

## Compliance with Multiple Ownership and Cross Ownership Rules

The instant application seeks Commission consent to the assignment of Digital Television Station KMCC, Laughlin, Nevada (FIN: 41237), from Cranston Acquisition, LLC to Entravision Holdings, LLC (“Entravision”). As set forth below, the proposed assignment complies with the Commission’s multiple ownership and cross-ownership rules.

### I. Local Television Ownership

Entravision is the licensee of Digital Television Station KINC, Las Vegas, Nevada (FIN: 67089). Upon consummation of the transaction proposed in the application, Entravision will own two television stations in the Las Vegas Designated Market Area (“DMA”). KINC and KMCC are not among the top-four rated stations in the Las Vegas DMA, and, post-acquisition, there will be at least eight independently-owned and operating full-service television stations in the DMA. See Attachment A hereto. The proposed assignment therefore complies with the local television multiple ownership rule set forth in Section 73.3555(b) of the Commission’s Rules.

### II. National Television Ownership

Entravision’s acquisition of KMCC is in compliance with the national television ownership limit and, accordingly, the application should be granted on the basis that the Commission’s national television ownership rules are being complied with.

In *Amendment of Section 73.3555(e) of the Commission’s Rules, National Television Multiple Ownership Rule*, 31 FCC Rcd 10213 (“*UHF Discount R&O*”), the Commission abolished the UHF discount rule<sup>1</sup> while grandfathering existing television station groups in breach of the 39 percent national audience reach cap without benefit of the discount.<sup>2</sup> The Commission’s decision in *Shareholders of Hispanic Broadcasting Corporation*, 18 FCC Rcd 18834 (2003) (“*HBC Order*”), contained a determination that attribution existed between Entravision and the television stations (but not the radio stations) of Univision Communications, Inc. (“Univision”), the operator of certain broadcast television networks.

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<sup>1</sup> Pursuant to the UHF discount rule, television stations broadcasting in the UHF spectrum were attributed with only 50 percent of the households in their DMAs.

<sup>2</sup> Entravision notes that the *UHF Discount R&O* is currently the subject of a reconsideration proceeding before the Commission. See *Petition for Reconsideration of Action in Rulemaking Proceeding*, 81 Fed. Reg. 89424 (Dec. 12, 2016). Parties have also appealed the *UHF Discount R&O* in the D.C. Court of Appeals. See *Twenty-First Century Fox Inc. v. F.C.C.*, D.C. Cir., No. 16-01324 (complaint filed 9/16/16). There is significant discussion in broadcast industry trade journals that the Commission will reconsider and reverse the removal of the UHF discount. *Communications Daily*, p. 6-7 (February 2, 2017).

Entravision submits that its acquisition of KMCC does not alter current national audience reach of Entravision (together with attribution arising from Univision pursuant to the *HBC Order*) and does not affect the total national number of viewers served by Entravision (or Univision pursuant to the *HBC Order*), thereby not implicating the national ownership cap. KMCC is located within the Las Vegas DMA, where Entravision already owns and operates KINC, a Univision network affiliate. Entravision will not increase its national reach, by even a single viewer, through Entravision's acquisition of KMCC because Entravision already serves the entire population in question, both in Las Vegas and nationwide.

In other words, the national audience reach of Entravision and Univision, grandfathered in the *UHF Discount R&O*, will remain unchanged in composition and scope following Entravision's acquisition of KMCC. The proposed acquisition, which does not involve any increase in the number of viewers to be served, should therefore be deemed in compliance with Section 73.3555(e)(1) of the Commission's Rules.

In the alternative, Entravision respectfully requests waiver of the 39 percent cap in Section 73.3555(e)(1). The Commission may grant a waiver of its rules if the requesting party can demonstrate that the request would not undermine the purpose of the rule, and that, in view of the unique or unusual circumstances of the case at hand, granting the waiver would be in the public interest. *See* 47 C.F.R. § 1.3. *See also* *WAIT Radio v. F.C.C.*, 418 F.3d 1153, 1157 (D.C. Cir. 1969). Waiver of the 39 percent cap in the instant case will not undermine the rule. As noted above, Entravision already serves the Las Vegas DMA, via KINC, and neither Entravision's national audience reach nor Univision's will increase in any respect due to Entravision's acquisition of KMCC. Moreover, given the unusual nature of the instant case, a grant of a waiver will not set any rule-undermining or other form of precedent. As the Commission noted in the *UHF Discount R&O*, only a few television station owners have been affected by abolition of the UHF discount and waiver requests resulting from the recent change in policy should accordingly be few and far between (*UHF Discount R&O* at ¶ 53):

