

RESPONSE TO SECTION II, ITEM 4(b)

The instant application requests approval of a minor modification of a construction permit for WKHI(FM), Fruitland, Maryland (the “Station”), licensed to Great Scott Broadcasting (“Great Scott”). For purposes of the FCC’s local radio ownership rule, the Station is deemed to be a part of the Salisbury-Ocean City, Maryland radio market.

The attached exhibit, FCC Geographic Market Definition for Salisbury-Ocean City, Maryland was compiled on August 26, 2014 using BIA Research, Inc.’s *Media Access Pro* database. The exhibit lists all radio stations, including the Station, that are licensed to communities within the counties comprising the Salisbury-Ocean City Arbitron Metro or that Arbitron designates as “home” to the Salisbury-Ocean City Metro. As demonstrated in the exhibit, there are 42 stations in the Salisbury-Ocean City market. Under the local radio ownership rule, a person or single entity (or entities under common control) in a radio market with between 30 and 44 (inclusive) full-power, commercial and noncommercial radio stations may have a cognizable interest in not more than 7 commercial radio stations in total, and not more than 4 commercial stations in the same service (AM or FM).

As shown in the attached exhibit, Great Scott controls 10 stations in the Salisbury-Ocean City market (2 AM and 8 FM), including the Station, which exceeds the limits prescribed by the rule. However, the Commission decided to “grandfather” existing combinations of radio stations in *2002 Biennial Regulatory Review – Review of the Commission’s Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, 18 FCC Rcd 13620, 13712-13 (2003) (“*Ownership R&O*”). Under the *Ownership R&O*, entities are

not required to divest their current interests in stations in order to come into compliance with the new ownership rule. *Ownership R&O*, 18 FCC Red at 13808. Note 4 to 47 C.F.R. § 73.3555 (2003) provides that the local radio ownership rule will not be applied so as to require divestiture by any licensee of existing facilities, and will apply to an application for minor changes to existing stations only if a grant of such application would create new or increased concentration of ownership among commonly owned, operated or controlled media properties. Because this application does not create any new or increased concentration of ownership among commonly owned, operated or controlled media properties, Great Scott's control of such stations in the Salisbury-Ocean City market remains "grandfathered" and the local radio ownership rule does not apply to this application. *See* BPH-20050503ABV, granted Aug. 3, 2005 (minor change/class upgrade granted; grandfathered status preserved) and BPH-20120723AEM, granted Oct. 15, 2012 (same, for this station).

