located on Maui, which has a total population of 166,260 and 53,903 households. Honolulu County, on the other hand, has a population of approximately 988,650 and 309,548 households. Each of the major networks has an existing affiliate in the market that serves Honolulu and operates satellite television stations that serve Hawaii Island and Maui.

For the last several decades, the Satellite Stations have served as satellites of KHNL(DT), Honolulu, Hawaii ("KHNL"). They do not have a separate technical, sales, or programming staff. The Satellite Stations also do not have a studio or separate capabilities of originating programming. Thus, to begin operations as a standalone station, a future buyer would need to make substantial capital investments in the facilities and staff to operate either Satellite Station.

Each of the over-the-air signals of KHBC and KOGG only reach limited portions of the Honolulu market, and neither station serves Honolulu with an over-the-air signal. In fact, it is my understanding that each station serves less than 15% of the population of the Honolulu DMA. Therefore, the Satellite Stations would have trouble selling advertising, obtaining a top network affiliation, or generating significant retransmission consent revenues. Consequently, the Satellite

Together we'll go far



Stations with their limited coverage and economics would have little to no chance of generating revenues to cover the substantial costs it would incur by operating a standalone station.

In conclusion, if a company converted either Satellite Station into a full power, standalone television station, in my opinion, it would not be financially viable. There would exist no technical, sales, programming, or management absent support from a parent station's operation. The cost of outfitting, staffing, and programming the Satellite Stations would not be covered by the revenues that could be generated in their service areas, and without being able to reach the population of Honolulu, the Satellite Stations are unlikely to be competitive when seeking a top affiliation – especially compared to the stations based in Honolulu, most of which have satellites serving the other Hawaiian Islands. In other words, the Satellite Stations' best value to the market is to serve as satellite stations of a full service station that also covers Honolulu and other more populous portions of the Honolulu market.

Wells Fargo has a global investment bank that provides financial, capital raising, and asset management services to a broad array of clients. Wells Fargo has been the lead broker in a number of the largest broadcast television transactions and continues to advise clients on strategic matters in the television and media industries.

Sincerely,

By: _____

Bruce Levy
Managing Director
Wells Fargo Securities

Exhibit K

Hawaii Census Data

United States Census Bureau

QuickFacts

Hawaii County, Hawaii; Maui County, Hawaii; Hawaii

QuickFacts provides statistics for all states and counties, and for cities and towns with a ***population of 5,000 or more***.

