

Before the  
Federal Communications Commission  
Washington, D.C. 20554

In the Matter of	)	
The Applications of	)	
	)	MB Docket No. 13-190
Local TV Holdings, LLC,	)	
Transferor	)	
	)	
and	)	
	)	
Tribune Broadcasting Company II, LLC,	)	File Nos. BTCCDT-20130715AER, <i>et al.</i>
Transferee	)	
	)	
and	)	
	)	
Dreamcatcher Broadcasting, LLC,	)	File Nos. BTCCDT-20130715AGP, <i>et al.</i>
Transferee	)	
	)	
For Consent to Transfer of Control of Certain	)	
Licensee Subsidiaries of Local TV Holdings, LLC	)	

**MEMORANDUM OPINION AND ORDER**

**Adopted: December 20, 2013**

**Released: December 20, 2013**

By the Chief, Media Bureau:

**I. INTRODUCTION**

1. This Memorandum Opinion and Order conditionally grants, the applications for transfer of control of subsidiaries holding television licenses from Local TV Holdings, LLC to Tribune Broadcasting Company II, LLC and Dreamcatcher Broadcasting, LLC. In addition, we also partially grant and partially deny a petition from public interest groups asking us not to grant the Dreamcatcher portion of the transaction, primarily on grounds related to our ownership rules. Finally, we grant Tribune's requested continuing failing station and satellite television waivers to Tribune.

2. The Commission, by the Chief, Media Bureau, pursuant to delegated authority has before it for consideration, applications for the transfer of control (FCC Form 315) of certain licensee subsidiaries of Local TV Holdings, LLC ("Local TV") to Tribune Broadcasting Company II, LLC ("Tribune") and Dreamcatcher Broadcasting, LLC ("Dreamcatcher").<sup>1</sup> A joint Petition to Deny ("Petition") was filed against the three Dreamcatcher applications by Free Press and Put People First PA ("PPFP," collectively "Petitioners").<sup>2</sup> Local TV, Dreamcatcher and Tribune filed Oppositions. Petitioners did not file a Reply.

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<sup>1</sup> A complete list of the applications and affected stations is attached as Exhibit 1. Local TV, Tribune, and Dreamcatcher will be collectively referred to as the "Applicants" as appropriate.

<sup>2</sup> Petitioners refer to the Dreamcatcher applications as assignments. They are transfer of control applications. Tribune has assigned its contractual right to acquire the stations to Dreamcatcher.

In connection with the applications, Tribune has submitted unopposed requests for: (1) a continuing failing station waiver<sup>3</sup> to permit the common ownership of KFSM-TV, Ft. Smith, Arkansas and KXNW(TV), Eureka Springs, Arkansas, and (2) a continuing satellite waiver<sup>4</sup> to permit the common ownership of KFTC(TV), Ft. Collins, Colorado and KDVR(TV), Denver, Colorado.

## II. DISCUSSION

### A. The Transaction

3. In a set of fourteen transfer of control applications (“the Tribune Applications”), Tribune seeks Commission consent to acquire control of certain licensee subsidiaries of Local TV. Under the terms of a Securities Purchase Agreement (“SPA”), dated June 29, 2013, between Tribune, its parent Tribune Company (jointly “Tribune”), Local TV, and related parties, Tribune will acquire all of the issued and outstanding limited liability company interests of Local TV.<sup>5</sup> Tribune itself will acquire seventeen (17) full power television stations from Local TV.<sup>6</sup> As discussed above, in connection with the acquisition Tribune has submitted unopposed requests for: (1) a continuing failing station waiver<sup>7</sup> to permit the common ownership of KFSM-TV, Ft. Smith, Arkansas and KXNW(TV), Eureka Springs, Arkansas, and (2) a continuing satellite waiver<sup>8</sup> to permit the common ownership of KFTC(TV), Ft. Collins, Colorado and KDVR(TV), Denver, Colorado.

4. Tribune has assigned its rights under the SPA to acquire the subsidiaries holding the licenses of three Local TV stations to Dreamcatcher: WNEP-TV, Scranton, Pennsylvania; WTKR(TV), Norfolk, Virginia, and WGNT(TV), Portsmouth, Virginia (the “Dreamcatcher Stations”).<sup>9</sup> Three separate applications have been filed concurrently to effectuate those transfers.<sup>10</sup> Tribune has entered into agreements to provide certain services to support Dreamcatcher’s operation of those stations subject to the

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<sup>3</sup> See 47 C.F.R. § 73.3555, n. 7.

<sup>4</sup> See 47 C.F.R. § 73.3555, n. 5.

<sup>5</sup> See, e.g., WDAF License, Inc., Application for Consent to Transfer of Control of Entity Holding Broadcast Station Construction Permit or License (FCC Form 315), WDAF(TV), ID No. 11291, File No. BTCCDT-2130715AGC, (“WDAF Application”), Exhibit 15A p.1. Separate transfer applications were filed for each entity to be transferred. Except for the waiver requests, which will be addressed separately, the Tribune applications are substantively the same.

<sup>6</sup> *Id.* At 2-3.

<sup>7</sup> See 47 C.F.R. § 73.3555, n. 7. Local TV Arkansas License, LLC, Application for Consent to Transfer of Control of Entity Holding Broadcast Station Construction Permit or License (FCC Form 315), KFSM-TV, ID No. 66469, File No. BTCCDT-2130715AEU, (“KFSM-TV Application”), Exhibit 20.

<sup>8</sup> See 47 C.F.R. § 73.3555, n. 5. Community Television of Colorado License, LLC, Application for Consent to Transfer of Control of Entity Holding Broadcast Station Construction Permit or License (FCC Form 315), KDVR, ID No. 126, File No. BTCCDT-2130715AER, (“KDVR Application”), Exhibit 20.

<sup>9</sup> WTKR(TV) and WGNT(TV) form an unopposed permissible duopoly in the the Norfolk/Portsmouth/Newport News, VA Designated Market Area (“DMA”). Local TV Virginia License, LLC, Application for Consent to Transfer of Control of Entity Holding Broadcast Station Construction Permit or License (FCC Form 315), WTKR, ID No. 4740, File No. BTCCDT-2130715AGP, Exhibit 15, Attachment A.

<sup>10</sup> Because the Tribune and Dreamcatcher transactions are related, we are considering them together in the interest of administrative efficiency.

supervision and control of Dreamcatcher.<sup>11</sup> These agreements are a shared services agreement (“SSA”), a lease, and an option agreement (“Option”).<sup>12</sup>

5. Tribune cannot purchase the Dreamcatcher Stations absent a waiver due to the Commission’s newspaper/broadcast cross-ownership rule (“NBCO Rule”),<sup>13</sup> which provides that “no license for [a] . . . TV broadcast station shall be granted to any party (including all parties under common control) if such party directly or indirectly owns, operates, or controls a daily newspaper and the grant of such license will result in” the Grade A contour of that television station encompassing the entire community in which such newspaper is published.<sup>14</sup> Tribune’s parent company owns the Norfolk *Daily Press* and the Allentown *Morning Call*, both of which would be impacted by the NBCO Rule if Tribune also owned the Dreamcatcher Stations.

