

KWKT-TV, Waco, TX  
KYLE-TV, Bryan, TX  
FCC Form 314  
Exhibit 16

**REQUEST FOR CONTINUATION OF SATELLITE STATUS**

This exhibit is being filed in connection with applications for assignment of the licenses of KWKT-TV, Waco, Texas and KYLE-TV, Bryan, Texas from ComCorp of Texas License Corp. and ComCorp of Bryan License Corp., respectively, to Nexstar Broadcasting, Inc. (“Nexstar”). Nexstar requests that the Commission allow KYLE-TV to continue to operate as a “satellite” of KWKT-TV, as it has been authorized to do since 1996.<sup>1</sup>

**A. Commission’s Satellite Policy**

Television satellite stations are generally exempt from the restrictions of the Commission’s ownership rules.<sup>2</sup> Under a policy that dates from 1991, operation as a satellite is presumed to be in the public interest if (i) there is no city-grade contour overlap between the parent and the satellite, (ii) the proposed satellite would provide service to an underserved area, and (iii) no alternative operator is ready and able to purchase and operate the satellite as a full-service station. If the proposed satellite operation does not meet all three factors, the Commission will evaluate the proposal on an *ad hoc* basis and authorize satellite status if there are other public interest benefits or compelling circumstances that warrant approval.<sup>3</sup>

**B. KYLE-TV Has Operated As A Satellite Since 1996**

KYLE-TV has been operating as a satellite nearly since its inception. Silent Minority Group, Inc. (“SMG”), the original permittee of KYLE-TV, attempted to operate the station on a stand-alone basis but was financially unable to do so.<sup>4</sup> On November 19, 1996, eleven days after

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<sup>1</sup> *Silent Minority Group, Inc.*, 11 FCC Rcd 15011 (1996) (“1996 Satellite Waiver”); *Letter to Communications Corp. of America*, (Apr. 19, 2004) (“2004 Satellite Waiver”); *Letter to ComCorp of Bryan License Corp.*, DA 07-4103 (Sept. 28, 2007) (“2007 Satellite Waiver”).

<sup>2</sup> 47 C.F.R. § 73.3555, Note 5.

<sup>3</sup> *Television Satellite Stations Review of Policy and Rules*, Report and Order, 6 FCC Rcd 4212 (1991) (“Satellite Policy”).

<sup>4</sup> 1996 Satellite Waiver, 11 FCC Rcd at 15012.

granting SMG's license to cover application, the Commission first authorized KYLE-TV to operate as a satellite of KWKT-TV.<sup>5</sup> Since then, the Commission has authorized continued satellite status on two subsequent occasions, in April 2004 and September 2007. In both instances, the Commission found that continued satellite operation was warranted because (i) there was no city-grade overlap between the KYLE-TV and KWKT-TV (analog) signals, (ii) KYLE-TV served an "underserved area," and (iii) KYLE-TV would be unlikely to survive as a stand-alone station."<sup>6</sup>

### **C. Continued Satellite Operation Is Warranted**

*Contour Overlap:* The first criterion of the presumptive waiver standard is no longer relevant in the digital environment.<sup>7</sup> As the Commission has previously recognized, "[f]ollowing 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."<sup>8</sup> Both KYLE-TV and KWKT-TV have completed the transition to DTV and are broadcasting solely in digital mode. Prior to completing the digital transition, however, the analog city-grade contours of KYLE-TV and KWKT-TV did not overlap.<sup>9</sup>

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<sup>5</sup> 1996 Satellite Waiver; *see also* FCC File No. BLCT-19960508KG (SMG license to cover application granted on November 8, 1996).

<sup>6</sup> 2007 Satellite Waiver at 2; 2004 Satellite Waiver.

<sup>7</sup> *Letter to LIN License Company, LLC*, DA 12-1576 (Oct. 2, 2012) at 2; *see also Selenka Communications, LLC*, 25 FCC Rcd 278, 279 (¶ 3) (2010) (concluding that there is no digital equivalent to the analog "city-grade" contour and that digital contour overlap is not relevant to satellite determinations).