Table

All Topics	Hawaii County, Hawaii	Maui County, Hawaii	Hawaii
Population estimates, July 1, 2017, (V2017)	**200,381**	**166,260**	**1,427,538**
PEOPLE			
Population			
Population estimates, July 1, 2017, (V2017)	**200,381**	**166,260**	**1,427,538**
Population estimates base, April 1, 2010, (V2017)	185,076	154,835	1,360,301
Population, percent change - April 1, 2010 (estimates base) to July 1, 2017, (V2017)	8.3%	7.4%	4.9%
Population, Census, April 1, 2010	185,079	154,834	1,360,301
Age and Sex			
Persons under 5 years, percent	⚠ 6.0%	⚠ 6.0%	⚠ 6.3%
Persons under 18 years, percent	⚠ 21.8%	⚠ 21.8%	⚠ 21.4%
Persons 65 years and over, percent	⚠ 20.1%	⚠ 17.5%	⚠ 17.8%
Female persons, percent	⚠ 50.4%	⚠ 50.2%	⚠ 49.8%
Race and Hispanic Origin			
White alone, percent (a)	⚠ 34.0%	⚠ 34.8%	⚠ 25.7%
Black or African American alone, percent (a)	⚠ 0.8%	⚠ 0.7%	⚠ 2.2%
American Indian and Alaska Native alone, percent (a)	⚠ 0.6%	⚠ 0.6%	⚠ 0.4%
Asian alone, percent (a)	⚠ 21.4%	⚠ 29.1%	⚠ 37.8%
Native Hawaiian and Other Pacific Islander alone, percent (a)	⚠ 13.1%	⚠ 10.9%	⚠ 10.2%
Two or More Races, percent	⚠ 30.1%	⚠ 23.8%	⚠ 23.8%
Hispanic or Latino, percent (b)	⚠ 12.7%	⚠ 11.3%	⚠ 10.5%
White alone, not Hispanic or Latino, percent	⚠ 30.3%	⚠ 30.2%	⚠ 21.9%
Population Characteristics			
Veterans, 2012-2016	15,079	9,286	108,022
Foreign born persons, percent, 2012-2016	11.0%	19.0%	17.9%
Housing			
Housing units, July 1, 2017, (V2017)	88,096	72,962	542,904
Owner-occupied housing unit rate, 2012-2016	66.6%	58.3%	57.5%
Median value of owner-occupied housing units, 2012-2016	$306,000	$528,500	$538,400
Median selected monthly owner costs -with a mortgage, 2012-2016	$1,599	$2,279	$2,267
Median selected monthly owner costs -without a mortgage, 2012-2016	$324	$452	$504
Median gross rent, 2012-2016	$1,095	$1,308	$1,456
Building permits, 2017	894	861	4,035
Families & Living Arrangements			
Households, 2012-2016	66,094	53,903	452,030
Persons per household, 2012-2016	2.88	2.96	3.03
Living in same house 1 year ago, percent of persons age 1 year+, 2012-2016	87.2%	86.2%	85.6%
Language other than English spoken at home, percent of persons age 5 years+, 2012-2016	18.7%	23.0%	25.7%
Education			
High school graduate or higher, percent of persons age 25 years+, 2012-2016	91.6%	91.8%	91.3%
Bachelor's degree or higher, percent of persons age 25 years+, 2012-2016	27.6%	25.7%	31.4%
Health			
With a disability, under age 65 years, percent, 2012-2016	8.0%	6.6%	6.6%
Persons without health insurance, under age 65 years, percent	⚠ 5.0%	⚠ 5.4%	⚠ 4.2%
Economy			
In civilian labor force, total, percent of population age 16 years+, 2012-2016	58.0%	67.8%	61.8%
	55.6%	65.1%	59.1%

Is this page helpful? Yes No x

REDACTED - FOR PUBLIC INSPECTION

In civilian labor force, female, percent of population age 16 years+, 2012-2016			
Total accommodation and food services sales, 2012 ($1,000) (c)	1,124,494	2,307,504	9,536,706
Total health care and social assistance receipts/revenue, 2012 ($1,000) (c)	781,182	741,499	8,136,947
Total manufacturers shipments, 2012 ($1,000) (c)	283,326	D	D
Total merchant wholesaler sales, 2012 ($1,000) (c)	D	714,580	9,607,982
Total retail sales, 2012 ($1,000) (c)	2,390,830	D	18,901,745
Total retail sales per capita, 2012 (c)	$12,637	NA	$13,576
Transportation			
Mean travel time to work (minutes), workers age 16 years+, 2012-2016	25.6	21.0	27.2
Income & Poverty			
Median household income (in 2016 dollars), 2012-2016	$53,936	$68,777	$71,977
Per capita income in past 12 months (in 2016 dollars), 2012-2016	$25,827	$30,599	$30,970
Persons in poverty, percent	⚠ 15.4%	⚠ 9.5%	⚠ 9.3%

BUSINESSES

Businesses			
Total employer establishments, 2016	4,032	4,618	32,350[1]
Total employment, 2016	54,561	64,146	528,415[1]
Total annual payroll, 2016 ($1,000)	2,027,850	2,509,664	22,892,445[1]
Total employment, percent change, 2015-2016	1.6%	3.5%	0.9%[1]
Total nonemployer establishments, 2016	17,590	16,792	108,308
All firms, 2012	18,200	17,146	118,454
Men-owned firms, 2012	9,502	8,126	60,409
Women-owned firms, 2012	6,260	6,791	44,453
Minority-owned firms, 2012	9,039	6,782	74,208
Nonminority-owned firms, 2012	8,084	9,341	38,510
Veteran-owned firms, 2012	1,836	1,575	11,148
Nonveteran-owned firms, 2012	15,418	14,447	101,334

GEOGRAPHY

Geography			
Population per square mile, 2010	45.9	133.3	211.8
Land area in square miles, 2010	4,028.42	1,161.52	6,422.63
FIPS Code	15001	15009	15

Is this page helpful? Yes No x

Value Notes

1. Includes data not distributed by county.

⚠ Estimates are not comparable to other geographic levels due to methodology differences that may exist between different data sources.