### III. PETITION TO DENY

#### A. Standing

6. Tribune and Dreamcatcher have challenged the standing of both Free Press and PPFP, claiming that the Petitioners have failed to provide the necessary affidavits to meet the standing requirements to file a petition to deny against the application to *WNEP-TV Application*. The Petitioners have submitted a declaration under penalty of perjury (“declaration”) from a Free Press member who states that she is a resident of Williamsburg, Virginia and a viewer of WTRK(TV) and WGNT(TV).<sup>15</sup> Free Press did not submit an affidavit or declaration from any viewer member of WNEP-TV and PPFP did not submit a declaration from any member in this proceeding. In lieu of a standing argument in the Petition, the Petitioners made a “Statement of Interest.” (“Statement”) In the Statement, Free Press asserted that a core component of its mission has been “to promote diverse and independent media ownership and to prevent the concentration of media markets.”<sup>16</sup> Free Press went on to say that it has participated extensively in media ownership proceedings at the FCC.<sup>17</sup> On this basis, Free Press claims, without citation, that it has standing under Section 309(d) of the Communications Act.<sup>18</sup> The Petitioners state that PPFP is a statewide organization in Pennsylvania that “fights for individuals’ rights and promotes civic engagement.”<sup>19</sup> Petitioners claim that PPFP has chapters and members in Wilkes-Barre, Pennsylvania, WNEP-TV’s community of license, and in Allentown, Pennsylvania, where the Tribune-owned *Morning Call* is published, but does not provide a declaration from any members in support of those claims.<sup>20</sup> Based on the lack of affidavits or declarations, Dreamcatcher and Tribune argue that the Petitioners do not have standing

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<sup>11</sup> *WDAF Application* at 1. Local TV Pennsylvania License, LLC, Application for Consent to Transfer of Control of Entity Holding Broadcast Station Construction Permit of License (FCC Form 315), WNEP-TV, ID No. 73318, File No. BTCCDT-2130715AGR. (“*WNEP-TV Application*”) Exhibit 15, p 1 & 4 and attached Agreements. Separate transfer applications were filed for each entity to be transferred. The Dreamcatcher applications are substantively the same.

<sup>12</sup> *WNEP-TV Application*, Exhibit 15, p. 4, and Attached Agreements.

<sup>13</sup> 47 C.F.R. § 73.3555(d)(3).

<sup>14</sup> *Id.*

<sup>15</sup> Petition, Declaration of Kelly V. Place.

<sup>16</sup> Petition at 3.

<sup>17</sup> *Id.*

<sup>18</sup> *Id.* 47 U.S.C. § 309(d)

<sup>19</sup> Petition at 3.

<sup>20</sup> *Id.*

to oppose the transfer of control to WNEP-TV and that the petition should be dismissed with respect to that application.

7. Under the Communications Act of 1934, as amended,<sup>21</sup> only a “party in interest” has standing to file a petition to deny. The petition to deny must contain specific allegations of fact demonstrating that the petitioner is a party in interest and that a grant of the application would be inconsistent with the public interest, convenience and necessity.<sup>22</sup> The allegations of fact, except for those of which official notice may be taken, must be supported by an affidavit or declaration under penalty of perjury (“declaration”) of a person with personal knowledge of the facts alleged.<sup>23</sup> Among the facts to be alleged is that the petitioner is a resident of the station’s service area and a regular viewer of the station.<sup>24</sup> An organization can establish standing on behalf of its members if it provides an affidavit or declaration “of one or more individuals entitled to standing indicating that the group represents local residents and that the petition is filed on their behalf.”<sup>25</sup>

8. We find that by failing to include an affidavit or declaration of a viewer member, the Petitioners have failed to demonstrate that they have standing in regard to the *WNEP-TV Application*. Simply being an organization that promotes media diversity and that has participated in previous Commission proceedings or being an organization that promotes civic engagement does not give an organization standing under either the Communications Act or our Rules. To have standing to file a petition to deny an organization must be acting on behalf of viewer members who have standing themselves.<sup>26</sup> We will treat the Petitioners as informal objectors in regard to the *WNEP-TV Application*. We further find that by failing to include an affidavit or declaration from any members in this proceeding, PPFP has failed to demonstrate that it has standing at all.<sup>27</sup> We will treat it as an informal objector.<sup>28</sup>

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<sup>21</sup> 47 U.S.C. § 309(d); 47 C.F.R. § 73.3584.

<sup>22</sup> 47 U.S.C. § 309(d).

<sup>23</sup> *Id.*

<sup>24</sup> See *Rainbow/PUSH Coalition*, 330 F.3d 1235 (D.C. Cir. 2005). It is not necessary for a petitioner to make a separate showing that it has suffered an “injury in fact.” Factual allegations as to why grant of a broadcast application would not serve the public interest, combined with a showing of local residence, “supply the predicate for finding injury in fact.” *Petition for Rulemaking to Establish Standards for Determining the Standing of a Party to Petition to Deny a Broadcast Application*, Memorandum Opinion and Order, 82 FCC 2d 89, 98-99 (1980).

<sup>25</sup> *Shareholders of Tribune*, Memorandum Opinion and Order, 22 FCC Rcd 21266, 21269 (2007) (“*Tribune I*”); *Cox Radio, Inc. & SummitMedia, LLC*, Letter, 28 FCC Rcd 5674, 5676, n. 12 (Audio Div. 2013).

<sup>26</sup> *Id.*

<sup>27</sup> In some cases the Commission has permitted an organization to demonstrate standing based on a declaration by the president or an officer or director of the organization. See *Hispanic Broadcasting Corp.*, Memorandum Opinion and Order, 18 FCC Rcd 18834, 18835 n.4 (2003) (affidavit of National Hispanic Policy Institute (NHPI) President stating that he resided within the service area of one of 65 radio station licenses that sought to be transferred was sufficient to demonstrate standing to challenge the entire transaction); *AMFM, Inc.*, Memorandum Opinion and Order, 15 FCC Rcd 16062, 16077 (2000) (same individual’s declaration established NHPI’s standing to challenge AMFM/Clear Channel merger); see also *Adelphia Communications Corporation*, Memorandum Opinion and Order, 21 FCC Rcd 8302 (2006) (declarations of Free Press Policy Director and National Hispanic Media Coalition President that, inter alia, their members resided in areas served by Comcast, Time Warner Cable, and Adelphia established organizations’ standing to challenge proposed acquisition of Adelphia by Comcast and Time Warner). But see *Certain Broadcast Stations Serving Communities in the State of Louisiana*, 7 FCC Rcd 1503 (1992) (declarations of local chapter members demonstrated NAACP’s standing to challenge renewal applications only with regard to stations where chapters were located); *Certain Broadcast Stations Serving Communities in the Miami, Florida Area*, 5 FCC Rcd 4893 (1990) (same), *vacated on other grounds*, 1999 WL 511224 (1999). We do not need to reach the question here of whether such a declaration would be adequate to establish standing in a television broadcast proceeding because no

(continued....)