[P]arties may always petition the Commission for a waiver under our existing rules if they believe unique circumstances warrant a waiver in a particular case. However, we expect such circumstances to be rare and isolated given that only a few existing broadcast television station ownership groups will exceed the cap with the elimination of the discount.

In addition, Entravision submits that a waiver will benefit, rather than harm, the public interest. The public interest will be well served by Entravision's ownership owing to the improvements in service that Entravision will be able to bring to the operation of KMCC beginning on day one following consummation of the assignment. The current owner's financial difficulties have contributed to ongoing operational deficiencies and sidetracked necessary investments. A review of Nielsen audience measurement data evidences that KMCC has no

measurable viewing in terms or ratings or share. The public interest cannot be said to be served, let alone be well served, by a station that fails to appeal to the viewing public in a highly competitive television marketplace.

Entravision intends to apply its broadcasting resources and expertise to KMCC in order to improve the Station's service to the public, including the provisioning of local news (not presently offered by KMCC) through Entravision's existing Las Vegas-based local news operation<sup>3</sup> and a more diverse and robust entertainment programming. A proposed assignee offering such improvements to a Station with few viewers is providing a clear and decisive benefit to the public interest and, as in other instances, has supported the waiver of applicable rules in order to benefit the viewing public. *See In the Matter of Applications for Consent to Transfer Control of License Subsidiaries of Media General, Inc. from Shareholders of Media General, Inc. to Nextstar Media Group, Inc., et al.*, Memorandum Opinion and Order, DA 17-23 (rel. Jan. 11, 2017).

Accordingly, Entravision respectfully requests that the Commission either grant the instant application as being consistent with the national multiple ownership rules or, should it determine that the rules are applicable and the limits exceeded, waive, based on the unique circumstances presented in this application, the national audience reach cap set forth in Section 73.3555(e)(1), and grant the instant application.

#### Cross-Ownership

Entravision owns and operates two FM radio stations in the Las Vegas DMA, Station KQRT(FM), Las Vegas, Nevada (FIN: 51731) and Station KRRN(FM), Moapa Valley, Nevada (FIN: 27982). Post-acquisition, as evidenced by Attachment A hereto, there will be at least 20 independent voices in the Las Vegas DMA, and Entravision's ownership of two television stations and two FM radio stations would easily fall within the limits set in Section 73.3555(c) of the Commission's Rules, which allow the local cross-ownership of two television stations and two radio stations in the same service.

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<sup>3</sup> KINC's local news consists of two live newscasts, at 6 P.M. and 11 P.M. each weekday, along with regular news briefs. During the 2016 election cycle, KINC partnered with another English-language station in the Las Vegas television market to produce the only debate between the competing candidates for a Nevada seat in the United States Senate.

**ATTACHMENT A**

## MULTIPLE OWNERSHIP COMPLIANCE

The instant application complies with the Commission's local television multiple ownership and local television-radio cross-ownership rules:

### I. Local Television Multiple Ownership Rule

Entravision Holdings, LLC ("Entravision"), the proposed assignee of Station KMCC(TV), Laughlin, Nevada, is the licensee of Station KINC(FM), Las Vegas, Nevada. Entravision's proposed ownership of Stations KINC and KMCC complies with the Commission's television duopoly rule, which permits common ownership of two full-service television stations and two radio stations within the same DMA whose noise-limited service contours (NLSC, 41 dBu) overlap, provided that: (1) at least one of the two stations is not among the top-four ranked television stations in the DMA based on the most recent all-day (9 a.m. to midnight) audience share as measured by Nielsen Media Research, at the time the application is submitted, and (2) at least eight independently owned and operating full-service commercial and non-commercial TV stations will remain in the DMA post-transaction.

First, as described in Appendix A, the NLSC 41 dBu contours of KMCC and KINC overlap.