Some estimates presented here come from sample data, and thus have sampling errors that may render some apparent differences between geographies statistically indistinguishable. Click the Quick left of each row in TABLE view to learn about sampling error.

The vintage year (e.g., V2017) refers to the final year of the series (2010 thru 2017). *Different vintage years of estimates are not comparable.*

Fact Notes

- **(a)** Includes persons reporting only one race
- **(b)** Hispanics may be of any race, so also are included in applicable race categories
- **(c)** Economic Census - Puerto Rico data are not comparable to U.S. Economic Census data

Value Flags

- **D** Suppressed to avoid disclosure of confidential information
- **F** Fewer than 25 firms
- **FN** Footnote on this item in place of data
- **NA** Not available
- **S** Suppressed; does not meet publication standards
- **X** Not applicable
- **Z** Value greater than zero but less than half unit of measure shown
- **-** Either no or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lo interval of an open ended distribution.

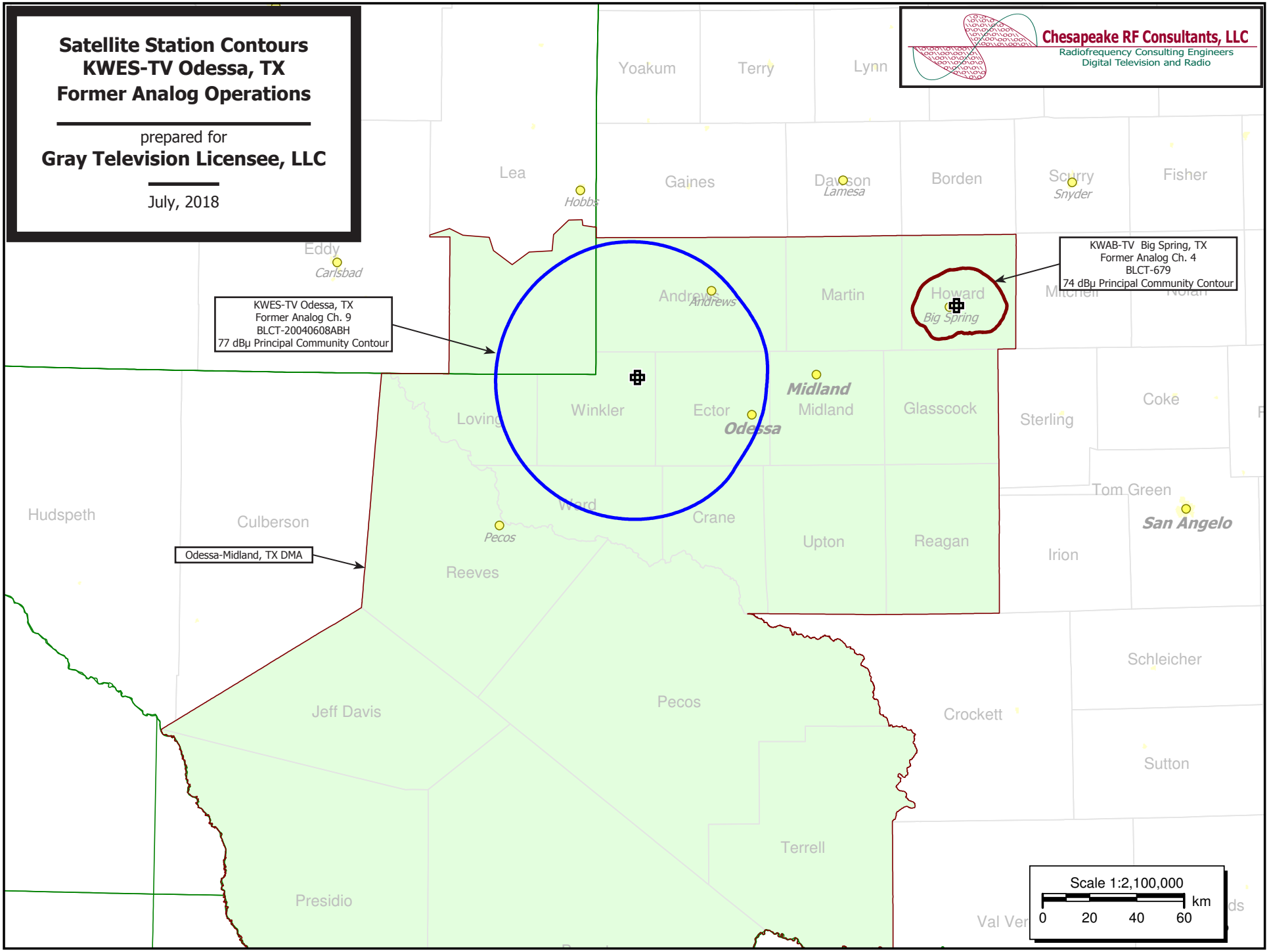
QuickFacts data are derived from: Population Estimates, American Community Survey, Census of Population and Housing, Current Population Survey, Small Area Health Insurance Estimates, Small Ar Poverty Estimates, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits.

