



PUBLIC NOTICE

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

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Released: April 10, 2019

MEDIA BUREAU ESTABLISHES PLEADING CYCLE FOR APPLICATIONS TO TRANSFER CONTROL OF NBI HOLDINGS, LLC, AND COX ENTERPRISES, INC., TO TERRIER MEDIA BUYER, INC., AND PERMIT-BUT-DISCLOSE *EX PARTE* STATUS FOR THE PROCEEDING

MB Docket No. 19-98

Petition to Deny Date: May 10, 2019

Opposition Date: May 28, 2019

Reply Date: June 4, 2019

On March 4, 2019, Terrier Media Buyer, Inc. (Terrier Media), NBI Holdings, LLC (Northwest), and Cox Enterprises, Inc. (Cox) (jointly, the Applicants) filed applications with the Federal Communications Commission (Commission) seeking consent to the transfer of control of Commission licenses through two separate transactions.¹ First, Terrier Media and Northwest seek consent for Terrier Media to acquire companies owned by Northwest holding the licenses of full-power broadcast television stations, low-power television stations, and TV translator stations (the Northwest Applications). Next, Terrier Media and Cox seek consent for Terrier Media to acquire companies owned by Cox holding the licenses of full-power broadcast television stations, low-power television stations, TV translator stations, and radio stations (the Cox Applications and, jointly with the NBI Applications, the Applications).²

Pursuant to a Purchase Agreement between Terrier Media and the equity holders of Northwest dated February 14, 2019, Terrier Media would acquire 100% of the interest in Northwest.³ Pursuant to a separate Purchase Agreement between Terrier Media and Cox and affiliates of Cox, Terrier Media would acquire the companies owning all of Cox's television stations and the licenses and other assets of four of Cox's radio stations.⁴

The Applicants propose that Terrier Media, which is a newly created company, will become the 100% indirect parent of the licensees listed in the Attachment. AP IX Titan Holdings, L.P. (Titan) will hold a 77% voting interest in Terrier Media Holdings, Inc. (Terrier Holdings), through a series of intermediate holding companies. The remaining voting interest in Terrier Holdings will be held by

¹ The Applicants amended their applications on April 8, 2019 (Amended Applications). Four radio stations will also be assigned to an indirect subsidiary of Terrier Media as part of the merger.

² A list of the Applications can be found in the Attachment to this Public Notice. Copies of the Applications are available in the Commission's Consolidated Database System (CDBS).

³ Amended Applications, Attach. 20, Cox Purchase Agreement.

⁴ Amended Applications, Attach. 20, Amended Comprehensive Exhibit at 1-2, 25, Attach. 3 at p.1 (Comprehensive Exhibit).

former owners of Cox and Northwest. The Applicants further propose that AP IX (PMC) VoteCo, LLC (VoteCo) will indirectly have voting control of Titan. The sole limited partner of Titan will be AIF IX (PMC Equity AIV), L.P. (PMC Equity). Each limited partner of PMC Equity will be insulated pursuant to Commission rules.⁵ The Applicants state that VoteCo will be wholly controlled equally by its three members: Scott Kleinman, John Suydam, and David Sambur. VoteCo managing members John Suydam and Scott Kleinman are officers of Apollo Global Management, LLC (AGM), a publicly traded investment management company, and each of the managing members and officers of VoteCo is employed by an affiliate of AGM, as are certain officers of Terrier Media. The Applicants state that neither AGM nor any AGM affiliate will have any voting rights or attributable interest in VoteCo, Titan, PMC Equity, Terrier Holdings or any subsidiary of Terrier Holdings.⁶