Second, KMCC is not a top-four station, based on the most recent all-day (9 a.m. to midnight) audience share, as measured by Nielsen Media Research. According to the most recent Nielsen rankings available at the time of submission of this application, KMCC failed to register any percentage whatsoever in the ratings, thereby placing it last among all of the full-service and one low-power television stations in the Las Vegas DMA.

Third, based on a review of the Commission's DTV database, reviewed at [http://licensing.fcc.gov/cdbs/cdbs\\_docs/pa/dtvsearch/dtv\\_search.cfm](http://licensing.fcc.gov/cdbs/cdbs_docs/pa/dtvsearch/dtv_search.cfm), eight independently owned and operating full-service commercial and non-commercial television stations will remain in the Las Vegas DMA after Entravision's consummation of the KMCC license assignment.

These eight stations are:

1. Station KBLR  
Paradise, Nevada  
FIN: 63768

Channel 39 (Virtual)

Licensee: Telemundo Las Vegas License LLC  
Network: Telemundo

2. Station KHSV  
Las Vegas, NV  
FIN: 69677

Channel 21 (Virtual)

Licensee: Channel 33, Inc.  
Network: Independent

3. Station KINC  
Las Vegas, NV  
FIN: 67089

Channel 15 (Virtual)

Licensee: Entravision Holdings, LLC  
Network: Univision

4. Station KLAS-TV  
Las Vegas, NV  
FIN: 35042

Channel 8 (Virtual)

Licensee: Nexstar Broadcasting, Inc.  
Network: CBS

5. Station KLVX(TV)  
Las Vegas, NV  
FIN: 11683

Channel 10 (Virtual)

Licensee: Clark County School District  
Network: NCE

6. Station KSNV(TV)  
Las Vegas, NV  
FIN: 10179

Channel 3 (Virtual)

Licensee: KUPN Licensee, LLC  
Network: NBC

7. Station KTNV-TV  
Las Vegas, NV  
FIN: 74100

Channel 13 (Virtual)

Licensee: Scripps Broadcasting Holdings LLC  
Network: ABC

8. Station KVVU-TV  
Henderson, NV  
FIN: 35870

Channel 5 (Virtual)

Licensee: KVVU Broadcasting Corporation  
Network: Fox

Based on this information, Entravision is in compliance with the local television multiple ownership rule.

## **II. Radio-Television Cross-Ownership**

The Commission's Radio-Television Cross-Ownership Rule is implicated in connection with the acquisition of KMCC. The application proposes a common attributable interest in two television stations and two radio stations having the overlapping contours as described in Section 73.3555(c)(1) of the Commission's rules. Section 73.3555(c)(2) permits a party to own or control such combination of two television stations and two radio stations where at least 20 independently owned media voices will remain in the market post-merger.

The existence of 20 independently owned media voices is supported by the following:

- A. As previously evidenced, there will be eight independently owned television voices.
- B. The attached FCC Geographic Market Definition for Las Vegas, NV (Appendix B) provided by BIA/Kelsey evidences the existence of 22 independent radio voices. These voices are:

1. Station KADD(FM)  
James Y. Su
2. Station KAER(FM)  
Educational Media Foundation
3. Station KBAD(FM)  
Lotus Communications Corp.
4. Station KBET(AM)  
Edward R. Stolz II
5. Station KCEP(FM)  
Economic Opportunity Board of  
Clark County
6. Station KCNV(FM)  
Nevada Public Radio
7. Station KCYE(FM)  
Beasley Media Group
8. Station KEKL(FM)  
Las Vegas Broadcasters
9. Station KHWY(FM)  
KHWY Inc.
10. Station KISF(FM)  
Univision Radio
11. Station KISK(FM)  
Rick Murphy
12. Station KJJJ(FM)  
Steven M. Greeley
13. Station KJUL(FM)  
Summit Media
14. Station KMZQ(FM)  
Kemp Communications, Inc.
15. Station KNIH(AM)  
Immaculate Heart Media Inc.

