

TOP-FOUR SHOWING

By this application, Nexstar Media Group, Inc. (“Nexstar”) seeks consent to the transfer of control of Tribune Broadcasting Indianapolis, LLC, licensee of WXIN(DT), Indianapolis, Indiana (Facility Id. No. 146) (“WXIN”) and WTTV(DT), Bloomington, Indiana (Facility Id. No. 56523) (“WTTV”) from the shareholders of Tribune Media Company (“Tribune”) to Nexstar. WXIN is a Fox affiliate that, as of November 2018, was the {{BEGIN HCI [REDACTED] END HCI}} ranked station in the Indianapolis DMA while WTTV is a CBS affiliate that was the {{BEGIN HCI [REDACTED] END HCI}} ranked station in the DMA as of November 2018.¹ WXIN and WTTV have been commonly owned by Tribune as a permitted duopoly since 2002.² The combination became a Top-Four station duopoly in January 2015 when WTTV, which in 2014 was the {{BEGIN HCI [REDACTED] END HCI}} ranked station in the market, changed its affiliation from CW to CBS.

For the reasons set forth below and based on the data attached hereto, Nexstar respectfully requests a Commission determination that permitting the long-standing combination of WXIN and WTTV to continue serves the public interest. Due to the unique characteristics of the Indianapolis DMA, including a dominant first-ranked station (which maintained that position both before and after WTTV’s affiliation change in January 2015), continued common ownership of WXIN and WTTV would preserve the *status quo* and continue to benefit consumers in the market. Moreover, since WTTV became a top-four station, Tribune’s duopoly has generated tangible benefits for viewers in the Indianapolis DMA that would not be possible absent common ownership, and that would continue under Nexstar’s ownership.

In its initial decision in the 2014 Quadrennial Review of the broadcast ownership rules, the Commission retained the prohibition on mergers involving two top-four rated stations in a market (the “Top-Four Prohibition”), even though the agency recognized that television duopolies “can create operating efficiencies, which allow the commonly owned stations to invest in news and other local programming.”³ On reconsideration, although the Commission re-affirmed its decision to retain the Top-Four Prohibition, it recognized that “modification of the Top-Four Prohibition to include a case-by-case analysis is appropriate in order to address instances in which the application of the Top-Four Prohibition may not be warranted based on

¹ Nexstar currently owns two stations in the Indianapolis DMA—WISH-TV, a CW affiliate that ranked {{BEGIN HCI [REDACTED] END HCI}} in the market in November 2018, and WNDY-TV, a MyNetworkTV affiliate that ranked {{BEGIN HCI [REDACTED] END HCI}} in the market in November 2018. If the FCC permits Nexstar to acquire WXIN and WTTV, Nexstar will divest WISH-TV and WNDY-TV. Nexstar is also seeking continuation of the satellite exemption for WTTK(DT), Kokomo, Indiana, which operates as a satellite station of WTTV(DT), Bloomington, Indiana. *See* Comprehensive Exhibit.

² *See* File No. BALCT-20020502AA.

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 et al.*, Second Report and Order, 31 FCC Rcd. 9864, 9881, ¶ 44 (2016).

the circumstances in a particular market or with respect to a particular transaction.”⁴ The Commission explained that this “hybrid approach” is designed to address situations where the demonstrable benefits of a top-four combination exceed potential harms “based on an evaluation of the characteristics of a particular market or a particular transaction.”⁵ The FCC stated that, in making this evaluation, it would consider information including the following: (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 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.⁶

In this case, it is particularly significant that Nexstar is not seeking to create a new Top-Four combination, but instead proposes to maintain the *status quo* as a result of Tribune’s historical common ownership of WXIN and WTTV. Indeed, this common ownership, which has existed for sixteen years, has permitted Tribune to increase investments in news programming, public affairs, and community service, to the benefit of viewers. And, as shown below, these benefits have continued since the combination became a Top-Four duopoly, with competition increasing rather than decreasing during that same period of time. On the other hand, forced separation of the two stations would disrupt the stations’ operations and staffing, ultimately harming viewers and competition. The Commission recently recognized that application of the Top-Four Prohibition will not serve the public interest in analogous circumstances, and should reach the same conclusion here.⁷

a. Ratings Share Data

Given the historical dominance of Dispatch Broadcast Group-owned NBC affiliate WTHR(DT) (“WTHR”), allowing the continued combination of WXIN and WTTV will create demonstrable benefits. Indeed, even after Tribune’s legacy duopoly became a Top-Four combination in 2015, WTHR has continued to dominate the market in terms of both ratings and

⁴ 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, 9837, ¶ 78 (2017).

⁵ *Id.* at 9837, ¶ 80.

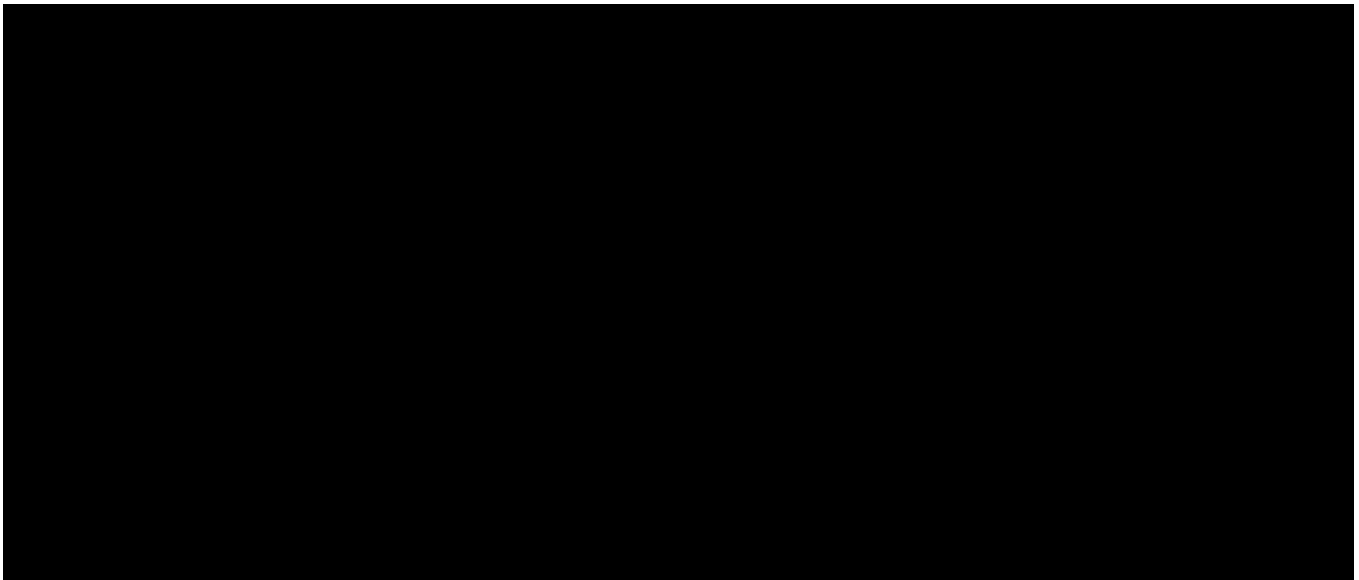
⁶ *Id.* at 9838-39, ¶ 82.