Section 310(b)(4) of the Communications Act of 1934, as amended, states, in part, that “no [broadcast television station] license shall be granted to any corporation of which more than one-fourth of the capital stock is owned of record or voted by aliens . . . if the Commission finds that the public interest will be served by refusal or revocation of such license.”⁷ The three members of VoteCo are U.S. citizens.⁸ The Applicants state that the limited partner investors in the ownership chain of Terrier Holdings are all insulated in accordance with the Commission’s rules. According to the Applicants, foreign ownership in PMC Equity, arising principally from minority foreign interests in certain of PMC Equity’s limited partners, will be well below the 25 percent benchmark.⁹ The Applicants state that “[n]either AGM nor any AGM-affiliated fund will hold any limited partnership interest in PMC Equity or a stock interest in Terrier Holdings or in any Terrier Holdings subsidiary,”¹⁰ and that “[f]unds affiliated with AGM will direct their limited partners to directly commit capital to PMC Equity in exchange for limited partnership interests in that entity, the proceeds of which will be used to fund the acquisition of [Northwest and Cox stations].”¹¹

The national television ownership rule prohibits a single entity from owning television stations that, in the aggregate, reach more than 39 percent of the total television households in the United States after taking into account a 50 percent discount to UHF stations (UHF Discount).¹² The parties report that the proposed transaction would result in Terrier Media owning 25 full-power television stations covering 6.9815% of U.S. television households under the rule with the UHF discount, an ownership share in compliance with the national cap, and 12.949% of U.S. television households without taking into account the UHF Discount.¹³

The Local Television Ownership Rule allows an entity to own two television stations licensed in the same Designated Market Area (DMA) if: (1) the digital noise limited service contours of the stations (as determined by section 73.622(e) of the Commission’s rules) do not overlap; or (2) at the time the application to acquire or construct the station(s) is filed, at least one of the stations is not ranked among

⁵ 47 CFR § 73.3555, Notes 2(f)(1) and (2).

⁶ Comprehensive Exhibit at 2-3.

⁷ 47 U.S.C. § 310(b)(4).

⁸ Comprehensive Exhibit at 2.

⁹ *Id.* at 3

¹⁰ *Id.* at 4.

¹¹ *Id.*

¹² *See* 47 CFR § 73.3555(b)(e)(1) and (2).

¹³ Comprehensive Exhibit at 1, 33.

the top-four stations in the DMA, based on the most recent all-day (9 a.m.-midnight) audience share, as measured by Nielsen Media Research or by any comparable professional, accepted audience ratings service.¹⁴ With respect to the latter provision—the Top-Four Prohibition—an applicant may request that the Commission examine the facts and circumstances in a market regarding a particular transaction, and based on the showing made by the applicant in a particular case, find that application of the Top-Four Prohibition is not warranted, permitting an entity to directly or indirectly own, operate, or control two top-four television stations licensed in the same DMA.¹⁵ The applicant bears the burden of demonstrating that the application of the Top-Four Prohibition is not in the public interest because the proposed top-four combination would result in no more than a minimal reduction in competition, which is outweighed by public interest benefits.¹⁶ In Yuma-El Centro, Arizona, where Terrier Media seeks to acquire an existing top-four combination from Northwest, Terrier Media and Northwest have submitted a top-four showing and seek permission for Terrier Media to retain the two Northwest stations.¹⁷

According to the Applicants, with the exception of the Yuma-El Centro market, there are no new or existing station combinations created by the transaction that would implicate the Local Television Ownership Rule.¹⁸ Terrier Media requests Commission consent to the acquisition of the four existing combinations that Northwest and Cox separately own.¹⁹ Northwest, Cox and Terrier argue that transfer of control of these combinations is permissible because it would result in common ownership of a top-four and a non-top-four station.²⁰

EX PARTE STATUS OF THIS PROCEEDING

In order to assure the staff's ability to discuss and obtain information needed to resolve the issues presented, by this Public Notice and pursuant to section 1.1200(a) of the Commission's rules,²¹ we establish a docket for this proceeding and announce that the *ex parte* procedures applicable to permit-but-disclose proceedings will govern our consideration of these applications.²²

The proceeding in this Public Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission's *ex parte* rules.²³ Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation

¹⁴ 47 CFR § 73.3555(b)(1).

¹⁵ *Id.* § 73.3555(b)(2).