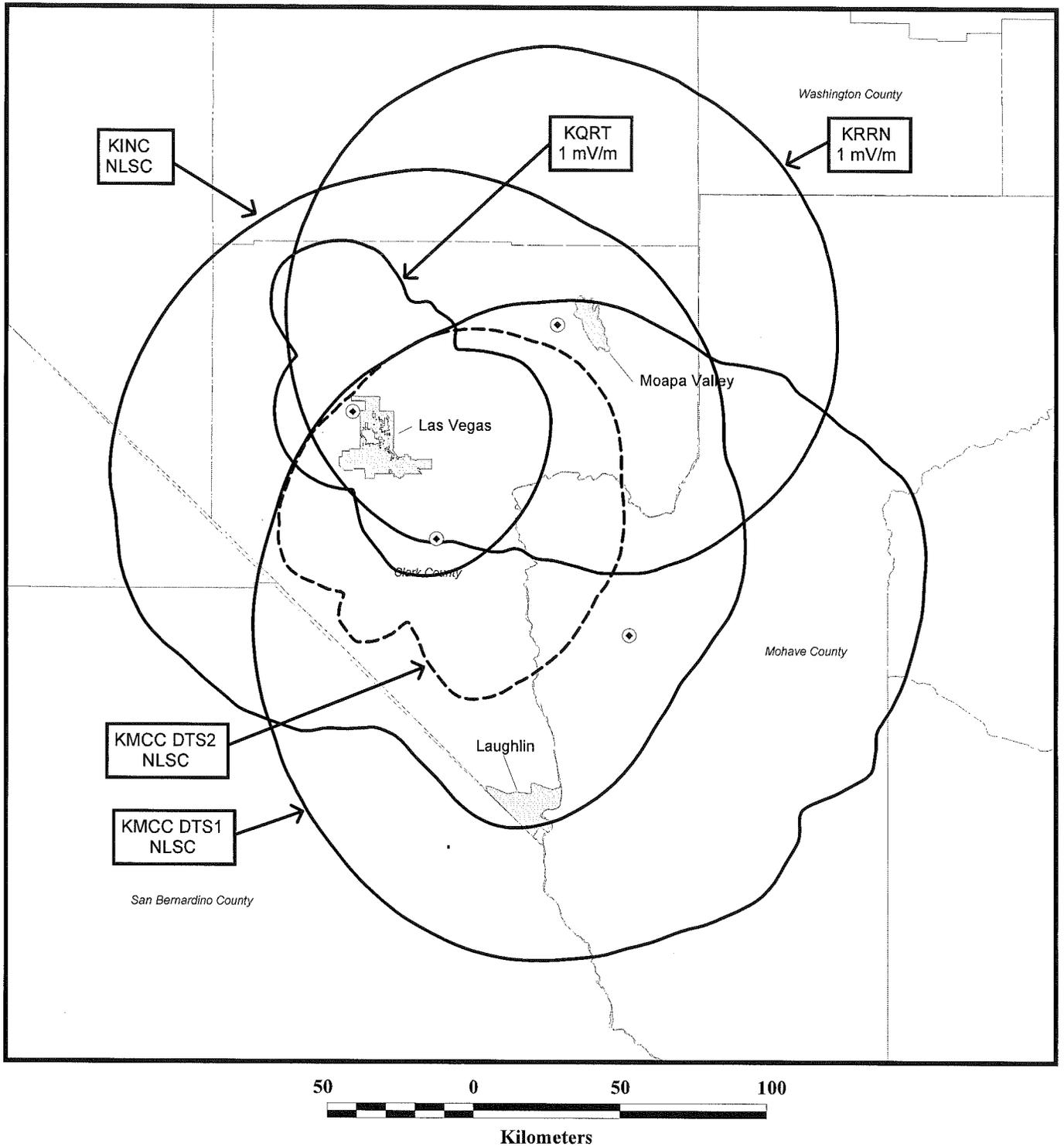
16. Station KSHP(AM)  
Pollack Companies
17. Station KSNE(FM)  
iHeart Media
18. Station KSOS(FM)  
Faith Communications Corporation
19. Station KUNV(FM)  
Nevada System of Higher Education
20. Station KXLI(FM)  
Radio Active Broadcasting License LLC
21. Station KXNT(AM)  
Entercom
22. Station KYLI(FM)  
Farmworker Educational Radio Network Inc.