⁷ *Applications for Consent to Transfer of Control of Certain License Subsidiaries of Raycom Media, Inc. to Gray Television, Inc.*, MB Docket No. 18-230, DA 18-1286, ¶¶ 25-35 (rel. Dec. 20, 2018) (“Gray/Raycom Order”).

revenue. At the same time, as shown below, common ownership of WXIN and WTTV has *strengthened* competition in the market by providing a stronger counterweight to WTHR.

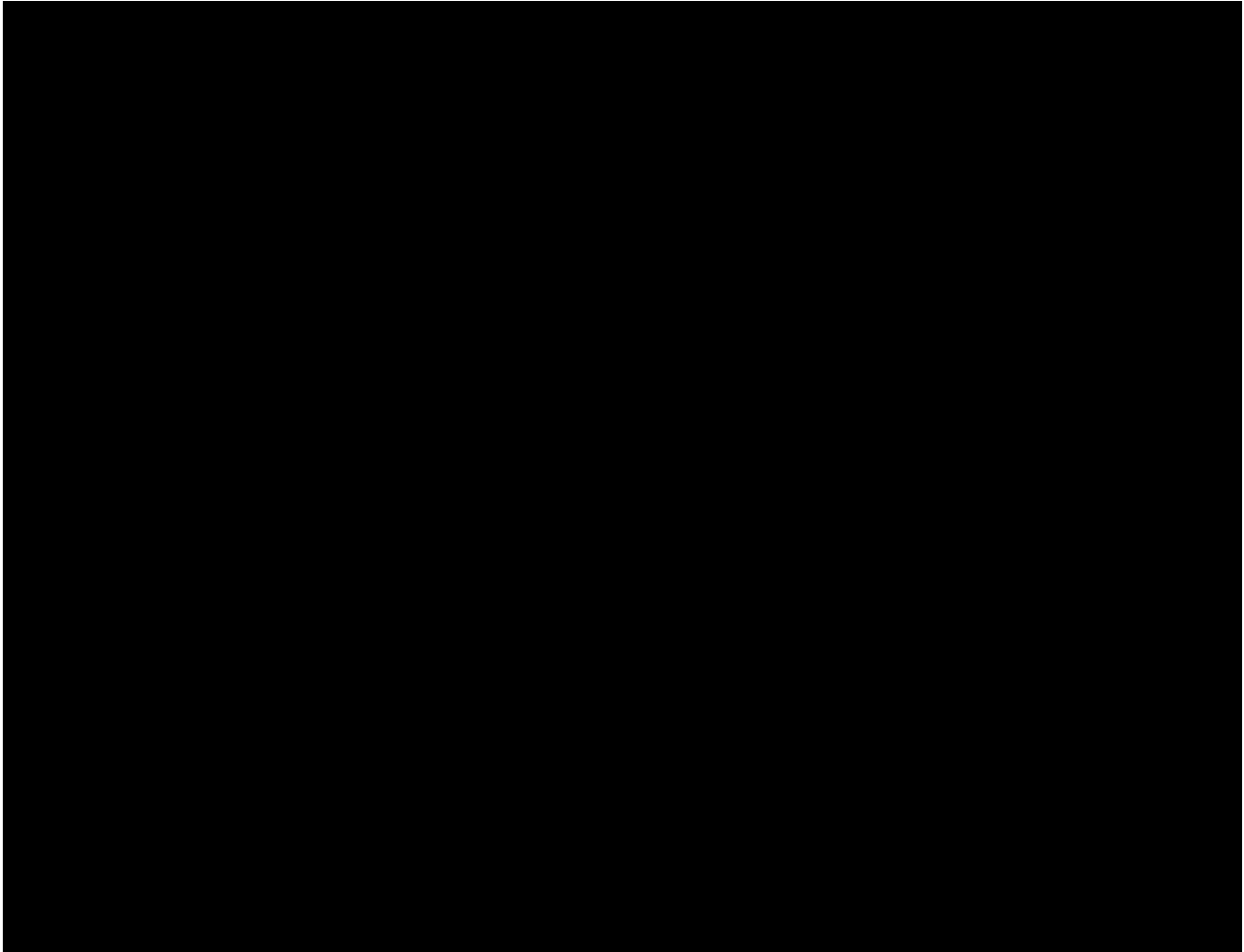
Throughout 2014—the year before commonly owned WXIN and WTTV ranked in the top-four—WTHR dominated the Indianapolis DMA, out-performing the second-ranked station⁸ in Nielsen Same-Day audience share percentage by between {{BEGIN HCI [REDACTED] END HCI}} and {{BEGIN HCI [REDACTED] END HCI}}.⁹ In terms of Same-Day ratings, WTHR bested the second-ranked station by between {{BEGIN HCI [REDACTED] END HCI}} and {{BEGIN HCI [REDACTED] END HCI}} points.

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⁸ WISH-TV was generally the {{BEGIN HCI [REDACTED] END HCI}}. See Attachment A (HCI-Indianapolis-Comprehensive) [FILED CONFIDENTIALLY]. Attachment A contains information relevant to the instant Top-Four showing that is analogous to that requested by the Media Bureau in connection with the proposed merger of Tribune and Sinclair Broadcast Group, Inc., organized in a spreadsheet with tabs corresponding to the two questions posed in the “Request for Information” issued in that transaction. See Letter from Michelle M. Carey, Chief, Media Bureau, MB Docket No. 17-179, at 3 (May 21, 2018). Nexstar notes, further, that Section 73.3555(b) of the rules refers to All-Day (9 a.m.-midnight) audience share with respect to determining whether a station is a top-four station at the time of filing. However, Same-Day (3 a.m.-3 a.m.) audience share data may better reflect actual viewership trends because it demonstrates the largest possible reach for the stations and captures ratings for local morning news programming that fall outside of the 9 a.m.-midnight data. Unless otherwise specified, the ratings described in this showing refer to Nielsen Same-Day ratings. Nevertheless, Attachment A contains both 2014-2018 All-Day (9 a.m.-midnight) and Same-Day (3 a.m.- 3 a.m.) audience share data.