¹⁶ *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.*, MB Docket No. 14-50, Report and Order, 31 FCC Rcd 9864 (2016), *review pending sub nom. Prometheus Radio Project v. FCC*, 3d Cir. No. 17-1107 (filed Nov. 3, 2016), *recon. granted in part and denied in part*, Order on Reconsideration and Notice of Proposed Rulemaking, 32 FCC Rcd 9802, 9838 (2017), *petitions for review pending*.

¹⁷ Comprehensive Exhibit at 34, Attach. 5, “Top-Four Showing for Continued Ownership of KYMA-DT and KSWT(TV) (Yuma El Centro DMA).”

¹⁸ *Id.* at 1, 2, 33.

¹⁹ *Id.* at 33-35.

²⁰ *Id.*

²¹ 47 CFR § 1.1200(a).

²² *See id.* § 1.1206.

²³ 47 CFR § 1.1200 *et seq.*

must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of data or arguments already reflected in the presenter's written comments, memoranda, or other filings in the proceeding, then the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b).²⁴ Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.²⁵ We strongly urge parties to use the Electronic Comment Filing System (ECFS) to file *ex parte* submissions. All *ex parte* filings must be clearly labeled as such and must reference MB Docket No. 19-ZZ.

GENERAL INFORMATION

The applications for transfer of control of licenses referred to in this Public Notice have been accepted for filing upon initial review. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies. Interested persons must file petitions to deny no later than May 10, 2019. Oppositions to petitions to deny must be filed no later than May 28, 2019. Replies must be filed no later than June 4, 2019. Persons and entities that file petitions to deny become parties to the proceeding.

To allow the Commission to consider fully all substantive issues regarding the applications in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. Replies may only address matters raised in oppositions.²⁶ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously.²⁷ Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

All filings concerning matters referenced in this Public Notice should refer to MB Docket No. 19-ZZ, as well as the specific file numbers of the individual applications or other matters to which the filings pertain.

Submissions in this matter may be filed electronically (*i.e.*, through ECFS) or by filing paper copies.

- Electronic Filers: Documents may be filed electronically using the Internet by accessing the ECFS: <http://fjallfoss.fcc.gov/ecfs2/>.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. Filings may be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission, 445 12th Street, S.W., Washington, DC

²⁴ 47 CFR § 1.1206(b)

²⁵ *Id.*

²⁶ *Id.* § 1.45(c).

²⁷ *See id.* §§ 1.46(a) and 73.3584(e).

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- All hand-delivered or messenger-delivered paper filings no larger than a copier paper box for the Commission's Secretary must be delivered to the Mail and Distribution Window at FCC Headquarters at 445 12th Street, S.W., Washington, D.C. 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.

- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.

- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, S.W., Washington, DC 20554.

In addition, one copy of each submission must be sent to the following:

- David Brown, Video Division, Media Bureau, Room 2-A662, e-mail David.Brown@fcc.gov
- Jeremy Miller, Video Division, Media Bureau, Room 2-A821, e-mail Jeremy.Miller@fcc.gov
- Chris Robbins, Video Division, Media Bureau, Room 2-A847, e-mail Chris.Robbins@fcc.gov
- Jim Bird, Transaction Team, Office of General Counsel, Room 8-C862, e-mail Jim.Bird@fcc.gov

Any submission that is e-mailed to David Brown, Jeremy Miller, Chris Robbins, and Jim Bird should include in the subject line of the e-mail: (1) MB Docket No. 19-**ZZ**; (2) the name of the submitting party; (3) a brief description or title identifying the type of document being submitted (*e.g.*, MB Docket No. 19-**ZZ**, Terrier Media/Northwest/Cox Merger, *Ex Parte* Notice).

People with Disabilities. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (TTY).

Availability of Documents. Documents in this proceeding will be available for public inspection and copying during business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554.

The applications are also available electronically through ECFS, which will provide hyperlinks to the applications in CDBS. ECFS may be accessed on the Commission's Internet website at <http://www.fcc.gov>.

For further information, contact David Brown at (202) 418-1645, Jeremy Miller at (202) 418-1507, or Chris Robbins at (202) 418-0685. For press inquiries, contact Janice Wise at (202) 418-8165.