- C. Cox Cable is the principal cable television provider in Clark County, Nevada.
- D. Las Vegas are served by two daily newspapers: Las Vegas Sun and Las Vegas Review-Journal.

The independent owned voices shown herein are in the amount of 32 and entitle Entravision to own and control two television stations and two radio stations.

## APPENDIX A

Figure 1



**RADIO/TV CROSS OWNERSHIP STUDY**

**LAS VEGAS, ETC., NEVADA**

du Treil, Lundin & Rackley, Inc. Sarasota, Florida 34237

## **APPENDIX B**



# FCC Geographic Market Definition for Las Vegas, NV

Call Letters	AM/FM	Freq	Station Type	Format	Home Market	Market		City & State of License	County of License
						Designtn Date	Home Mkt Rank		
KADD	FM	93.5	C	Asian	Las Vegas, NV	07/02/2003	30	Logandale, NV	Clark
KAER	FM	89.3	NC	Chrst/Altive	Las Vegas, NV	05/07/2008	30	Mesquite, NV	Clark
KBAD	AM	920	C	Sprts/Talk	Las Vegas, NV	07/02/2003	30	Las Vegas, NV	Clark
KBET	AM	790	C	Talk	Las Vegas, NV	06/02/2004	30	Winchester, NV	Clark
KCEP	FM	88.1	NC	Urban AC	Las Vegas, NV	07/02/2003	30	Las Vegas, NV	Clark
KCNV	FM	89.7	NC	Classical	Las Vegas, NV	07/02/2003	30	Las Vegas, NV	Clark
KCYE	FM	102.7	C	Country	Las Vegas, NV	07/02/2003	30	Boulder City, NV	Clark
KDWN	AM	720	C	Nws/Tlk/Spt	Las Vegas, NV	07/02/2003	30	Las Vegas, NV	Clark
KEKL	FM	88.5	NC	ChrContern	Las Vegas, NV	08/24/2005	30	Mesquite, NV	Clark
KENO	AM	1460	C	Span/Sprts	Las Vegas, NV	07/02/2003	30	Las Vegas, NV	Clark
KFRH	FM	104.3	C	CHR	Las Vegas, NV	07/02/2003	30	North Las Vegas, NV	Clark
KHWY	FM	98.9	C	Hot AC	Las Vegas, NV	03/24/2009	30	KHWY Inc	San Bernardino
KHYZ	FM	99.7	C	Hot AC	Las Vegas, NV	03/24/2009	30	KHWY Inc	San Bernardino
KISF	FM	103.5	C	Mexican	Las Vegas, NV	07/02/2003	30	Univision	Clark
KISK	FM	104.9	C	Hot AC	Las Vegas, NV	02/29/2008	30	Murphy, Rick	Clark
KJJJ	FM	102.3	C	Country	Las Vegas, NV	07/10/2008	30	Greeley, Steven M	Clark
KJUL	FM	104.7	C	Adlt Stndrd	Las Vegas, NV	07/02/2003	30	Summit Media	Clark
KKLZ	FM	96.3	C	Clsc Hits	Las Vegas, NV	07/02/2003	30	Beasley Media Group	Clark
KKVV	AM	1060	C	Chrst/Talk	Las Vegas, NV	07/02/2003	30	Las Vegas Broadcasters	Clark
KLAV	AM	1230	C	Mexican	Las Vegas, NV	07/02/2003	30	Lotus Communications Corp	Clark
KLKI	FM	0.0	NC	ChrContern	Las Vegas, NV		30	Educational Media Foundation	
KLKQ	AM	870	C	SpNws/Talk	Las Vegas, NV	07/02/2003	30	Univision	Clark
KLUC	FM	98.5	C	CHR	Las Vegas, NV	07/02/2003	30	p Entercom	Clark
KMVB	FM	94.1	C	Hot AC	Las Vegas, NV	07/02/2003	30	p Entercom	Clark
KMZQ	AM	670	C	Sprts/Talk	Las Vegas, NV	01/14/2009	30	Kemp Communications Inc	Clark
KNIH	AM	970	C	Religion	Las Vegas, NV	07/02/2003	30	Immaculate Heart Media Inc	Clark
KNPR	FM	88.9	NC	Nws/Tlk/Inf	Las Vegas, NV	12/16/2003	30	Nevada Public Radio	Clark
KOAS	FM	105.7	C	Rhymc/AC	Las Vegas, NV	07/02/2003	30	Beasley Media Group	Mohave
KOMP	FM	92.3	C	Rock	Las Vegas, NV	07/02/2003	30	Lotus Communications Corp	Clark
KQLL	AM	1280	C	Oldies	Las Vegas, NV	07/02/2003	30	Summit Media	Clark
KQRT	FM	105.1	C	Mexican	Las Vegas, NV	07/02/2003	30	Entravision Communications Corp	Clark
KRGT	FM	99.3	C	Spanish AC	Las Vegas, NV	07/02/2003	30	Univision	Clark
KRLV	AM	1340	C	Sports	Las Vegas, NV	07/02/2003	30	Lotus Communications Corp	Clark
KRRN	FM	92.7	C	Spanish AC	Las Vegas, NV	07/02/2003	30	Entravision Communications Corp	Clark