Finally, we note that Free Press has standing as petitioner to deny in regard to the transfer of control application of WTRK(TV) and WGNT(TV).

### B. Standard of Review

9. Section 310(d) of the Communications Act of 1934 (“the Act”) provides that no station license shall be transferred or assigned until the Commission, upon application, determines that the public interest, convenience, and necessity will be served thereby. In making this assessment, the Commission must first determine whether the proposed transaction would comply with the specific provisions of the Act,<sup>29</sup> other applicable statutes, and the Commission’s rules.<sup>30</sup> If the transaction would not violate a statute or rule, the Commission considers whether it could result in public interest harms by substantially frustrating or impairing the objectives or implementation of the Act or related statutes.<sup>31</sup> The Commission then employs a balancing process, weighing any potential public interest harms of the proposed transaction against any potential public interest benefits.<sup>32</sup> The applicants bear the burden of proving, by a preponderance of the evidence, that the proposed transaction, on balance, would serve the public interest.<sup>33</sup> If the Commission is unable to find that the proposed transaction serves the public interest, or if the record presents a substantial and material question of fact, Section 309(e) of the Act requires that the applications be designated for hearing.<sup>34</sup> Based on the record before us and upon denial of the Petition to Deny, we find grant of the transaction is in the public interest, as required by Section 310(d) of the Act.

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affidavit or declaration was submitted by any officer or director of either organization claiming that either Free Press or PPFP had members in the relevant communities.

<sup>28</sup> Dreamcatcher asked us not to treat the petitioners as informal objectors and dismiss the Petition with respect to WNEP-TV. We believe it is more administratively efficient and consistent with precedent to treat the Petitioners and consider their arguments fully with regard to all of the stations.

<sup>29</sup> Section 310(d) requires that the Commission consider the applications as if the proposed transferee were applying for the licenses directly. 47 U.S.C. § 310(d). See *SBC Communications Inc. and AT&T Corp. Applications for Approval of Transfer of Control*, 20 FCC Rcd 18290, 18300 ¶ 16 (2005) (“*SBC-AT&T Order*”); *Verizon Communications, Inc. and MCI, Inc. Applications for Approval of Transfer of Control*, 20 FCC Rcd 18433, 18442-43 ¶ 16 (2005) (“*Verizon-MCI Order*”); *Applications of Nextel Communications, Inc. and Sprint Corporation*, 20 FCC Rcd 13967, 13976 ¶ 20 (2005) (“*Sprint-Nextel Order*”); *News Corp.-Hughes Order*, 19 FCC Rcd at 483 ¶ 15; *Comcast-AT&T Order*, 17 FCC Rcd at 23255 ¶ 26.

<sup>30</sup> See, e.g., *SBC-AT&T Order*, 20 FCC Rcd at 18300 ¶ 16; *Verizon-MCI Order*, 20 FCC Rcd at 18442-43 ¶ 16; *Applications for Consent to the Assignment of Licenses Pursuant to Section 310(d) of the Communications Act from NextWave Personal Communications, Inc., Debtor-in-Possession, and NextWave Power Partners, Inc., Debtor-in-Possession, to Subsidiaries of Cingular Wireless LLC*, 19 FCC Rcd 2570, 2580-81 ¶ 24 (2004); *EchoStar Communications Corp., General Motors Corp. and Hughes Electronics Corp., and EchoStar Communications Corp., Hearing Designation Order*, 17 FCC Rcd 20559, 20574 ¶ 25 (2002) (“*EchoStar-DIRECTV HDO*”).

<sup>31</sup> See *SBC-AT&T Order*, 20 FCC Rcd at 18300 ¶ 16; *Verizon-MCI Order*, 20 FCC Rcd at 18443 ¶ 16; *Sprint-Nextel Order*, 20 FCC Rcd at 13976 ¶ 20.

<sup>32</sup> See *SBC-AT&T Order*, 20 FCC Rcd at 18300 ¶ 16; *Verizon-MCI Order*, 20 FCC Rcd at 18443 ¶ 16; *Sprint-Nextel Order*, 20 FCC Rcd at 13976 ¶ 20; *News Corp.-Hughes Order*, 19 FCC Rcd at 483 ¶ 15; *Comcast-AT&T Order*, 17 FCC Rcd at 23255 ¶ 26.

<sup>33</sup> See *SBC-AT&T Order*, 20 FCC Rcd at 18300 ¶ 16; *Verizon-MCI Order*, 20 FCC Rcd at 18443 ¶ 16; *Comcast-AT&T Order*, 17 FCC Rcd at 23255 ¶ 26; *EchoStar-DIRECTV HDO*, 17 FCC Rcd at 20574 ¶ 25.

<sup>34</sup> 47 U.S.C. § 309(e); see also *News Corp.-Hughes Order*, 19 FCC Rcd at 483 n.49; *EchoStar-DIRECTV HDO*, 17 FCC Rcd at 20574 ¶ 25.

10. The Commission applies a two-step analysis when it evaluates a petition to deny under the public interest standard.<sup>35</sup> First, we must determine whether the petition contains specific allegations of fact sufficient to show that granting the application would be *prima facie* inconsistent with the public interest.<sup>36</sup> The first step “is much like that performed by a trial judge considering a motion for directed verdict: if all the supporting facts alleged...were true, could a reasonable fact finder conclude that the ultimate fact in dispute had been established.”<sup>37</sup> If the specific allegations make a *prima facie* case, we next examine and weigh the evidence presented, to determine “whether the totality of the evidence raises a substantial and material question of fact justifying further inquiry.”<sup>38</sup> If no such question is raised, the Commission will deny the petition and grant the application if it concludes that such grant otherwise serves the public interest, convenience, and necessity.

### C. Cross Ownership Rules

11. The underlying premise of Free Press and PFP’s Petition is that the Dreamcatcher Stations will be operated as though Tribune owned them outright by virtue of the SSA between the two companies and, therefore, Tribune will be in violation of the NBCO Rule in the Norfolk/Portsmouth/Newport News, VA DMA where WTKR(TV) and WGNT(TV) are located, and in the Wilkes-Barre/Scranton/Hazleton, PA DMA, where WNEP-TV is located.<sup>39</sup> It is the view of Petitioners that the SSAs serve as an evasion of the local ownership rules and that grant of the applications would be inconsistent with the public interest.

12. Under the SSAs, Tribune will provide services in five basic areas:

- Technical Services, including monitoring, maintenance, and repair, subject to Dreamcatcher’s direction, provided that Dreamcatcher shall be responsible for all capital and equipment replacement and expenditures. Tribune will also provide an engineer on a contract basis.
- Promotional and Other Services, including maintaining the station’s website and mobile applications, provided that Dreamcatcher shall have the right to supplement these efforts.
- Back Office and Related Services, including payroll.
- Assistance with Distribution Matters, including, at Dreamcatcher’s request, assisting in the negotiation of retransmission consent or other carriage agreements, subject to Dreamcatcher’s approval.
- Delivered Programming, which shall be no more than 25 hours or 15% of the Station’s broadcast hours in any given week.<sup>40</sup>

<sup>35</sup> 47 U.S.C. §309(d)(1), (2); *Astroline Communications Co. Ltd. Partnership v. FCC*, 857 F.2d 1556, 1561 (D.C. Cir. 1988).

