

Description of the Transaction

On February 9, 2018, Gray Television Group, Inc., parent to FCC licensee Gray Television Licensee, LLC (“Gray”) entered into an Asset Purchase Agreement with Mark III Media, Inc. (“Mark III”) whereby Gray would acquire KGWR-TV, Rock Springs, Wyoming and KGWL-TV, Lander, Wyoming.¹ KGWL-TV’s community of license Lander, Wyoming is located in Fremont County, Wyoming, which is part of the Casper-Riverton, Wyoming Designated Market Area (“DMA”) and Nielsen assigned KGWL-TV to the Casper-Riverton DMA. KGWR-TV, on the other hand, is assigned to Rock Springs, Wyoming, which is a community located in the Salt Lake City, Utah DMA. Nielsen, as a matter of policy, assigns satellite stations to the same DMA as its parent in this case; thus, notwithstanding KGWR-TV’s community of license being located in the Salt Lake City DMA, Nielsen assigned KGWR-TV to the Casper-Riverton DMA.

Gray currently owns and operates KCWY-DT, Casper, Wyoming, which Nielsen assigned to the Casper-Riverton DMA. Under the current FCC rules (as well as FCC rules in place since 1999), if the parties consummate the Purchase Agreement, Gray would have an attributable interest in two full-power television stations in the Casper-Riverton DMA and one full-power television station in the Salt Lake City DMA.² KCWY-DT is consistently the top ranked station in the Casper-Riverton DMA, and KGWL-TV does not separately achieve measurable ratings. Therefore, the proposed combination complies with the Commission’s new local television ownership rule adopted in the November 2017 *Recon Order*, which permits a single entity to have an attributable interest in two full-power television stations in one market if one of the stations is not one of the top four rated stations in the market.³

¹ The purchase contract also includes KGWC-TV in Casper, Wyoming, subject to an express requirement that Gray divest that station’s license to a third party promptly after entering into the purchase contract. Gray intends to donate this station’s license to a non-profit entity as it has done previously. The instant application therefore does not seek consent to assign the KGWC-TV license to Gray.

² See, e.g., Schurz Communications, Inc., *Opinion*, 31 FCC Rcd 1113 (2016) (holding, for purposes of application of the Commission’s Local Television Ownership Rule, a station’s community of license determines a station’s market for purposes of compliance with the rule).

³ 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 (Reconsideration Order and NPRM), *Order on Reconsideration and Notice of Proposed Rulemaking*, 32 FCC Rcd 9802, 9832-40 ¶ 69-85 (2017) (“*Recon Order*”).