⁹ See Attachment B.1. (HCI-Nielsen-Ratings-Indianapolis) [FILED CONFIDENTIALLY].



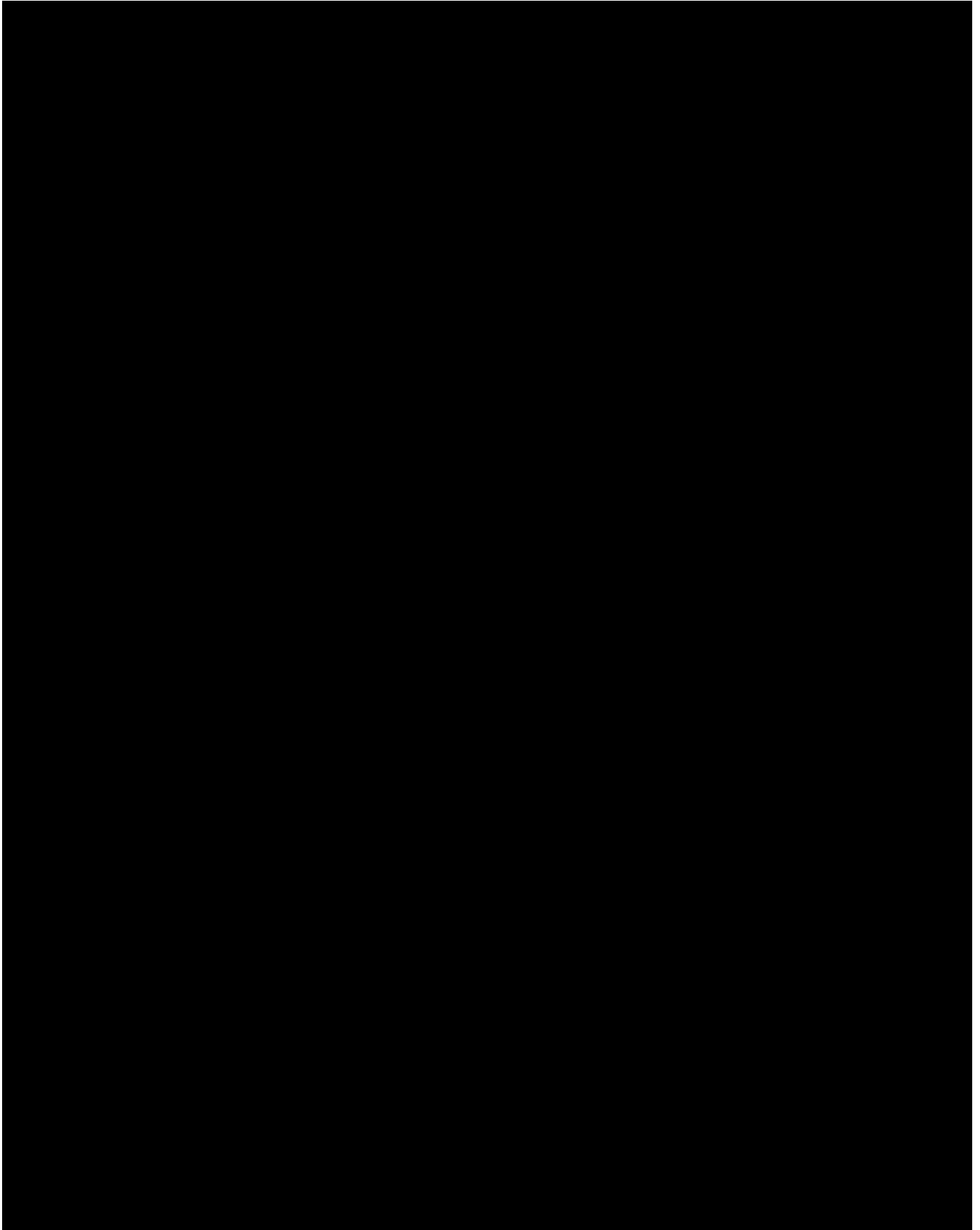
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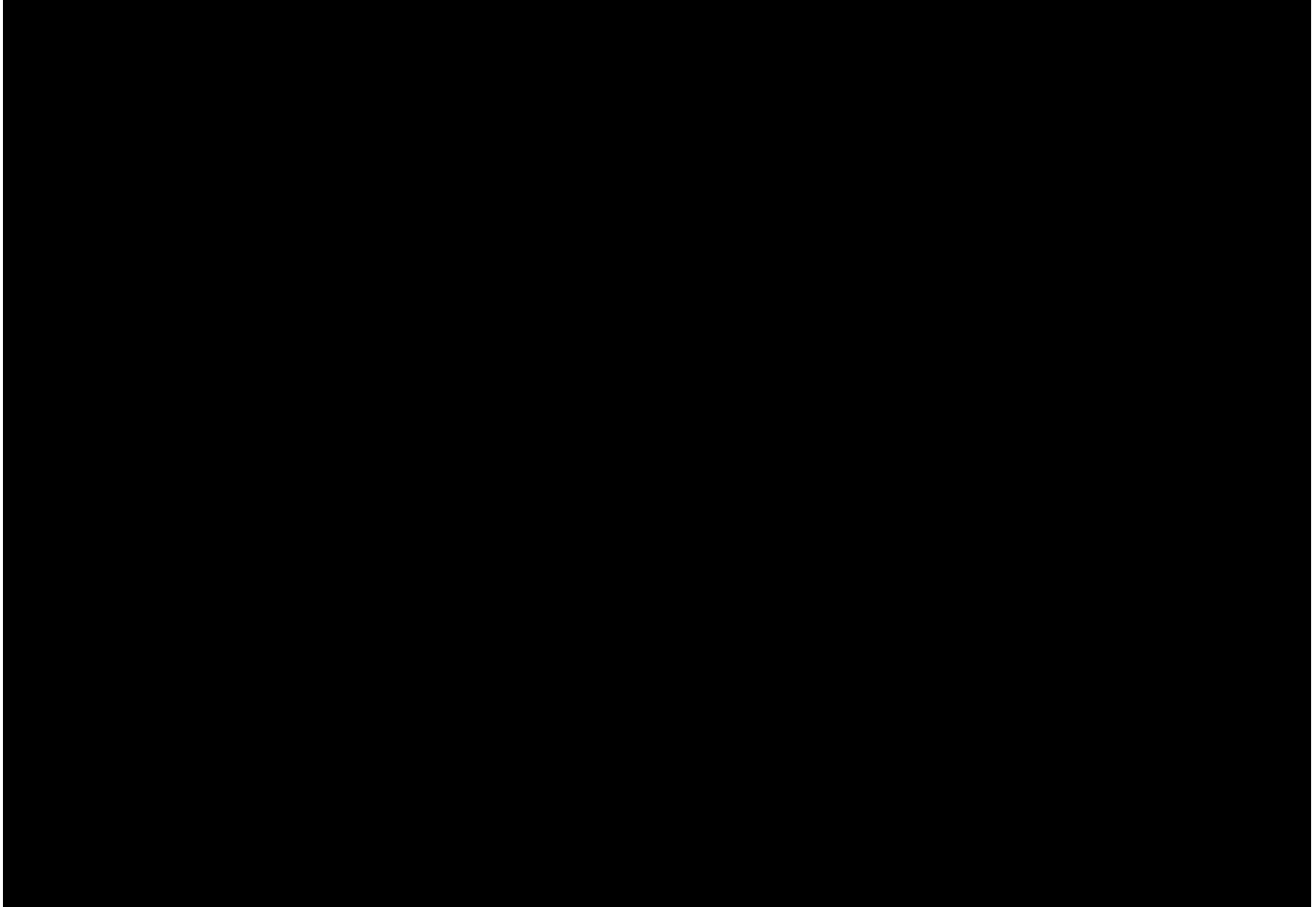
WTHR's 2014 lead over the third- and fourth-ranked stations was even more commanding. WTHR enjoyed at least a {{BEGIN HCI [REDACTED] END HCI}} lead in audience share percentage and at least a {{BEGIN HCI [REDACTED] END HCI}} point lead in ratings over the third-ranked station.¹⁰ Likewise, WTHR's audience share and ratings exceeded those of the fourth-ranked station by at least {{BEGIN HCI [REDACTED] END HCI}} and {{BEGIN HCI [REDACTED] END HCI}}, respectively.¹¹