"C" - Commercial Station; "NC" - Non Commercial Station

"p" indicates pending sale to owner listed



# FCC Geographic Market Definition for Las Vegas, NV

Call Letters	AM/FM	Type	Station	Format	Home Market	Market		City & State of License	County of License
						Designntn Date	Home Mkt Rank		
KSHP	AM	C	1400	Sprts/Talk	Las Vegas, NV	07/02/2003	30	North Las Vegas, NV	Clark
KSNE	FM	C	106.5	Hot AC	Las Vegas, NV	07/02/2003	30	Las Vegas, NV	Clark
KSOS	FM	NC	90.5	ChrsContem	Las Vegas, NV	07/02/2003	30	Las Vegas, NV	Clark
KUNV	FM	NC	91.5	Jazz	Las Vegas, NV	07/02/2003	30	Las Vegas, NV	Clark
KVEG	FM	C	97.5	Rhymc/CHR	Las Vegas, NV	07/02/2003	30	Mesquite, NV	Clark
KVGQ	FM	C	106.9	Hot AC	Las Vegas, NV	04/06/2009	30	Overton, NV	Clark
KVGS	FM	C	107.9	Hot AC	Las Vegas, NV	07/02/2003	30	Meadview, AZ	Mohave
KVKL	FM	NC	91.1	ChrsContem	Las Vegas, NV	12/08/2006	30	Las Vegas, NV	Clark
KWID	FM	C	101.9	Mexican	Las Vegas, NV	07/02/2003	30	Las Vegas, NV	Clark
KWNR	FM	C	95.5	Country	Las Vegas, NV	07/02/2003	30	Henderson, NV	Clark
KWVN	AM	C	1100	Sports	Las Vegas, NV	08/05/2005	30	Las Vegas, NV	Clark
KXLI	FM	C	94.5	Spanish AC	Las Vegas, NV	05/02/2008	30	Moapa, NV	Clark
KXNT	AM	C	840	News/Talk	Las Vegas, NV	07/02/2003	30	North Las Vegas, NV	Clark
KXPT	FM	C	97.1	Clsc Hits	Las Vegas, NV	07/02/2003	30	Las Vegas, NV	Clark
KXQQ	FM	C	100.5	Rhymc/AC	Las Vegas, NV	07/02/2003	30	Henderson, NV	Clark
KXST	AM	C	1140	Sports	Las Vegas, NV	07/02/2003	30	North Las Vegas, NV	Clark
KXTE	FM	C	107.5	Alternative	Las Vegas, NV	07/02/2003	30	Pahrump, NV	Nye
KYLI	FM	C	96.7	CHR	Las Vegas, NV	04/01/2011	30	Bunkerville, NV	Clark
KYMT	FM	C	93.1	Adult Hits	Las Vegas, NV	07/02/2003	30	Las Vegas, NV	Clark

Number of Stations in Geographic Market 53

### Previous Stations in Geographic Market

KPKK	FM	C	101.1	Variety		08/05/2005	0	Amarogosa Valley, NV	Nye
KURR	FM	C	103.1	CHR		12/12/2014	0	Hildale, UT	Washington

"C" - Commercial Station; "NC" - Non Commercial Station

"p" indicates pending sale to owner listed