<sup>36</sup> 47 U.S.C. §§309(d)(1) and 310(d).

<sup>37</sup> *Gencom, Inc. v. FCC*, 832 F. 2d 171, 181 (D.C. Cir. 1987).

<sup>38</sup> *Citizens for Jazz on WRVR v. FCC*, 775 F.2d 392, 395 (D.C. Cir. 1985).

<sup>39</sup> The Petition states that both of these markets are ranked below the top twenty DMAs. As a result, cross-ownership of the affected properties would be prohibited under the version of the NBCO Rule currently proposed in 2010 *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*, Notice of Proposed Rulemaking, FCC 11-186, 26 FCC Rcd 17489, 17519 (“2010 Quadrennial Review”) as well as under our current rules.

<sup>40</sup> *WNEP-TV Application*, Shared Services Agreement at 4-5.

Tribune will not have a role in the sale of advertising time by the stations.<sup>41</sup> Dreamcatcher is responsible for maintaining its main studio, for meeting the stations' financial obligations, and for determining the programming to be carried on the stations.<sup>42</sup> Tribune has no right "to control the policies, operations, management or any other matter relating to" the Stations.<sup>43</sup>

13. Petitioners state that this proceeding provides an opportunity to "reestablish meaningful local ownership limits."<sup>44</sup> Petitioners assert that the five basic areas where Tribune will provide services under the SSAs indicate Tribune's control of the stations.<sup>45</sup> Petitioners also state that Dreamcatcher was incorporated shortly after the announcement of the Tribune/Local TV transaction and that Dreamcatcher will be headed by Ed Wilson, the former president of Tribune Broadcasting and chief revenue officer of Tribune.<sup>46</sup> Petitioners contend that it is clear from the SPA<sup>47</sup> that Tribune controls Dreamcatcher because Tribune is causing the assignment of the stations to Dreamcatcher.<sup>48</sup> Also, Petitioners claim that Dreamcatcher has no right of recourse against Local TV if the contract is breached.<sup>49</sup> Petitioners also claim that the SSAs, which are substantially similar, specify only three services that will not be shared: (1) Senior Management Personnel; (2) Control; and (3) Advertising Sales. Petitioners claim that these provisions were added to prevent Tribune from appearing to be the station owner, but that it will play a key role in the operation of all three areas.<sup>50</sup> Although Petitioners go on to discuss what areas of station operations Tribune is responsible for under the SSAs, they do not specify how Tribune is involved in the areas specifically excluded from shared control.<sup>51</sup>

14. In opposition, the Applicants state that Petitioners have misstated the relationship between Tribune and Dreamcatcher and have misinterpreted the relevant law. The Applicants state that, under the SPA, Tribune has divested all of its rights with respect to the Dreamcatcher station licenses.<sup>52</sup> They also state that Mr. Wilson, who will head Dreamcatcher is an experienced broadcaster, who has served as President of the Fox Television Network, President and CEO of CBS Enterprises, and President of NBC Enterprises, in addition to having been President of Tribune.<sup>53</sup> Furthermore, they state that, he has not been employed, paid by, or provided services to Tribune since he left the company in 2010, contrary to the

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<sup>41</sup> Dreamcatcher Opposition at 5.

<sup>42</sup> *Id.* at 6.

<sup>43</sup> *Id.*

<sup>44</sup> Petition at 5.

<sup>45</sup> *Id.* at 6.

<sup>46</sup> *Id.*

<sup>47</sup> Petitioners refer to the SPA as the Asset Purchase Agreement ("APA").

<sup>48</sup> Petition at 6.

<sup>49</sup> *Id.* Petitioners do not explain why Dreamcatcher would have no right of recourse against Local TV in light of the fact that Tribune assigned its rights under the SPA to Dreamcatcher. They also do not explain why, if Dreamcatcher theoretically had no right of recourse against Local TV, it would have none against Tribune. Instead, they make a conclusory statement that Dreamcatcher appears to have no rights at all.

<sup>50</sup> *Id.*

<sup>51</sup> *Id.* at 7. The proper forum in which to seek changes in the way the Commission treats SSAs in general is a rulemaking.

<sup>52</sup> Tribune Opposition at 6.

<sup>53</sup> Local TV Opposition at 4.

implications made by Petitioners.<sup>54</sup> The Applicants argue that the back office functionality, technical, and engineering services that Tribune will provide to Dreamcatcher under the SSA are routinely approved as elements of non-attributable operating agreements.<sup>55</sup>

15. We disagree with Petitioners that the facts here show that Tribune will be operating the Dreamcatcher Stations as though it owned them outright. Dreamcatcher will be run by a highly experienced broadcaster, with established independence from Tribune. We do not find anything suspect in the fact that, several years ago, he was associated with the company. Tribune is only one of several broadcasters with whom he has held senior positions and he has not been employed by Tribune for three years.

16. When looking at the terms of the SSAs themselves, we find them consistent with our precedent. The programming limits in the SSAs are consistent with those that have been approved in similar arrangements for over a decade.<sup>56</sup> The types of engineering and back-office support provided for in the SSAs are consistent with those we have approved in the past.<sup>57</sup> We have also found that SSAs that contemplate cooperation in the negotiation of retransmission consent agreements do not inherently result in the abdication of licensee control.<sup>58</sup> Finally, we note that in the area of station promotions the SSAs specifically permit the Licensee to engage in promotions independent of the SSA provider. Petitioners do not explain why it is relevant that Dreamcatcher was created shortly after the transaction was announced and we do not find it relevant. New entities may be created in the context of a multi-station transaction to facilitate the overall transaction without there being any inherently improper purpose. Without more, the fact of their creation is not persuasive.

17. Free Press has filed comments in the *2010 Quadrennial Review* on this issue and its comments will be considered in that proceeding.<sup>59</sup> We decline Petitioners' invitation to use this transaction as a vehicle to change Commission policy regarding such cooperative agreements.<sup>60</sup> We find that the SSAs at issue here are fully compliant with our precedent and do not implicate our attribution rules. Therefore,

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<sup>54</sup> Dreamcatcher Opposition at 7.

<sup>55</sup> Citing *Nexstar Broadcasting, Inc.*, Letter, 23 FCC Rcd 3528, 3535 (Video Div. 2008) ("Shared services agreements covering technical and other back-office operations typically do not raise an issue under the Commission's attribution rules.")

<sup>56</sup> See, e.g., *SagamoreHill of Corpus Christi Licenses, LLC*, Letter, 25 FCC Rcd 2809, 2814 (Med. Bur. 2010); *Nexstar Broadcasting, Inc.*, Letter, 23 FCC Rcd 3528, 3533, 3535 (Vid. Div. 2008) (citing 15% programming threshold for attribution in *Review of Commission's Regulations Governing Attribution of Broadcast and CBS/MDS Interests*, Report and Order, 14 FCC Rcd 12559 (1999) ("1999 Attribution Order")).