FCC Geographic Market Definition for Salisbury-Ocean City, MD

Call Letters	AM/FM	Freq	Type Station	Format	Home Market	Market Designtn Date	Home Mkt Rank	Owner	City & State of License	County of License
WAAI	FM	100.9	C	Country	Salisbury-Ocean City, MD	07/02/2003	140	MTS Broadcasting	Hurlock, MD	Dorchester
WAFI	FM	97.7	C	Hot AC	Salisbury-Ocean City, MD	07/02/2003	140	Delmarva Broadcasting Company	Milford, DE	Sussex
WAMS	FM	101.1	C	Adult Hits	Salisbury-Ocean City, MD	07/02/2003	140	Bayshore Media LLC	Snow Hill, MD	Worcester
WAVD	FM	97.1	C	Clsc Hits	Salisbury-Ocean City, MD	07/02/2003	140	Delmarva Broadcasting Company	Ocean Pines, MD	Worcester
WBEE	FM	97.9	C	Country	Salisbury-Ocean City, MD	07/02/2003	140	Bay Broadcasting Inc	Crisfield, MD	Somerset
WDIH	FM	90.3	NC	Gospel	Salisbury-Ocean City, MD	07/02/2003	140	Salisbury Educational Broadcasting Foundation	Salisbury, MD	Wicomico
WESM	FM	91.3	NC	News/Jazz	Salisbury-Ocean City, MD	07/02/2003	140	University of Maryland	Princess Anne, MD	Somerset
WGBG	FM	98.5	C	Clsc Rock	Salisbury-Ocean City, MD	07/02/2003	140	Great Scott Broadcasting Inc	Seaford, DE	Sussex
WGMD	FM	92.7	C	Nws/Tik/Inf	Salisbury-Ocean City, MD	07/02/2003	140	Resort Broadcasting Co	Rehoboth Beach, DE	Sussex
WGOP	AM	540	C	Nostalgia	Salisbury-Ocean City, MD	02/06/2004	140	Birach Broadcasting Corporation	Pocomoke City, MD	Worcester
WICO	AM	1320	C	Talk/News	Salisbury-Ocean City, MD	07/02/2003	140	Delmarva Broadcasting Company	Salisbury, MD	Wicomico
WICO	FM	92.5	C	News/Talk	Salisbury-Ocean City, MD	07/02/2003	140	Delmarva Broadcasting Company	Pocomoke City, MD	Worcester
WIJK	AM	1590	C	DARK	Salisbury-Ocean City, MD	07/02/2003	140	Bayshore Media LLC	Ocean City, MD	Worcester
WINX	FM	94.3	C	Country	Salisbury-Ocean City, MD	02/01/2005	140	First Media	St. Michaels, MD	Talbot
WJDY	AM	1470	C	Sports	Salisbury-Ocean City, MD	07/02/2003	140	Clear Channel Communications Inc	Salisbury, MD	Wicomico
WJKI	FM	103.5	C	Clsc Rock	Salisbury-Ocean City, MD	07/02/2003	140	Great Scott Broadcasting Inc	Bethany Beach, DE	Sussex
WJWK	AM	1280	C	Adult Hits	Salisbury-Ocean City, MD	07/02/2003	140	Great Scott Broadcasting Inc	Seaford, DE	Sussex
WJWL	AM	900	C	Span/Top40	Salisbury-Ocean City, MD	07/02/2003	140	Great Scott Broadcasting Inc	Georgetown, DE	Sussex
WKDB	FM	95.3	C	AC	Salisbury-Ocean City, MD	07/02/2003	140	Great Scott Broadcasting Inc	Laurel, DE	Sussex
WKHI	FM	107.7	C	Country	Salisbury-Ocean City, MD	07/02/2003	140	Great Scott Broadcasting Inc	Fruitland, MD	Wicomico
WKTT	FM	97.5	C	Country	Salisbury-Ocean City, MD	07/02/2003	140	Delmarva Broadcasting Company	Salisbury, MD	Wicomico
WKZP	FM	95.9	C	Top 40	Salisbury-Ocean City, MD	07/02/2003	140	Clear Channel Communications Inc	Bethany Beach, DE	Sussex
WLBW	FM	92.1	NC	ChrsContem	Salisbury-Ocean City, MD	07/02/2003	140	Educational Media Foundation	Fenwick Island, DE	Sussex
WLVW	FM	105.5	NC	ChrsContem	Salisbury-Ocean City, MD	07/02/2003	140	Educational Media Foundation	Salisbury, MD	Wicomico
WNCL	FM	101.3	C	Oldies	Salisbury-Ocean City, MD	07/02/2003	140	Delmarva Broadcasting Company	Milford, DE	Sussex
WOCM	FM	98.1	C	AAA	Salisbury-Ocean City, MD	07/02/2003	140	Irie Radio Inc	Selbyville, DE	Sussex
WOCQ	FM	103.9	C	Rhymc/CHR	Salisbury-Ocean City, MD	07/02/2003	140	Great Scott Broadcasting Inc	Berlin, MD	Worcester
WOLC	FM	102.5	C	Christian	Salisbury-Ocean City, MD	07/02/2003	140	Maranatha Inc	Princess Anne, MD	Somerset
WQHQ	FM	104.7	C	AC	Salisbury-Ocean City, MD	07/02/2003	140	Clear Channel Communications Inc	Ocean City-Salisbury, MD	Worcester
WRAU	FM	88.3	NC	Nws/Tik/Inf	Salisbury-Ocean City, MD	07/06/2010	140	American University	Ocean City, MD	Worcester
WSBY	FM	98.9	C	Urban AC	Salisbury-Ocean City, MD	07/02/2003	140	Clear Channel Communications Inc	Salisbury, MD	Wicomico
WSCL	FM	89.5	NC	Clsc/News	Salisbury-Ocean City, MD	07/02/2003	140	Salisbury University	Salisbury, MD	Wicomico
WSDL	FM	90.7	NC	Nws/Tik/Ecl	Salisbury-Ocean City, MD	07/02/2003	140	Salisbury University	Ocean City, MD	Worcester
WTDK	FM	107.1	C	Oldies	Salisbury-Ocean City, MD	07/02/2003	140	MTS Broadcasting	Federsburg, MD	Caroline

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

"p" indicates pending sale to owner listed

FCC Geographic Market Definition for Salisbury-Ocean City, MD

Call Letters	AM/FM	Freq	Type Station	Format	Home Market	Market Designtn Date	Home Mkt Rank	Owner	City & State of License	County of License
WTGM	AM	960	C	Comedy	Salisbury-Ocean City, MD	07/02/2003	140	Clear Channel Communications Inc	Salisbury, MD	Wicomico
WWFG	FM	99.9	C	Country	Salisbury-Ocean City, MD	07/02/2003	140	Clear Channel Communications Inc	Ocean City, MD	Worcester
WXDE	FM	105.9	C	Talk/News	Salisbury-Ocean City, MD	07/02/2003	140	Delmarva Broadcasting Company	Lewes, DE	Sussex
WXSH	FM	106.1	C	Span/Top40	Salisbury-Ocean City, MD	07/02/2003	140	Great Scott Broadcasting Inc	Pocomoke City, MD	Worcester
WYPO	FM	106.9	NC	NPR	Salisbury-Ocean City, MD	07/02/2003	140	Your Public Radio Corporation	Ocean City, MD	Worcester
WYUS	AM	930	C	Span/Varty	Salisbury-Ocean City, MD	07/02/2003	140	Delmarva Broadcasting Company	Milford, DE	Sussex
WZBH	FM	93.5	C	Rock	Salisbury-Ocean City, MD	07/02/2003	140	Great Scott Broadcasting Inc	Georgetown, DE	Sussex
WZEB	FM	101.7	C	AC	Salisbury-Ocean City, MD	07/02/2003	140	Great Scott Broadcasting Inc	Ocean View, DE	Sussex

Number of Stations in Geographic Market 42

Previous Stations in Geographic Market