<sup>8</sup> *Letter to LIN License Company, LLC*, DA 12-1576 (Oct. 2, 2012) at 2.

<sup>9</sup> See Attachment A.

*Service to Underserved Areas:* In its Satellite Policy, the Commission indicated that a community with two or fewer full-power stations licensed to it would be considered “underserved.”<sup>10</sup> Other than KYLE-TV, the only other full-power television station licensed to Bryan, Texas is KBTX-TV. KBTX-TV is itself operated as a satellite of KWTX-TV, the CBS Network affiliate in Waco, Texas.<sup>11</sup> Bryan is thus an “underserved area” within the meaning of the Policy. In terms of its service, KYLE-TV not only provides Bryan with valuable and in-demand FOX Network programming, but also provides the community of Bryan with local news.

*Viability as Full-Service Station:* The Commission has thrice approved satellite status for KYLE-TV, and thrice determined that the station is unlikely to be viable as a full-service station.<sup>12</sup> This remains true with equal, if not greater, force today. According to an analysis provided by Brian E. Cobb, Founder and President of CobbCorp, LLC, a nationally recognized brokerage and appraisal firm, there are several factors that make operation of KYLE-TV as a stand-alone full-service station impracticable. First, KYLE-TV’s revenue base is very small. The Waco-Temple-Bryan, Texas DMA is ranked 88th in size but only 98th in television revenue. KYLE-TV provides a viewable over-the-air signal to less than half of the geographic area of the market, and the station’s noise limited contour does not reach the two most populous counties in

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<sup>10</sup> Satellite Policy, 6 FCC Rcd at 4215.

<sup>11</sup> 2007 Satellite Waiver at 2 (identifying KBTX as a satellite of KWTX); Broadcasting & Cable Yearbook 2012 at A-1217, A-1306.

<sup>12</sup> 2007 Satellite Waiver at 2; 2004 Satellite Waiver; 1996 Satellite Waiver, 11 FCC Rcd at 15012-13.

the market.<sup>13</sup> The station's community of license, furthermore, is very small relative to the size of the entire market – Bryan is home to only about 20% of the total population of the DMA.<sup>14</sup>

Second, KYLE-TV would have difficulty obtaining a network affiliation if operated as a stand-alone full-service station. Major network affiliations are unavailable to KYLE-TV because they are already taken by other stations operating in the market.<sup>15</sup> In addition, full-power stations licensed to Waco hold the market's affiliations for MyNetworkTV, the CW, and Telemundo on their digital multicast channels.<sup>16</sup> If converted to a stand-alone station, therefore, KYLE-TV almost certainly would have to be operated as an independent station. Finally, a stand-alone KYLE-TV would likely face significant competition from television stations licensed to the nation's 10th largest DMA – Houston, Texas – which is immediately adjacent to Brazos County, in which KYLE-TV's community of license is located.<sup>17</sup>

For the foregoing reasons, Nexstar respectfully requests that the Commission continue to authorize KYLE-TV to operate as a satellite of KWKT-TV.

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<sup>13</sup> Letter from Brian E. Cobb, President, CobbCorp, LLC, to Barbara Kreisman, Esq, Chief, Video Division, Media Bureau, FCC (Apr. 25, 2013), attached hereto as Attachment B.

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

<sup>15</sup> *Id.*

<sup>16</sup> Advanced TVFactbook, *available at* <http://www.tvcablefactbook.com/> (subscription) (last visited Apr. 25, 2013).

<sup>17</sup> 2007 Satellite Waiver at 2.