<sup>57</sup> See, e.g. *Nexstar*, 23 FCC Rcd at 335 ("Shared services agreements covering technical and other back-office operations typically do not raise an issue under the Commission's attribution rules.") *WGPR, Inc.*, Memorandum Opinion and Order, 10 FCC Rcd 8140, 8144 (1995) (providing engineering support not evidence of control over station).

<sup>58</sup> See *ACME Television Licenses of Ohio, LLC*, Letter, 26 FCC Rcd 5198 (2011); *Free State Communications, LLC*, Letter, 26 FCC Rcd 10310 (2011).

<sup>59</sup> *2010 Quadrennial Review*, 26 FCC Rcd 17565.

<sup>60</sup> In our decision today in *In re: Applications for Consent to Transfer of Control from Shareholders of Belo Corp. to Gannett Co., Inc., et al.*, MB Docket 13-189, DA 13-2423, Memorandum Opinion and Order (Med. Bur. 2013), at paras. 29-30, we stress that "applicants and interested parties should not forget that our public interest mandate encompasses giving careful attention to the economic effects of, and incentives created by, a proposed transaction taken as a whole and its consistency with the Commission's policies under the Act, including our policies in favor of competition, diversity, and localism." Citing *1999 Attribution Order*, 14 FCC Rcd at 12581, para. 44.



they do not impact the NBCO Rule.<sup>61</sup> The Petitioners have failed to raise a substantial and material question of fact as to how the transaction would violate the Commission's rules.

#### D. The UHF Discount

18. Under our Rules, an attributable entity may own or operate stations that serve no more than 39% of the nation's television households.<sup>62</sup> When calculating the total audience share reached by an entity, UHF television stations are attributed with 50% of the television households in their DMA market.<sup>63</sup>

19. Petitioners state that they have calculated that Tribune post-transaction, when including the Dreamcatcher Stations, would reach 44 percent of the nation's TV households absent the UHF discount.<sup>64</sup> They state that absent the UHF discount the Dreamcatcher Stations account for 1.1% of the actual population coverage and 0.55% of the discounted total.<sup>65</sup> They also state that application of the UHF discount yields a national coverage figure of 27%.<sup>66</sup> Petitioners argue that the UHF discount is obsolete and that we should condition any grant of the applications on the outcome of a future rulemaking on the subject.<sup>67</sup>

20. The Applicants argue that we should not condition the outcome of our action here on a hypothetical future rulemaking.<sup>68</sup> However, we have commenced a rulemaking on this subject.<sup>69</sup> The *UHF Discount NPRM* was adopted and released on September 26, 2013, slightly over two months after the filing of these applications. Although the *UHF Discount NPRM* does tentatively conclude that the UHF discount is obsolete and proposes that it be abolished from the local television multiple ownership rule,<sup>70</sup> it also proposes to grandfather any station combinations that would exceed the proposed 39 percent cap as a result of the elimination of the discount for which an application was pending with the Commission at the time the NPRM was released.<sup>71</sup>

21. In light of the pendency of the *UHF Discount NPRM*, which proposes to abolish the UHF discount, as Petitioners request, but which also proposes to grandfather applications such as those before us here, we will condition our decision on Tribune coming into compliance with the results of that rulemaking. We have already held that the Dreamcatcher Stations are not attributable, so their audience

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<sup>61</sup> Petitioners argue that their Petition must be referred to the full Commission for consideration because it presents "novel questions of law, fact or policy that cannot be resolved under existing precedents and guidelines." Citing 47 C.F.R. § 0.283(c). This argument is misplaced. In order to resolve the NBCO issue at the heart of the Petition, the Division has to determine whether the SSAs at issue conform to existing Commission precedent. If they do, they are not attributable and the petition is without merit on that issue. As discussed herein, they do conform to precedent with the result that the petition is without merit and does not present any novel question of law.

<sup>62</sup> 49 C.F.R. § 73.3555(e)(1).

<sup>63</sup> 47 C.F.R. § 73.3555(e)(2)(ii).

<sup>64</sup> Petition at 8.

<sup>65</sup> *Id.*

<sup>66</sup> *Id.*

<sup>67</sup> *Id.*

<sup>68</sup> See, e.g., Local TV Opposition at 7.

<sup>69</sup> *In the Matter of the Amendment of Section 73.3555(e) of the Commission's Rules, National Television Multiple Ownership Rule*, Notice of Proposed Rulemaking, FCC 13-123, WL 5405397 (2013).

<sup>70</sup> *Id.* at ¶ 18.

<sup>71</sup> *Id.* at ¶ 20.

share will not play any part in any calculations Tribune might be required to make pursuant to the outcome of the *UHF Discount NPRM*.

#### IV. FAILING STATION WAIVER

22. Tribune has requested a continuing “failing station” waiver for KNXW(TV), Eureka Springs, Arkansas pursuant to Note 7 of Section 73.3555 of the Commission’s Rules.<sup>72</sup> Currently, Local TV operates both KFSM-TV, Fort Smith, Arkansas and KNXW(TV), which are both located in the Fort Smith-Fayetteville, Springdale-Rodgers, Arkansas DMA.<sup>73</sup> The waiver request is unopposed. For the reasons stated below, we grant the waiver.

23. Under section 73.3555(b)(2) of the Rules,<sup>74</sup> two television stations licensed in the same DMA that have Grade B<sup>75</sup> overlap may be commonly owned if: (1) at least one of the stations is not ranked among the top four stations in the DMA; and (2) at least eight independently owned and operating, full power commercial and non-commercial educational television stations would remain in the DMA after the merger.<sup>76</sup> Although of the two stations, only KFSM-TV is ranked in the top-four, there are fewer than eight (8) independent television voices in the DMA and a waiver is required for co-ownership of the stations.

24. The Commission’s *Local Ownership Order* established the criteria for a waiver of the television duopoly rule for a “failing” station, as one that has been struggling for “an extended period of time both in terms of its audience share and financial performance.”<sup>77</sup> These criteria are:

- a) One of the merging stations has had a low all-day audience share (*i.e.* 4% or lower);
- b) The financial condition of one of the merging stations is poor. “A waiver is more likely to be granted where one...of the stations has had a negative cash flow for the previous three years;”
- c) The merger will produce public interest benefits. “A waiver will be granted where the applicant demonstrates that the tangible and verifiable public interest benefits of the merger outweigh any harm to competition and diversity;” and
- d) The in-market buyer is the only reasonably available candidate willing and able to acquire and operate the station and selling the station to an out-of-market buyer would result in an artificially depressed price.<sup>78</sup>

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<sup>72</sup> 47 C.F.R. § 73.3555, n. 7.

<sup>73</sup> *KFSM-TV Application*, Exhibit 20 at 1.