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¹⁰ WRTV was generally the {{BEGIN HCI [REDACTED] END HCI}}.

¹¹ WXIN was generally the {{BEGIN HCI [REDACTED] END HCI}}.





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On average, in 2014 WTHR led the second-ranked station in audience share percentage by **{{BEGIN HCI [REDACTED] END HCI}}**, the third-ranked station by **{{BEGIN HCI [REDACTED] END HCI}}**, and the fourth-ranked station by **{{BEGIN HCI [REDACTED] END HCI}}**. Similarly, in 2014 WTHR led the second-ranked station in ratings by an average of **{{BEGIN HCI [REDACTED] END HCI}}** points, the third-ranked station by an average of **{{BEGIN HCI [REDACTED] END HCI}}** points, and the fourth-ranked station by an average of **{{BEGIN HCI [REDACTED] END HCI}}** points.

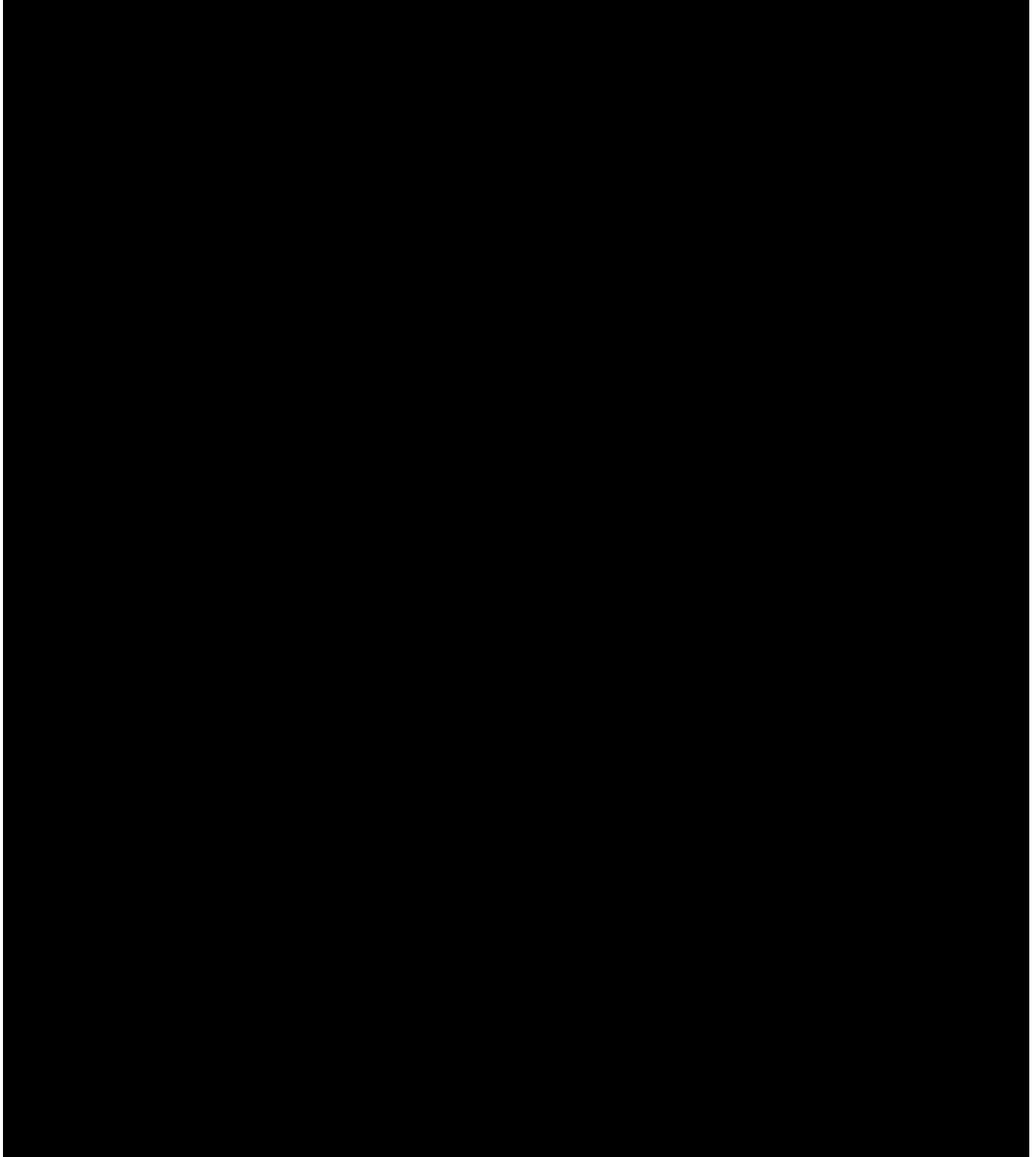
In 2018,¹² four years after the creation of Tribune's Top-Four duopoly, WTHR continued to lead the market. WTHR led the second-ranked station in Nielsen Same-Day audience share percentage by an average of **{{BEGIN HCI [REDACTED] END HCI}}** and in Same-Day ratings by an average of **{{BEGIN HCI [REDACTED] END HCI}}** points.¹³ Likewise, WTHR bested the third-ranked station by an average of **{{BEGIN HCI [REDACTED] END HCI}}** (audience share) and **{{BEGIN HCI**