# **ATTACHMENT A**

# CITY GRADE CONTOURS OF KWKT & KYLE PRE-TRANSITION CONFIGURATION

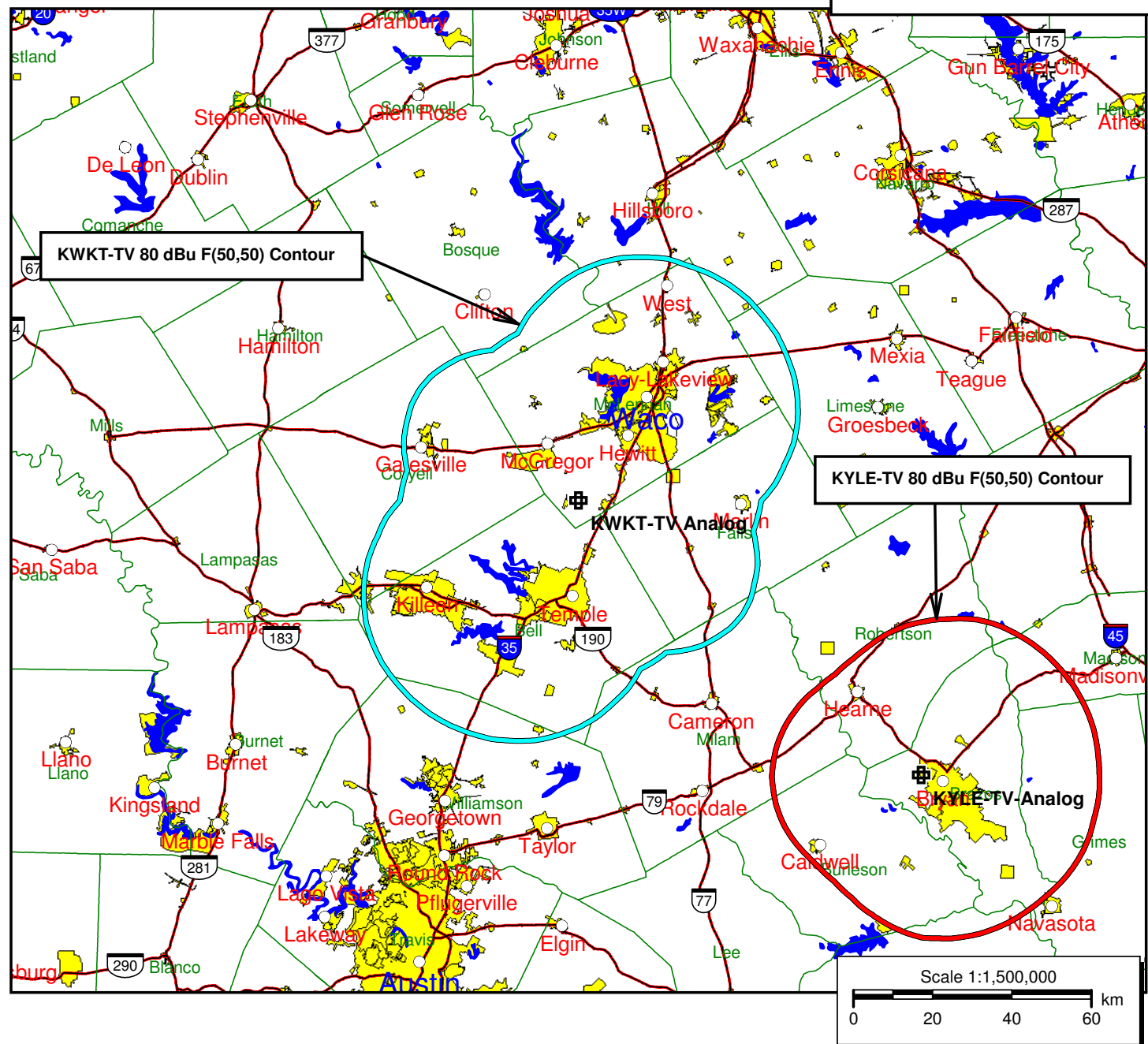
Greg Best Consulting, Inc.