<sup>74</sup> 47 C.F.R. § 73.3555(b)(2)(“the Duopoly Rule”).

<sup>75</sup> The stations’ historic analog Grade B contours overlapped. In these circumstances, absent substantial evidence of relevant change in the service area of the stations whose analog contours conflicted with the television duopoly rule, we will presume continued conflict with the rule for those stations in digital mode. *Application of Tribune Co. & Its Licensee Subsidiaries, Debtors in Possession, et al.*, Memorandum Opinion and Order, 27 FCC Rcd 14239, 14257 fn 123 (MB 2012).

<sup>76</sup> 47 C.F.R. § 73.3555(b)(2).

<sup>77</sup> *Review of the Commission’s Regulations Governing Television Broadcasting, Report and Order*, 14 FCC Rcd 12903, 12938 (1999)(“*Local Ownership Order*”), *recon. granted in part*, 16 FCC Rcd 1067 (2001).

<sup>78</sup> *Local Ownership Order*, 14 FCC Rcd at 12938-40.

If the Applicant satisfies each criterion, a waiver of the rule will be presumed to be in the public interest.

25. In January, 2012, Local TV received a failing station waiver permitting it to acquire KXNW(TV)<sup>79</sup> and it has operated pursuant to that waiver since then. In the *Riverside Media* decision, we noted that the station had historically failed to report a measurable audience share.<sup>80</sup> Since Local TV's acquisition of the station and through the February 2013 sweeps period, based on reports by Nielsen Media Research, the station continued not to have a measurable audience share.<sup>81</sup> In May 2013, it managed to achieve an audience share of 2%.<sup>82</sup> The station's persistent failure to achieve an audience share at the 4% benchmark satisfies the first criterion of the failing station standard.

26. The second prong of the failing station waiver standard focuses on the station's financial performance. The record in *Riverside Media* demonstrated that the station's negative cash flow started as early as 2009.<sup>83</sup> The applicants have demonstrated on the record that the station has continued to demonstrate net losses up through the first half of 2013, satisfying the second prong of the test.<sup>84</sup>

27. The third prong of the standard looks at the public interest benefits that would accrue from grant of the waiver. Since KXNW(TV) was acquired by Local TV it has expanded its programming service and now includes local news and weather programming, which it did not carry before.<sup>85</sup> The station also carries locally produced programming, including programming focused on local business and politics, local sports, local events and a local church service.<sup>86</sup> The combined operations have also resulted in investments in new equipment including a new transmitter and other equipment upgrades which have enabled the station to broadcast in high definition digital format.<sup>87</sup> Tribune has committed to ensuring that these benefits from combined operations continue.<sup>88</sup>

28. The final prong of the test is that the in-market buyer is the only reasonably available candidate willing and able to acquire and operate the station and that selling the station to an out-of-market buyer would result in an artificially depressed price. In *Riverside Media*, we found that efforts undertaken to sell the station on a stand-alone basis to an out-of-market buyer were sufficient to meet this standard.<sup>89</sup> The applicants have included a Declaration dated July 12, 2013, from John Momtazee of Moelis & Company, a "global investment bank that provides financial advisory, capital raising and asset management services...in the television and media industries" describing the how 72 buyers were approached regarding the potential purchase of Local TV in whole or in part and how none expressed an interest in KXNW(TV) on a stand-alone basis.<sup>90</sup> Mr. Momtazee goes on to explain that, based on KXNW(TV)'s poor financial performance, the significant financial expenditures required to operate it on a

<sup>79</sup> *Riverside Media*, LCC, Letter, 26 FCC Rcd 16038 (2011)(The station's call sign at the time was KPBI(TV).)

<sup>80</sup> *KFSM-TV Application*, Exhibit 20 at 2-3.

<sup>81</sup> *Id.*

<sup>82</sup> *Id.*

<sup>83</sup> *Riverside Media*, 26 FCC Rcd at 16039.

<sup>84</sup> *KFSM-TV Application*, Exhibit 20 at 3.

<sup>85</sup> *Id.* at 4.

<sup>86</sup> *Id.* at 5.

<sup>87</sup> *Id.*

<sup>88</sup> *Id.*

<sup>89</sup> *Riverside Media*, 26 FCC Rcd at 16039-40.

<sup>90</sup> *KFSM-TV Application*, Exhibit 20, Attachment C.

stand-alone basis, and current economic and competitive environment, “it is unlikely that KXNW(TV) could be sold to an out-of market” buyer.<sup>91</sup>

29. A station’s qualification for a “failing” station waiver is reviewed on a “case-by-case basis.”<sup>92</sup> Based on the totality of the circumstances and the unique structure of this individual transaction,<sup>93</sup> we find that the Applicants have made an adequate showing. Mr. Momtazee’s evaluation is indicative of the due diligence that a licensee customarily engages in when actively determining the feasibility of selling a station. Note 7 of Section 73.5555 of the Commission’s rules identifies *one way* to demonstrate compliance with the fourth criterion is to include “an affidavit from an independent broker affirming that active and serious efforts have been made to sell the permit and that no reasonable offer from an entity outside the market has been received” (*emphasis added*).<sup>94</sup> Our rules do not identify this as the only way. We find that in the context of this transaction it would be contrary to the public interest to require a licensee to needlessly go through the process of putting its “failing” station up for sale when an independent broker, as part of the due diligence process and based on actual, recent, and comparable market data, has concluded that an in-market buyer is the only reasonable candidate to buy the station and that selling to an out-of-market buyer would result in an artificially depressed price.

30. Based on the showings submitted under the “failing” station waiver standard established in the *Local Ownership Order*,<sup>95</sup> we are persuaded that continuation of KXNW’s “failing” station waiver is warranted. We find that continued combined operations of KXNW(TV) and KFSM-TV will pose minimal harm to our diversity and competition goals because KXNW(TV)’s financial situation hampers its ability to be a viable voice in the market absent a “failing” station waiver. Under these circumstances, allowing the continuation of the combined ownership, which has already resulted in improved news and public affairs coverage, will benefit the public interest.

## V. SATELLITE WAIVER

31. Tribune has requested authorization to continue operating KFTC(TV), Ft. Collins, Colorado, as a full power “satellite” of KDVR(TV), Denver, Colorado.<sup>96</sup> The request is unopposed. For the reasons stated below, we grant the requested “satellite” waiver.

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<sup>91</sup> *Id.*

<sup>92</sup> 47 C.F.R. § 73.3555, Note 7.

<sup>93</sup> *Applications of Tribune Company and Its Licensee Subsidiaries, Debtors-in-Possession, et al.*, 27 FCC Rcd 14239, 14261 (MB 2012)(Finding that under the totality of the circumstances predictive judgments by brokers or analysts, may be sufficient in some unique circumstances for demonstrating compliance with the fourth criterion.).

<sup>94</sup> 47 C.F.R. § 73.3555, Note 7.

<sup>95</sup> *Local Ownership Order*, 14 FCC Rcd at 12938-40.