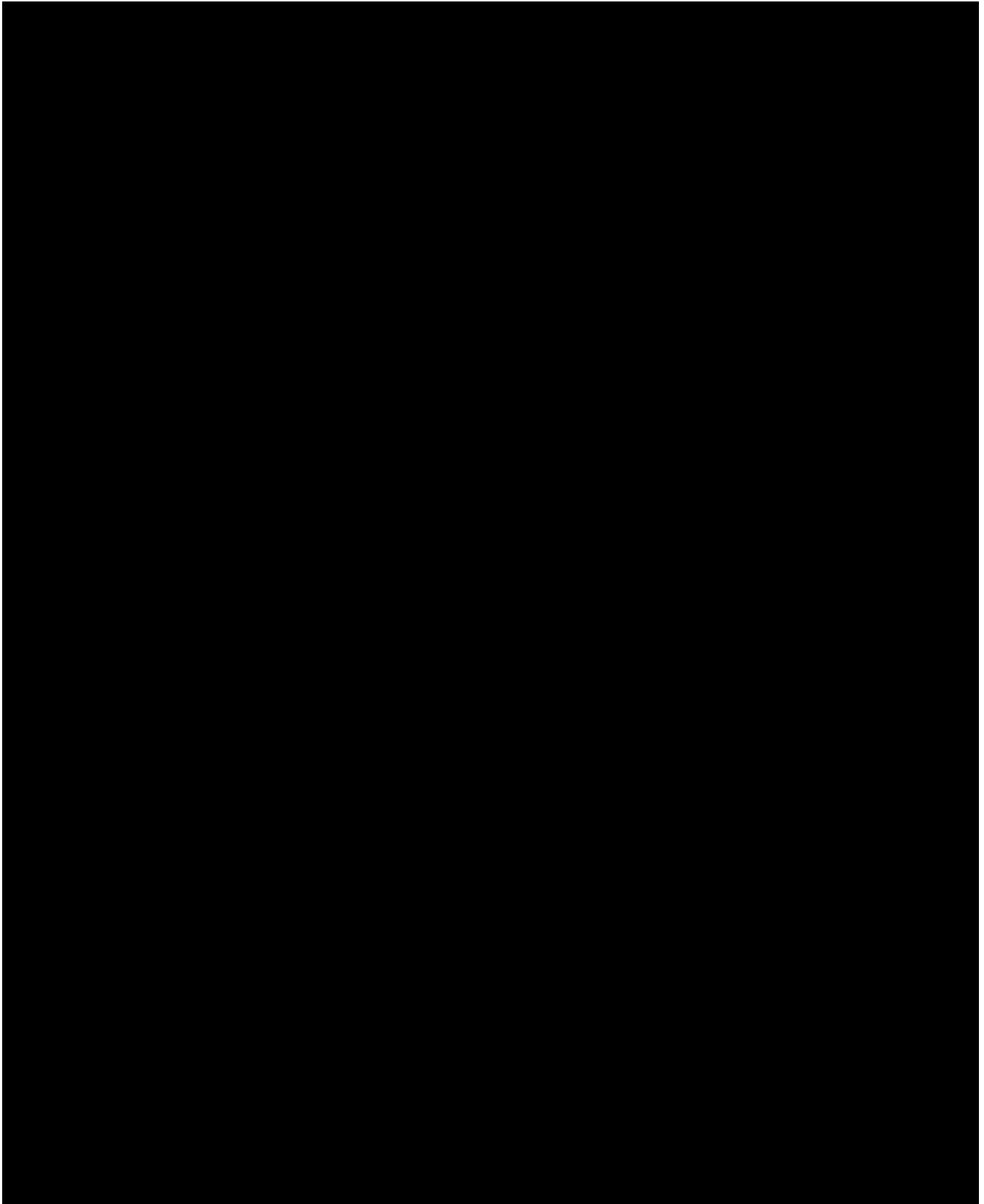
¹² Calculations herein for 2018 do not include data from December 2018, which had not been published by Nielsen at the time this showing was compiled.

¹³ See Attachment B.1. (HCI-Nielsen-Ratings-Indianapolis) [**FILED CONFIDENTIALLY**].

█ **END HCI}}** (ratings) and the fourth-ranked station by an average of **{{BEGIN HCI** █
END HCI}} (audience share) and **{{BEGIN HCI** █ **END HCI}}** (ratings).

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Despite WTHR's continued advantage in audience share and ratings, by 2018 the positive effects of competition from Tribune's Top-Four duopoly were evident. In 2018, WTHR's average lead over the second-ranked station in share was **{{BEGIN HCI [REDACTED] END HCI}}** its 2014 lead. Likewise, WTHR's lead over the second-ranked station in ratings dropped by **{{BEGIN HCI [REDACTED] END HCI}}** from 2014 to 2018. The story is similar for the third- and fourth-ranked stations. WTHR's dominance over the third ranked station in terms of both audience share and ratings decreased by **{{BEGIN HCI [REDACTED] END HCI}}**. Likewise, WTHR's lead over the fourth-ranked station fell by over **{{BEGIN HCI [REDACTED] END HCI}}** in both audience share and ratings. The whittling-down of WTHR's competitive advantage is due, at least in part, to the resources Tribune has committed to WXIN and WTTV, making them stronger competitors in the marketplace.

