Federal Communications Commission
Washington, D.C. 20554

January 14, 2020

Terrier Media Buyer, Inc.
c/o Michael D. Basile, Esq.
Cooley LLP
1299 Pennsylvania Avenue, NW, Suite 700
Washington, DC 20004-2400

Re: Request for Extension of Time to Comply with Condition
MB Docket Nos. 19-98, 19-197

Counsel:

This letter grants a request filed by Terrier Media Buyer, Inc. (Terrier Media)[1] seeking a 60-day extension of one of the conditions in the Media Bureau's (Bureau) order granting applications proposing to transfer control of certain broadcast licenses to Terrier Media[2] as part of a broader transaction that included Terrier Media's acquisition of certain daily newspapers from Cox Enterprises, Inc. (Cox) that publish in the Dayton, Ohio Designated Market Area (Dayton Newspapers). For the reasons set forth below, we grant the Extension Request.

Background. On September 23, 2019, subsequent to the filing of the above-captioned transfer of control applications, the U.S. Court of Appeals for the Third Circuit issued an opinion in *Prometheus IV*[3] that vacated and remanded the *2010/2014 Quadrennial Review Order on Reconsideration*,[4] which had eliminated the Commission's Newspaper/Broadcast Cross-Ownership Rule (NBCO Rule).[5] In light of the Third Circuit decision, the Bureau conditioned grant of the applications on "[m]odification of the publication schedule of the three daily newspapers in Ohio consistent with the representations made in the Television Applicants' October 29, 2019, Amendment within 30 days of consummation."[6]

Terrier Media consummated its acquisition of Cox's Dayton Newspapers on December 17, 2019. Terrier Media states that it has commenced a sales process that will lead to its complete divestiture of the Dayton Newspapers and has received expressions of interest from four unaffiliated potential buyers, but the consummation of the transaction cannot be completed by the Bureau's January 16, 2020 deadline.[7] Terrier Media further explains that the Dayton Newspapers are fully integrated with its broadcast

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[1] Letter from Michael D. Basile, Counsel, Terrier Media Buyer, Inc. to Michelle M. Carey, Chief, Media Bureau, FCC, MB Docket No. 19-98 (filed Jan. 9, 2020) (Extension Request).

[2] *Consent to Transfer Control of Certain License Subsidiaries of NBI Holdings, LLC to Terrier Media Buyer, Inc.*, MB Docket Nos. 19-98, 19-197, Memorandum Opinion and Order, DA 19-1206 (MB Nov. 22, 2019) (*MO&O*).

[3] *Prometheus Radio Project*, 939 F.3d 567 (3rd Cir. 2019) (*Prometheus IV*), *petition for rehearing en banc denied.*

[4] *2014 Quadrennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996 et al,* Order on Reconsideration and Notice of Proposed Rulemaking, 32 FCC Rcd 9802 (2017) (*2010/2014 Quadrennial Review Order on Reconsideration*).

[5] 47 CFR § 73.3555(d).

[6] *MO&O* at 16-17, para. 45.

[7] Extension Request at 1.

properties in that market. This complicates the divestiture process because the newspaper operations must be separated from the other media companies as part of the sale.[8] Terrier Media anticipates, however, that it will complete the sales process and proceed to closing within the next two months, by March 16, 2020. To facilitate the complete unwinding of the Dayton Newspapers from Terrier Media's broadcast stations, Terrier Media will offer the newspaper buyer a transition services agreement (TSA) under which Terrier Media will provide the buyer with certain specified services at Terrier Media's cost for a period of no longer than 180 days following the closing.[9]

Terrier Media contends that the requested extension would save the Dayton Newspaper readers and advertisers from the disruption that reducing the publication schedule would cause and would help preserve the Dayton Newspapers' trusted relationships with Dayton readers, a preservation of goodwill that it asserts will be crucial to the long-term success of the newspapers.[10] Further, Terrier Media submits that if this extension request is granted, it will not seek additional extensions of time regardless of the date of any sale.[11]

Discussion. We find that it is in the public interest to grant the Extension Request.[12] Specifically, we find that allowing Terrier Media to operate the Dayton Newspapers through March 16, 2020, will advance the Commission's goal of localism by preserving the ability of the Dayton Newspapers to maintain continuous daily readership until a buyer for the Dayton Newspapers is finalized. We also find that the proposed TSA, which covers services that are primarily back-office and is limited in duration, is consistent with prior temporary support service agreements that the Commission has approved[13] and will help ensure success of publication for the new owner. Because the final negotiated terms of the TSA are not known at this point, we will require Terrier Media to provide the Commission with a copy of any such TSA within 30 days of consummation of a sale of the Dayton Newspapers.

ACCORDINGLY, IT IS ORDERED, that the Request for Extension of Time to Comply with Condition **IS GRANTED**, and that the time to comply with Condition 4 of paragraph 45 of *Consent to Transfer Control of Certain License Subsidiaries of NBI Holdings, LLC to Terrier Media Buyer, Inc.*, Memorandum Opinion and Order, MB Docket Nos. 19-98, 19-197, DA 19-1296, is extended 60 days until March 16, 2020.

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[8] *Id.*

[9] *Id.* at 1-2, Exh. 1.

[10] *Id.* at 2.

[11] *Id.* If the sale does not close by March 16, 2020, the Dayton Newspapers will reduce publication, consistent with the condition imposed in the *MO&O*.

[12] The Commission has granted requests for extension of time to comply with divestiture conditions in the past. *See, e.g., Shareholders of Univision Communications Inc. (Transferor) and Broadcasting Media Partners, Inc. (Transferee)*, Memorandum Opinion and Order, 23 FCC Rcd 2548, 2553, para. 8 n.28 (2008).

[13] *See, e.g., Applications for Consent to Transfer Control from Shareholders of Belo, Corp. to Gannett Co., Inc.*, Memorandum Opinion and Order, 28 FCC Rcd 16867, 16869-70, para. 7 (MB 2013) (approving a transaction with a transition services agreement covering certain limited back-office and administrative services for an initial term of one year).

IT IS FURTHER ORDERED, that Terrier Media shall submit a copy of any TSA related to the sale of the Dayton Newspapers to the Commission within 30 days of consummation.

FEDERAL COMMUNICATIONS COMMISSION

Michelle M. Carey
Chief, Media Bureau