<sup>96</sup> *KDVR Application*, Exhibit 20. Tribune, through its subsidiary KWGN LLC, currently owns KWGN-TV, Denver, Colorado. Tribune has submitted evidence that the co-ownership of KWGN-TV, KDVR(TV) and KFTC(TV) as a satellite of KDVR(TV) would comply with the Duopoly Rule. See ¶ 23 *supra*; *KDVR Application*, Exhibit 20 at 5 and Attachment C. Oaktree Capital Group Holdings GP, LLC (“Oaktree”) has an attributable interest in Tribune through certain affiliated funds. *KDVR Application*, Exhibit 20 at 1. It also has an attributable interest in Townsquare Media, LLL, which in turn holds an attributable interest in four Denver-area radio stations, KMAX-FM, Wellington, CO; KTRR(FM), Loveland, CO; and KUAD-FM, Windsor, CO; and KOWB, Laramie, WY. Tribune has submitted evidence demonstrating that Oaktree’s attributable interest in these stations conforms with the Radio-TV Cross Ownership Rule, 47 C.F.R. § 73.3555(c), which limits the number of television and radio stations that can be owned in a market. *KDVR Application*, Exhibit 20, p. 1-2, 6 and Attachment D.

32. In *Television Satellite Stations*,<sup>97</sup> the Commission established the requirement that all Applicants seeking to transfer or assign satellite stations justify continued satellite status by demonstrating compliance with a three-part "presumptive" satellite waiver standard applicable to new satellite stations. The presumptive satellite exemption is met if the following three public interest criteria are satisfied: (1) there is no City Grade overlap between the parent and the satellite; (2) the proposed satellite would provide service to an underserved area; and (3) no alternative operator is ready and able to construct or to purchase and operate the satellite as a full-service station.<sup>98</sup> If an applicant does not qualify for the presumption, the Commission will evaluate the proposal on an *ad hoc* basis and grant the application if there are compelling circumstances that warrant approval.<sup>99</sup>

33. With respect to the first criterion, we note that, following the digital transition, full power television stations have a digital Principal Community Contour that serves a much larger area than their former analog City Grade contour. Thus, the Principal Community Contour is not an equivalent standard to use in determining whether a satellite qualifies for the presumptive satellite exemption to the duopoly rule.

34. Under the second criterion, Tribune has demonstrated compliance using our "transmission test" in order to show that the proposed satellite community is underserved. The "transmission test" deems an area underserved if there are two or fewer full-service television stations licensed to a proposed satellite's community of license.<sup>100</sup> The "transmission test" is satisfied here because KFTC(TV) is the only full-power station licensed to Ft. Collins and the second criterion is satisfied.

35. Regarding the third criterion, the applicant must show that no alternative operator is ready and able to assume operation of the satellite station as a full-service station. The applicants do not present any evidence that they have attempted to sell KFTC(TV) separately as a full-service station. Instead, Tribune argues that "finding a buyer to operate the station on a stand-alone basis is not feasible."<sup>101</sup> In support of this contention, Tribune provides the Statement dated July 12, 2013 of John Momtazee of Moelis.<sup>102</sup> Mr. Momtazee states that Moelis approached 72 buyers regarding a purchase of Local TV in whole or in part and that none expressed an interest in KFTC(TV) as a stand-alone station.<sup>103</sup> To the knowledge of Moelis, all parties evaluated KFTC(TV) as a satellite of KDVR(TV) and Moelis would not recommend that KFTC(TV) be marketed as a stand-alone station.<sup>104</sup>

36. Based on our review of the materials submitted, we find that the applicants have not met our "presumptive" satellite standard. Nonetheless, the Applicants have provided sufficient information to authorize KFTC(TV)'s continued satellite operation under our *ad hoc* analysis. The station has operated as a satellite since it commenced operations in 1995 and the Commission's recent approval of the station for

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<sup>97</sup> *Television Satellite Stations Review of Policies and Rules*, Report and Order, 6 FCC Rcd 4212 (1991) (subsequent history omitted) ("*Television Satellite Stations*").

<sup>98</sup> *Id.* at 4213-14.

<sup>99</sup> *Id.* at 4214; *Tribune I*, FCC Rcd 21281-83 (satellite waiver granted on an *ad hoc* basis); *Ion Media Network Liquidating Trust*, Memorandum Opinion and Order, 24 FCC Rcd 14579 (MB 2009) (satellite waiver granted on an *ad hoc* basis); *Selenka Communications, LLC*, Memorandum Opinion and Order, 25 FCC Rcd 278 (MB 2009) (satellite waiver granted on an *ad hoc* basis).

<sup>100</sup> *Television Satellite Stations*, 6 FCC Rcd at 4215.

<sup>101</sup> *KDVR Application*, Exhibit 20 at 4.

<sup>102</sup> *KDVR Application*, Exhibit 20, Attachment A.

<sup>103</sup> *Id.*

<sup>104</sup> *Id.*

continued satellite operation<sup>105</sup> constitute compelling circumstances justifying a continuing “satellite exemption” to the television ownership rule. We see no evidence in the record that the “satellite exemption” will harm competition in the market. Indeed, we find that the “satellite exemption” will benefit the public interest by encouraging investment in the broadcast industry and promoting access to broadcast services where without the satellite waiver it may otherwise not be feasible. For the reasons discussed above, we find that grant of a continuing “satellite exemption” to our local multiple ownership for KFTC(TV) to operate as a satellite of KDVR(TV) is in the public interest.

## VI. RENEWALS

37. It is Commission policy, in multi-station transactions, to grant transfer of control applications while renewal applications are pending as long as there are no basic qualification issues pending against the transferor or transferee that could not be resolved in the context of the transfer proceeding, and the transferee explicitly assents to standing in the stead of the transferor in the pending renewal proceeding.<sup>106</sup> Some of the Local TV licensees have applications pending before the Commission for renewal of broadcast licenses. None of these renewals have matters currently pending present a basic character qualification.<sup>107</sup> Tribune and Dreamcatcher have submitted statements explicitly agreeing to stand in the stead of the assignor in any renewal application that is pending at the time of the consummation of the transfer. Therefore, we will apply the policy set out in *Shareholders of CBS* to those applications. We recognize that other stations to be transferred to Tribune may need to file their renewal applications prior to closing. This situation is also encompassed by the precedent established by *Shareholders of CBS*.<sup>108</sup>

38. We have reviewed the transfer of control applications, the petition to deny, and related pleadings. We conclude that the transferees are fully qualified to hold the licenses and that grant of the applications, with the waivers granted herein, will serve the public interest, convenience, and necessity.