## KWKT-TV Analog

BLCDDT20090612AIS  
Latitude: 31-18-53 N  
Longitude: 097-19-36 W  
ERP: 4170.00 kW  
Channel: 44  
Frequency: 653.0 MHz  
AMSL Height: 761.8 m  
Elevation: 252.1 m  
Horiz. Pattern: Directional  
Vert. Pattern: Yes  
Elec Tilt: 0.0  
Prop Model: None

## KYLE-TV-Analog

BLCDDT20090612ABZ  
Latitude: 30-41-18 N  
Longitude: 096-25-35 W  
ERP: 2090.00 kW  
Channel: 28  
Frequency: 557.0 MHz  
AMSL Height: 311.0 m  
Elevation: 115.8 m  
Horiz. Pattern: Directional  
Vert. Pattern: Yes  
Elec Tilt: 0.0  
Prop Model: None



## **ATTACHMENT B**



April 25, 2013

Barbara Kreisman, Esq.  
Chief, Video Division  
Media Bureau  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20536

Re: Request for Continuance of the Satellite Waiver of KYLE licensed to Bryan, Texas with KWKT licensed to Waco, Texas.

Dear Ms. Kreisman:

I have been requested to provide my comments and opinion regarding the merits of continuing the operation of KYLE as a satellite of KWKT.

By way of background, I have over 40 years in the broadcast industry as an owner, manager and broker of broadcast stations. I am the founder and president of CobbCorp, LLC and a founder and former managing director of Media Venture Partners, both nationally recognized brokerage and appraisal firms. During the last 30 years, I have been personally involved in the brokerage of more television stations than any other media broker in the United States. I have served as President of the National Association of Media Brokers and regularly speak at industry panels.

I am familiar with the Waco-Temple-Bryan, Texas television market, the signals of the television stations available in the market, and the level of competition among them and other relevant market data. In fact, I was the broker of record in a previous transaction in this market.

There are four commercially licensed owners of television stations in the DMA. The DMA is ranked 88th in size according to Nielsen but 98<sup>th</sup> in television revenue according to BIA. KYLE operates as a satellite of KWKT, the FOX affiliate, as previously approved by the FCC and has done so for many years. The CBS affiliated station owned by Gray Television Inc. also has a satellite in Bryan, and the ABC affiliate also supplements its signal in Bryan.

It would be very difficult for KWKT to compete effectively and fully serve the DMA without KYLE as a satellite. More importantly, it would be unlikely that KYLE could survive in the town of Bryan as a standalone station even without the cost of providing local and regional news. Bryan is a very small part of the entire DMA with only about 20% of the population. KYLE's signal reaches less than half of the market and its noise-limited contour doesn't reach the two most inhabited counties. The four major networks already have affiliates in the DMA leaving a standalone station no opportunity to garner a major network.

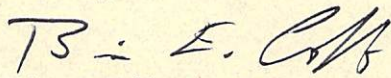
Currently, not only does KYLE operate as a satellite, but it is able to provide additional local service to its community by carrying news as well as the FOX network carried by KWKT.



The Waco-Temple-Bryan DMA is composed of three larger towns as well as several smaller rural communities. It is impossible to cover the entire market without a superior signal or the aid of a satellite to cover one of the three larger towns. The analog City Grade contours of KWKT and KYLE did not overlap, and KYLE provides programming to underserved areas. The only two stations licensed to Bryan are both satellites out of financial necessity. If KYLE was converted to a full service station, it would be at a significant disadvantage signal wise and financially. Years ago, an attempt was made to operate KYLE as a standalone station. It was financially unsuccessful and there was no buyer available to take the risk of trying to continue the operation in that manner.

Not only would the stations have financial handicaps without the waiver, but the communities of license as well as several surrounding small towns would have less service than this arrangement is able to provide today. For the reasons stated above, it is my opinion that the satellite waiver should continue.

Sincerely,

A handwritten signature in dark ink, appearing to read "B. E. Cobb", written in a cursive style.

Brian E. Cobb  
President