Is this page helpful? x
Yes No

Exhibit L

Odessa-Midland, TX Contour Maps

REDACTED - FOR PUBLIC INSPECTION



REDACTED - FOR PUBLIC INSPECTION

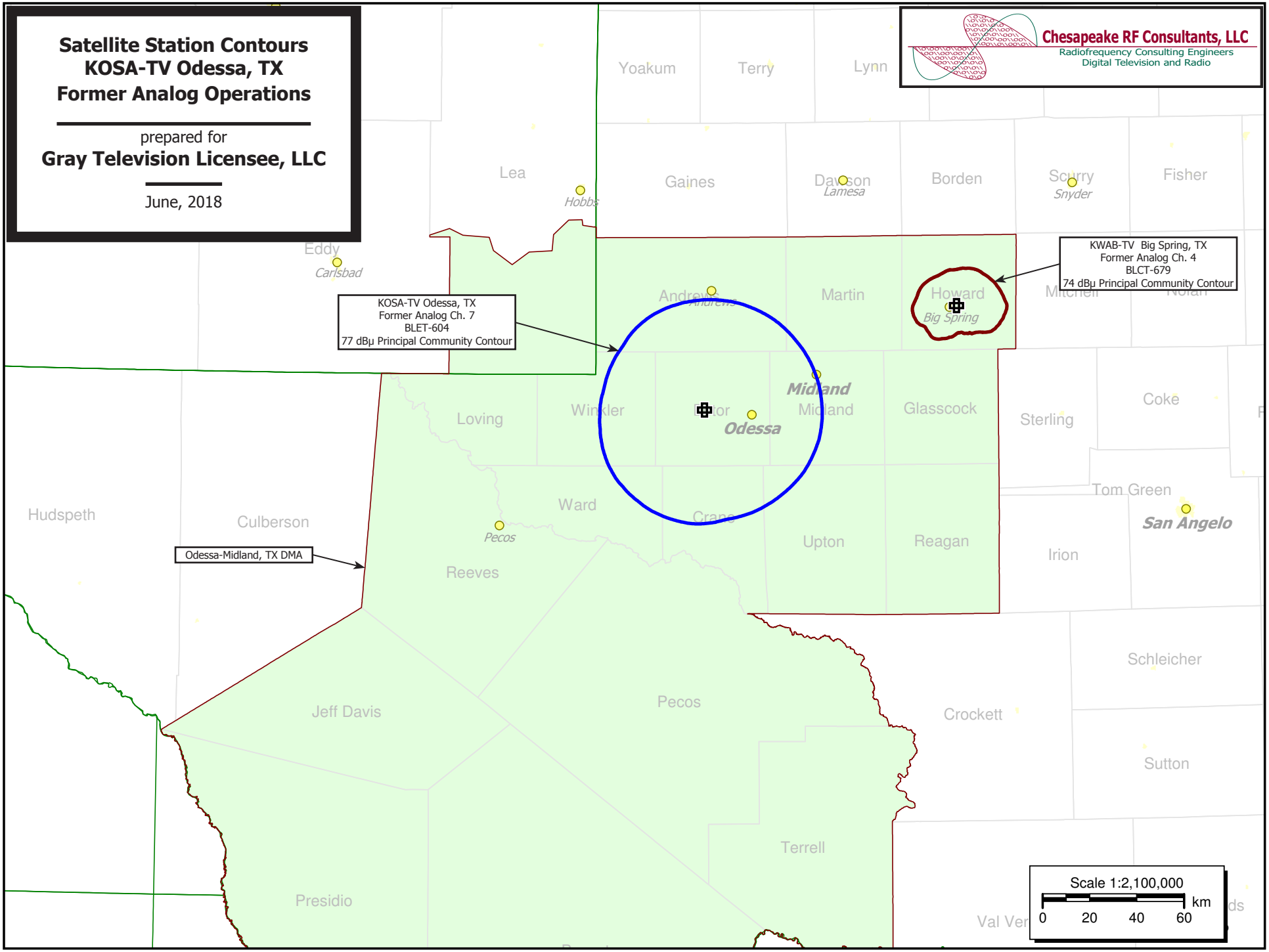
Satellite Station Contours
KOSA-TV Odessa, TX
Former Analog Operations