## VII. ORDERING CLAUSES

39. **ACCORDINGLY, IT IS ORDERED** That the petition to deny filed by Free Press and Put People First PA **IS GRANTED TO THE EXTENT STATED HEREIN AND OTHERWISE DENIED.**

40. **IT IS FURTHER ORDERED** That the Transferee’s requests for waiver of the local television multiple ownership rules, 47 C.F.R. § 73.3555(b)(3), to permit the common ownership of station, KFSM-TV, Ft. Smith, Arkansas and KXNW(TV), Eureka Springs, Arkansas, pursuant to Note 7 of that rule, and to permit satellite operation of station KFTC(TV), Ft. Collins, Colorado, pursuant to Note 5 of that rule **ARE GRANTED.**

41. **IT IS FURTHER ORDERED** That the applications for the transfer of control (FCC Form 315) of certain licensee subsidiaries of Local TV Holdings, LLC to Tribune Broadcasting Company II, LLC and Dreamcatcher Broadcasting, LLC listed in Exhibit 1 hereto **ARE GRANTED Subject To** coming into compliance, as needed, with the requirements of the outcome of a final order *In the Matter of the Amendment of Section 73.3555(e) of the Commission’s Rules, National Television Multiple Ownership Rule*, Notice of Proposed Rulemaking, FCC 13-123, WL 5405397 (2013).

<sup>105</sup> *Foxco Acquisition Sub, LLC*, Letter, 23 FCC Rcd 9076 (2008).

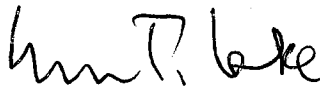
<sup>106</sup> *Shareholders of CBS Corporation*, 16 FCC Rcd 16072, 16072-73.

<sup>107</sup> The pending renewal for WNEP-TV is for the previous renewal cycle. See File No. BRCT- 20070329AKM.

<sup>108</sup> See *Cumulus Media, Inc. and Citadel Broadcasting Corp.*, Memorandum Opinion and Order, 26 FCC Rcd 12956, 12959 (2011).

42. These actions are taken pursuant to Section 0.61 and 0.283 of the Commission's rules, 47 C.F.R. §§ 0.61, 0.283, and Sections 4(i) and (j), 303(r), 309, and 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j), 303(r), 309, 310(d).

Federal Communications Commission

A handwritten signature in black ink, appearing to read "Wm T. Lake".

William T. Lake  
Chief, Media Bureau

## EXHIBIT 1

STATION	ID NO.	COMMUNITY	TRANSFEROR	TRANSFeree	FILE NO.
KDVR(TV)	126	Denver, CO	Community Television of Colorado, LLC	Tribune Broadcasting Company II, LLC	BTCCDT-20130715AER
KFCT(TV)	125	Ft. Collins, CO	Community Television of Colorado, LLC	Tribune Broadcasting Company II, LLC	BTCCDT-20130715AES
WJW(TV)	73150	Cleveland, OH	Community Television of Ohio, LLC	Tribune Broadcasting Company II, LLC	BTCCDT-20130715AGA
KTVI(TV) <sup>109</sup>	35693	St. Louis, MO	Community Television of Missouri, LLC	Tribune Broadcasting Company II, LLC	BTCCDT-20130715AFA
WDAF-TV <sup>110</sup>	11291	Kansas City, MO	WDAF License, Inc.	Tribune Broadcasting Company II, LLC	BTCCDT-20130715AGC
KTSU(TV)	22215	Salt Lake City, UT	Community Television of Utah, LLC	Tribune Broadcasting Company II, LLC	BTCCDT-20130715AGD
WITI(TV)	73107	Milwaukee, WI	Community Television of Wisconsin, LLC	Tribune Broadcasting Company II, LLC	BTCCDT-20130715AGO
KFOR-TV <sup>111</sup>	66222	Oklahoma City, OK	Local TV Oklahoma License, LLC	Tribune Broadcasting Company II, LLC	BTCCDT-20130715AFF
KAUT-TV	50182	Oklahoma City, OK	Local TV Oklahoma License, LLC	Tribune Broadcasting Company II, LLC	BTCCDT-20130715AFG
WTKR(TV)	47401	Norfolk, VA	Local TV Virginia License, LLC	Dreamcatcher Broadcasting, LLC	BTCCDT-20130715AGP

<sup>109</sup> KTVI(TV) will form a permissible duopoly with Tribune's KPLR-TV in the St. Louis, Missouri DMA. Community Television of Missouri License, LLC, Application for Consent to Transfer of Control of Entity Holding Broadcast Station Construction Permit or License (FCC Form 315), KTVI, ID No. 3693, File No. BTCCDT-2130715AFA, Exhibit 15A at 3, Exhibit 20.

<sup>110</sup> As noted in fn. 81, Oaktree has attributable interests in Tribune and Townsquare Media. Oaktree will have an attributable interest in one television station, WDAF-TV, via Tribune, and three radio stations, via Townsquare Media, in the Kansas City, Missouri DMA. The radio stations are KDSL(FM) and KSIS(AM), Sedalia, Missouri and KXXK(FM), Knob Noster, Missouri. Tribune has submitted evidence demonstrating that Oaktree's attributable interest in these stations conforms with the Radio-TV Cross Ownership Rule, 47 C.F.R. § 73.3555(c), which limits the number of television and radio stations that can be owned in a market *WDAF Application*, Exhibit 15A p. 3, Exhibit 20.

<sup>111</sup> KFOR-TV and KAUT-TV form a permissible duopoly in the Oklahoma City, OK DMA. Local TV Oklahoma License, LLC., Application for Consent to Transfer of Control of Entity Holding Broadcast Station Construction Permit or License (FCC Form 315), KOFT-TV, ID No. 66222, File No. BTCCDT-2130715AFF, Exhibit 15A p.3., Exhibit 20.



WGNT(TV)	9762	Portsmouth, VA	Local TV Virginia License, LLC	Dreamcatcher Broadcasting, LLC	BTCCDT- 20130715AGQ
WGHP(TV)	72106	High Point, NC	Community Television of North Carolina License, LLC	Tribune Broadcasting Company II, LLC	BTCCDT- 20130715AFE
WREG-TV	66174	Memphis, TN	Local TV Tennessee License, LLC	Tribune Broadcasting Company II, LLC	BTCCDT- 20130715AGB
WNEP-TV	73318	Scranton, PA	Local TV Pennsylvania License, LLC	Dreamcatcher Broadcasting, LLC	BTCCDT- 20130715AGR
WTVR-TV	57832	Richmond, VA	Community Television of Virginia License, LLC	Tribune Broadcasting Company II, LLC	BTCCDT- 20130715AGN
WHO-DT	66221	Des Moines, IA	Local TV Iowa License, LLC	Tribune Broadcasting Company II, LLC	BTCCDT- 20130715AFD
WHNT-TV	48693	Huntsville, AL	Local TV Alabama License, LLC	Tribune Broadcasting Company II, LLC	BTCCDT- 20130715AEN
WQAD-TV	73319	Moline, IL	Local TV Illinois License, LLC	Tribune Broadcasting Company II, LLC	BTCCDT- 20130715AEZ
KFSM-TV	66469	Ft. Smith, AR	Local TV Arkansas License, LLC	Tribune Broadcasting Company II, LLC	BTCCDT- 20130715AEU
KXNW(TV)	81593	Eureka Springs, AR	Local TV Arkansas License, LLC	Tribune Broadcasting Company II, LLC	BTCCDT- 20130715AEV

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