Furthermore, each of the top-four stations in the DMA faces competition for viewers from many other sources. The Indianapolis DMA has three large cable systems—Cable One, Charter, and Comcast—in addition to alternative distribution systems AT&T U-Verse, DISH and DIRECTV¹⁴ and OTT sources. As of November 2018, all of the top-four stations in this DMA combined attracted less than **{{BEGIN HCI [REDACTED] END HCI}}** of the total All-Day TV audience in the DMA (with WTTV and WXIN combined attracting less than **{{BEGIN HCI [REDACTED] END HCI}}**).¹⁵ In contrast, cable networks had a **{{BEGIN HCI [REDACTED] END HCI}}** All-Day audience share in the DMA.¹⁶

b. Revenue Share Data¹⁷

Revenue data, consistent with ratings data, shows that Dispatch Broadcast Group-owned NBC affiliate WTHR has led the Indianapolis DMA since 2014. According to estimates

¹⁴ Attachment C.1. (HCI-Multichannel_Operators-Indianapolis) [FILED CONFIDENTIALLY].

¹⁵ See Attachment B.2. (HCI-Nielsen_Broadcast_and_Cable_Ratings-Indianapolis) [FILED CONFIDENTIALLY].

¹⁶ *Id.*

¹⁷ No analysis of retransmission consent revenue for the Indianapolis DMA is included herein. While SNL Kagan and BIA Advisory Services prepare estimates of retransmission consent revenues for every station in the country, those estimates are unreliable in that: (i) they are based on data extrapolated from public company reports rather than actual figures; (ii) they do not account for the individual factors that go into each agreement (including the date the agreement was signed, the number of subscribers for each MVPD, competition from cable networks, the rights included in the retransmission consent agreement (including, *inter alia*, mobile, DVR, and over-the-top), etc.), and (iii) they cannot possibly account for the contribution of any individual station to the retransmission consent rates included in multi-market agreements, such as those frequently entered into by Nexstar and Tribune. Retransmission consent revenue numbers also are gross estimated revenues, not net. Therefore, they do not

provided by BIA Advisory Services (“BIA”), WTHR’s revenue share for the period ended December 31, 2014 was {{BEGIN HCI [REDACTED] END HCI}} and for the period ended December 31, 2017 was {{BEGIN HCI [REDACTED] END HCI}}.¹⁸ Scripps-owned WRTV came in second in both time periods, with a {{BEGIN HCI [REDACTED] END HCI}} share in 2014 and a {{BEGIN HCI [REDACTED] END HCI}} share in 2017. For its part, WXIN’s revenue share was {{BEGIN HCI [REDACTED] END HCI}} in 2014 and {{BEGIN HCI [REDACTED] END HCI}} in 2017. Finally, in 2014 WTTV’s revenue share was {{BEGIN HCI [REDACTED] END HCI}} and in 2017 it was {{BEGIN HCI [REDACTED] END HCI}}.¹⁹ Thus, in 2014, WTHR, the top-ranked station, led the second-ranked station in total revenue share by {{BEGIN HCI [REDACTED] END HCI}} points, the third-ranked station by {{BEGIN HCI [REDACTED] END HCI}} points, and the fourth-ranked station by {{BEGIN HCI [REDACTED] END HCI}} points. In 2017, WTHR led the second-ranked station by {{BEGIN HCI [REDACTED] END HCI}} points, the third-ranked station by {{BEGIN HCI [REDACTED] END HCI}} points, and the fourth-ranked station by {{BEGIN HCI [REDACTED] END HCI}} points.

WTHR’s dominance in revenue share demonstrates that common ownership of WXIN and WTTV has not resulted in Tribune having a super-competitive market position. In 2014, WTHR led the market in revenue with a {{BEGIN HCI [REDACTED] END HCI}} share.²⁰ In 2017,

account for the high cost of programming, which varies from station to station and market to market. To the extent relevant, actual retransmission consent revenues for WXIN and WTTV are provided in Attachment A (HCI-Indianapolis-Comprehensive).

¹⁸ Attachment D.1. (HCI-BIA-Market_Competitive_Overview-Indianapolis) [FILED CONFIDENTIALLY]. At the time this showing was compiled, BIA had not yet released 2018 estimates.

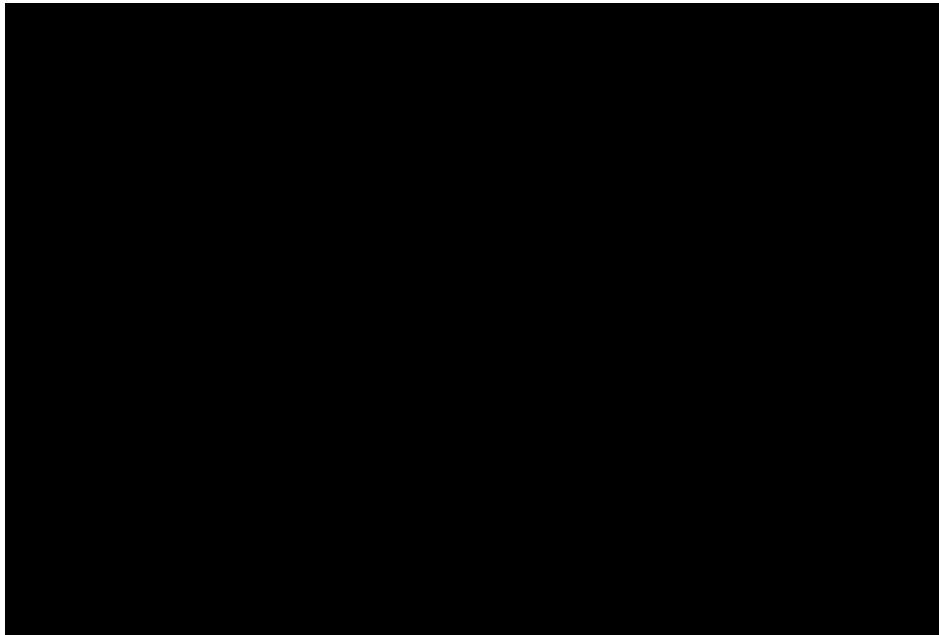
¹⁹ *Id.* Data compiled and audited by Miller Kaplan Arase LLP (“Miller Kaplan”) lists WXIN’s total revenue share as {{BEGIN HCI [REDACTED] END HCI}} in 2014 and {{BEGIN HCI [REDACTED] END HCI}} through the first three quarters in 2018. Likewise, Miller Kaplan lists WTTV’s total revenue share in 2014 as {{BEGIN HCI [REDACTED] END HCI}} and as {{BEGIN HCI [REDACTED] END HCI}} through the first three quarters of 2018. Attachments E.1. (HCI-Miller_Kaplan-WXIN) and E.2. (HCI-Miller_Kaplan-WTTV) [FILED CONFIDENTIALLY].