prepared for

Gray Television Licensee, LLC

June, 2018

Chesapeake RF Consultants, LLC
Radiofrequency Consulting Engineers
Digital Television and Radio



REDACTED - FOR PUBLIC INSPECTION

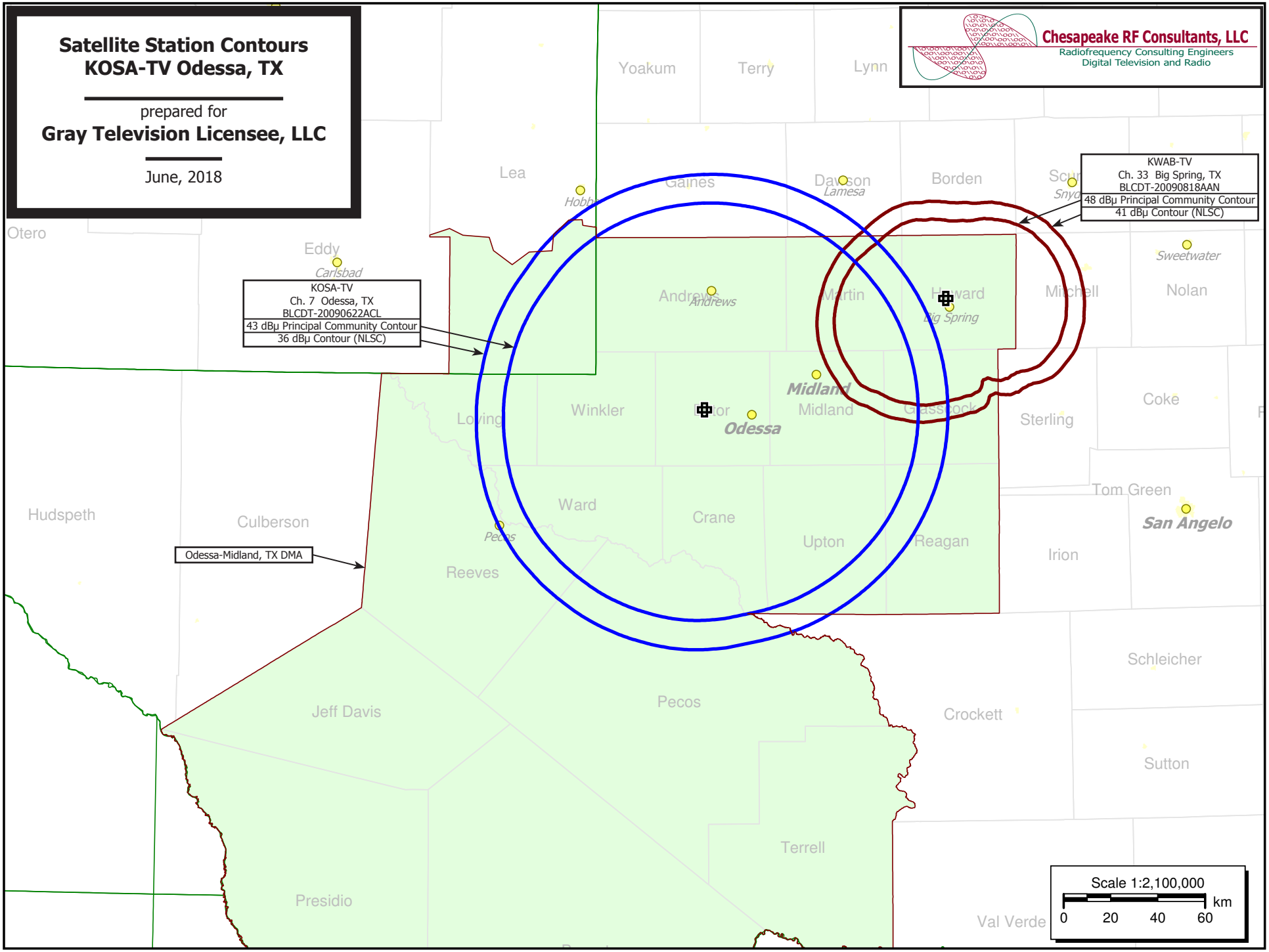


Exhibit M

Broker Letter for KWAB-TV

REDACTED - FOR PUBLIC INSPECTION

WELLS FARGO SECURITIES

Wells Fargo Securities, LLC
550 South Tryon Street
3th Floor
MAC D1086-031
Charlotte, NC 28202

wellsfargo.com

July 9, 2018

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: KWAB-TV, Big Spring, Texas

Dear Ms. Dortch:

I have been asked to opine on the prospects for a sale of television broadcast station KWAB-TV, Big Spring, Texas ("KWAB") as a full service, standalone station. Based on my knowledge of KWAB and the Odessa-Midland market, I would not recommend that KWAB be marketed for sale as a standalone station.

KWAB is located in the Odessa-Midland, Texas designated market area, which has just 153,830 television households. Nielsen ranks the Odessa-Midland market as the 144th largest market in the country. Big Spring is a small community with an estimated population of 27,905 people and 8,076 households. Odessa, on the other hand, has a population of approximately 116,861 and 39,399 households. Midland has an additional 136,089 people and 44,235 households. Unsurprisingly, each of the major networks has an existing affiliate in the market that covers Odessa and Midland with an over-the-air signal.

Historically, KWAB has served as a satellite of KWES-TV, Odessa, Texas ("KWES"). Gray proposes to operate KWAB as a satellite of KOSA-TV, Odessa, Texas ("KOSA"). KWAB today only has the capability of rebroadcasting its parent station's programming. It does not have a separate technical, sales, or programming staff. The station also does not have a studio or separate capabilities of originating programming. Thus, to begin operations as a standalone station, a future buyer would need to make substantial capital investments in the facilities and staff to operate the station.

KWAB's over-the-air signal does not reach Odessa, Midland, or other major population centers within the Odessa-Midland market. It is my understanding that KWAB's contour reaches approximately 50,000. Meanwhile, the contours for KOSA-TV and the other Big Four affiliated stations in the Odessa-Midland market all encompass Odessa and Midland and all reach well over 300,000 people. Therefore, KWAB would have trouble selling advertising, obtaining a top network affiliation, or generating significant retransmission consent revenues – especially



WELLS FARGO SECURITIES

Wells Fargo Securities, LLC
550 South Tryon Street
3th Floor
MAC D1086-031
Charlotte, NC 28202

wellsfargo.com

compared to the other stations in the market. Consequently, KWAB with its limited coverage and economics would have little to no chance of generating revenues to cover the substantial costs it would incur by operating a standalone station.

In conclusion, if a company converted KWAB into a full power, standalone television station, in my opinion, it would not be financially viable. There would exist no technical, sales, programming, or management absent support from a parent station's operation. The cost of outfitting, staffing, and programming KWAB would not be covered by the revenues that could be generated in the Big Spring area. I am not aware of any instance in which a satellite station serving such a small outlying community has been converted into a viable standalone station. In other words, KWAB's only true value to the market is to serve as a satellite station of a station that also covers a more populated portion of the Odessa-Midland market.

Wells Fargo has a global investment bank that provides financial, capital raising, and asset management services to a broad array of clients. Wells Fargo has been the lead broker in a number of the largest broadcast television transactions and continues to advise clients on strategic matters in the television and media industries.

Sincerely,

By: _____
Bruce Levy
Managing Director
Wells Fargo Securities