Miller Kaplan quarterly audit reports are proprietary reports that Tribune and Nexstar receive in the ordinary course of business. Miller Kaplan reports are generally considered to provide better revenue information than estimates available from BIA or SNL Kagan and are considerably more detailed. Because they are more detailed, Tribune and Nexstar stations generally use Miller Kaplan reports to benchmark their performance against other stations in the DMA. However, stations receive only their own revenue share information from Miller Kaplan; thus, Miller Kaplan revenue information for stations not owned by Nexstar or Tribune is not being provided.

²⁰ Attachment D.1. (HCI-BIA-Market_Competitive_Overview-Indianapolis) FILED CONFIDENTIALLY]. For years prior to 2016, BIA provides data with respect to on-air advertising only.

three years after WXIN and WTTV became top-four stations, WTHR continued to lead the market in revenue. In fact, WTHR's revenue share *increased* to {{BEGIN HCI [REDACTED] END HCI}} in 2017. Meanwhile, WXIN's revenue share *decreased* from 2014 to 2017 (from {{BEGIN HCI [REDACTED] END HCI}}).²¹

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Competition is alive and well in Indianapolis; Tribune's Top-Four duopoly has not harmed competition or the public interest.

Moreover, whatever marginal effect the continued combination of WXIN and WTTV may have on the market for advertising in the Indianapolis DMA is further reduced by the relatively small role of broadcast television in that market. According to BIA, of the {{BEGIN HCI [REDACTED] END HCI}} in projected advertising spending in the Indianapolis DMA in 2019, {{BEGIN HCI [REDACTED]

[REDACTED] END HCI}}. By 2022,

while BIA projects total advertising revenue in the market will {{BEGIN HCI [REDACTED] END HCI}}, the share attributed to broadcast television will {{BEGIN HCI [REDACTED] END HCI}}.²²

²¹ *Id.* Estimates of 2018 revenue were not available from BIA Kelsey at the time this showing was compiled.

²² Attachment D.2. (HCI-BIA-Ad_Overview-Indianapolis) [FILED CONFIDENTIALLY].

c. Market Characteristics and Other Circumstances Impacting the Market

The Top-Four duopoly of WXIN and WTTV has existed in Indianapolis since 2015, resulting in enhanced competition and programming diversity. The same would remain true if Nexstar is permitted to own WXIN and WTTV. Indeed, Nexstar's ownership of WXIN and WTTV would not reduce the number of independent TV voices in the Indianapolis DMA, which will remain at nine, or otherwise reduce competition in the market.²³

Meanwhile, viewers also have access to almost 20 Significantly Viewed signals from neighboring DMAs, such as Ft. Wayne, IN, Cincinnati, OH, and Louisville, KY.²⁴ These include top-four network affiliates owned by Hearst Television, TEGNA, and Cox Media Group. Many of the stations' signal contours overlap the Indianapolis DMA and can therefore be picked up by viewers over the air regardless of which cable systems also carry them.²⁵ The existence of strong competition among the broadcasters in the Indianapolis DMA coupled with abundant choice of additional signals from nearby DMAs ensures that viewers will continue to have access to a wide range of diverse, local programming. Continued common ownership of WTTV and WXIN is also essential to maintain, if not strengthen, competition with MVPDs, which currently have an almost {{BEGIN HCI [REDACTED] END HCI}} All-Day share of the TV households in the DMA.²⁶

d. Effects on Programming Meeting the Needs and Interests of the Community

As a result of its Top-Four duopoly, Tribune has been able to produce more news and public affairs programming and deliver other benefits to the Indianapolis community. Prior to the affiliation change, WXIN and WTTV produced a total of 66 hours of news and public affairs programming per week. After the WTTV affiliation switch was announced, Tribune hired 60 new employees to staff the combined WXIN/WTTV news operations and today the stations collectively produce 90 hours of news and public affairs programming per week.

Notwithstanding their common ownership, WXIN and WTTV are fierce competitors. The two stations compete head-to-head in five timeslots each day Monday through Friday—with

²³ See Attachment D.1. (HCI-BIA-Market_Competitive_Overview-Indianapolis) [**FILED CONFIDENTIALLY**].

²⁴ See FCC, Significantly Viewed List, last updated June 2017, available at <https://transition.fcc.gov/mb/significantviewedstations061817.pdf>.

²⁵ Attachment D.3. (HCI-Significantly_Viewed_Station_Map-Indianapolis) [**FILED CONFIDENTIALLY**].

²⁶ Attachment B.2. (HCI-Nielsen_Broadcast_and_Cable_Ratings-Indianapolis) [**FILED CONFIDENTIALLY**].

separate newscasts at 5:00 AM, 6:00 AM, 5:00 PM, 6:00 PM and 11:00 PM.²⁷ Viewers benefit from the availability of two distinct news and information brands that compete with each other on a daily basis and provide viewers with a distinct choice of news content and delivery. WXIN delivers fast-paced, breaking news on every available platform. The station functions as a viewer's local "neighborhood watch"—monitoring crime and working with local experts to find solutions to community concerns. WTTV, meanwhile, is "Indiana's Very Own," a hometown news brand led by the market's most experienced news and weather team, who look beyond the headlines to develop deeper storylines and community interaction.

Together, the stations employ the largest news-gathering team in Indianapolis. While WTTV and WXIN each has its own news anchor team, they share news, weather, sports and digital departments, allowing each station to draw on the largest news resource in the market—a resource that was not available before 2015. The stations' "Weather Authority" team has more combined years of meteorology experience than any other station in the market. "Indy Sports Central," likewise, is the most experienced sports department in the market, offering a greater depth of sports coverage than would be possible absent common ownership.

Indianapolis viewers have responded enthusiastically to these improvements in the scale and scope of both stations' news offerings. WXIN has grown to become the market news leader in eleven of twelve time periods (4:00-10:00 AM, 4:00-6:00 PM, 7:00 PM and 10:00-11:30 PM) and is second-ranked in the 5:00 PM time period. In November 2014, WXIN's share of market news ratings points among Adults aged 25-54 was {{BEGIN HCI [REDACTED] END HCI}}. In November 2018, nearly four years after WTTV's affiliation switch, WXIN's share had grown to {{BEGIN HCI [REDACTED] END HCI}} of the market's news rating points among Adults 25-54—an increase of {{BEGIN HCI [REDACTED] END HCI}}. WTTV, meanwhile, has emerged as the {{BEGIN HCI [REDACTED] END HCI}} news station, overtaking ABC affiliate WRTV in the four years since it joined forces with WXIN as the CBS affiliate.²⁸ These results are evidence that viewers recognize and benefit from the more competitive dynamic in the Indianapolis market that has resulted from the common ownership and operation of WXIN and WTTV.

In addition, since 2015 the stations have launched award-winning weekly political and sports programs—"InFocus" and "Indy Sports Central Overtime." In both cases the stations share anchors and reporters across platforms to provide the audiences of both stations the benefit of their combined expertise in both news and sports.

The combined WXIN/WTTV operations also have entered into strong partnerships with other local institutions. For example, the stations enjoy a news-gathering partnership with *The Indianapolis Star* and the affiliated online *IndyStar* which collaborate with the stations to produce both on-air and digital-only election coverage. The stations also are the home of the

²⁷ WXIN also produces 4½ hours of news each weekday when most stations, including WTTV, are airing non-news programming—including the only news in the market each weekday at 4:00 PM.

²⁸ Attachment B.3. (HCI-Nielsen-News-Indianapolis) **[FILED CONFIDENTIALLY]**.

Indianapolis Colts, a natural fit as the majority of NFL games air on both the FOX and CBS networks. The partnership creates opportunities for both stations to offer viewers exclusive content dedicated to the hometown Colts.

WXIN and WTTV together also maintain deep roots in the Indianapolis community. For example, WXIN has a longstanding partnership with the Midwest Food Bank and Gleaners Food Bank through its “Pack The Pantries” initiative, which has grown from a once-a-year collection effort to a year-round commitment feeding more than 300,000 people each year. WXIN hosts a building event each year with Habitat for Humanity, partners with the Center For Leadership Development to raise scholarship money for underprivileged children, and works with the Indiana Black Expo to promote minority job creation. In addition, WXIN partners with Community Health Network to recognize outstanding individuals who have made special efforts to support their communities.

For its part, WTTV has created “4OurVets,” a multi-platform commitment to air stories throughout the year dedicated to local veterans and their concerns, and is the exclusive partner with the Indianapolis Marine Corps for Toys for Tots. WTTV also hosts “CBS4 Problem Solvers,” an in-depth reporting initiative focused on helping community members address consumer issues with the goals of giving a voice to those who need it, helping right wrongs, and making a positive impact. In addition, WTTV is a community partner of “Keep Indianapolis Beautiful,” a program that provides low and no cost trash collection receptacles to public events. WTTV is also home to “CBS4 Reads,” which has collected more than 10,000 books for young readers in Indianapolis. Both jointly and separately, the stations engage in strong community outreach that is responsive to the needs, interests and concerns of the residents of Indianapolis.

Nexstar expects to strengthen the service to the community that WXIN and WTTV provide through the stations’ participation in a number of Nexstar’s highly-regarded company-wide initiatives, including:

- Hidden History - Nexstar markets recognize Black History Month each year through a local content initiative titled Hidden History. Beginning every year on Martin Luther King Jr. Day and running through February, each local market devotes time to recognize important historical events and individuals. The company-wide project allows each market to build its own content based on local stories and events. In 2018, stations in every Nexstar markets participated with a locally-produced 30 or 60 minute special that featured news stories, informational vignettes and a special digital content section. To expand the reach of its Hidden History initiative, Nexstar provides relevant information for local schools to use in their curriculum.
- Veteran’s Voices - Veteran’s Voices is a local content initiative aimed at highlighting the veterans in each of Nexstar’s local markets. The program occurs in the month leading up to Veteran’s Day. Stations in each market develop their own plan for how to contribute to this initiative, such as by producing a special program for broadcast, and/or highlighting Veterans in local news stories and digital content.

- Women’s History – In March 2019, Nexstar will launch a local market initiative to recognize the history and advancements of female leaders. Each Nexstar station will have access to a vast array of content and develop its own plan to produce local stories and specials of interest highlighting female leadership both locally and nationally.
- Hispanic Heritage – Nexstar markets recognize Hispanic Heritage Month in Mid-September to Mid-October, producing local stories, local broadcast specials and a digital content section highlighting Hispanic heritage and culture. Each Nexstar station develops its own plan for how it will participate in this initiative.

Application of the Top-Four Prohibition to bar Nexstar from acquiring the existing Top-Four duopoly of WXIN and WTTV would deprive the stations of the efficiencies created by common ownership, diminishing their ability to continue to deliver the same level of service they have been able to provide in the sixteen years since the combination was created and eliminating the benefits that would ensue as a result of Nexstar’s acquisition of the stations. For example, the divested station would have less resources with which to produce the quality news programming currently available on both stations and on which viewers rely. The divested station would also have fewer resources with which to support important community initiatives and programs. Thus, applying the Top-Four Prohibition would harm viewers (and station employees) who rely on WXIN and WTTV for the unique—and superior—service that they provide to the local community. As the Commission recently recognized in a similar situation, “the potential for disruption from divestiture is particularly acute” given that common ownership of the duopoly has been in place for a significant period of time.²⁹

In sum, permitting Nexstar to own WXIN and WTTV will maintain the *status quo* by preserving a station combination that has served Indianapolis well for many years—both before and after WTTV became a top-four station—and that will continue to promote a highly competitive market and serve the public interest. The stations’ combined audience and revenue shares do not now give Tribune, and would not give Nexstar, an outsized presence in the market. In these circumstances, “the harms attendant to requiring a divestiture of one of these stations would outweigh any potential benefits that might accrue.”³⁰ Because Nexstar’s proposed acquisition of WXIN and WTTV would serve the public interest, convenience, and necessity, the Commission should authorize continued common ownership of WXIN and WTTV under Section 73.3555(b)(2) of its rules.

²⁹ *Gray/Raycom Order*, ¶ 30.

³⁰ *Id.* ¶ 35.

ATTACHMENTS

[Filed Confidentially]