By: Chief, Media Bureau

Attachment**NBI Holdings LLC**

Call Sign	Facility ID No.	Community of License	Licensee	Application File Nos.
WSYT(TV)	40758	Syracuse, NY	Bristlecone Broadcasting LLC	BTCCDT□20190304ABL
W16AX□D	15567	Ithaca, NY	Bristlecone Broadcasting LLC	BTCCDT□20190304ABM
WNYS□TV	58725	Syracuse, NY	Syracuse Broadcasting	BTCCDT□20190304ABP
WICZ□TV	62210	Syracuse, NY	Stainless Broadcasting	BTCCDT□20190304ABR
WBPN□LP	74020	Binghamton, NY	Stainless Broadcasting	BTC(DTL)□20190304ABS
WBPN□LD	168092	Binghamton, NY	Stainless Broadcasting	BTC(DTL)□20190304ABT
KAYU□TV	58684	Spokane, WA	Mountain Licenses, L.P.	BTCCDT□20190304ADU
K09UP□D	58691	Colville, WA	Mountain Licenses, L.P.	BTC(DTL)□20190304ADZ
K18LH-D	198068	Lewiston, ID	Mountain Licenses, L.P.	BTC(DTL)□20190304AED
K19AU-D	58687	Omak, Okanogan, etc. WA	Mountain Licenses, L.P.	BTC(DTL)□20190304ADX
K19BY-D	58696	Grangeville, ID	Mountain Licenses, L.P.	BTC(DTL)□20190305AAR
K31AH-D	58689	Omak, etc. WA	Mountain Licenses, L.P.	BTC(DTL)□20190304ADY
K33LW-D	189692	Sandpoint, ID	Mountain Licenses, L.P.	BTC(DTL)□20190304AEG
K35BJ	58693	Ellisford, etc. WA	Mountain Licenses, L.P.	BTC(DTL)□20190304AEA
K44CK	58692	Chelan, WA	Mountain Licenses, L.P.	BTC(DTL)□20190304AEE
K46KE-D	168364	Coeur d'Alene, ID	Mountain Licenses, L.P.	BTC(DTL)□20190304AEC
KFFX-TV	12729	Pendleton, OR	Mountain Licenses, L.P.	BTC(DTL)□20190304ADV
KBWU-LD	58685	Richland, etc. WA	Mountain Licenses, L.P.	BTC(DTL)□20190304ADW
KCYU-LD	58694	Yakima, WA	Mountain Licenses, L.P.	BTC(DTL)□20190304AEB
K34MZ-D	58695	Prosser, WA	Mountain Licenses, L.P.	BTC(DTL)□20190304AEC
KMVU-DT	32958	Medford, OR	Broadcasting Licenses, L.P.	BTC(DTL)□20190304ABX
K31GP-D	130825	Brookings, etc. OR	Broadcasting Licenses, L.P.	BTC(DTL)□20190304ACA
K32LQ-D	130086	Yreka, CA	Broadcasting Licenses, L.P.	BTC(DTL)□20190304ACC
K44JB-D	168366	Grants Pass, OR	Broadcasting Licenses,	BTC(DTL)□20190304AC

			L.P.	B
KFBI-LD	130106	Medford, OR	Broadcasting Licenses, L.P.	BTC(DTL)□20190304AB Z
K26NB-D	129027	Klamath Falls, OR	Broadcasting Licenses, L.P.	BTC(DTL)□20190304AB Y
KSWT(TV)	33639	Yuma, AZ	Blackhawk Broadcasting	BTCCDT□20190304ACF
KYMA-DT	74449	Yuma, AZ	Blackhawk Broadcasting	BTCCDT□20190304ACG
KIEM-TV	53382	Eureka, CA	Redwood Television Partners LLC	BTCCDT□20190304ACI
K02OD-D	533811	Shelter Cove, CA	Redwood Television Partners LLC	BTCCDT□20190304ACK
K07GJ-D	53379	Hoopa, CA	Redwood Television Partners LLC	BTCCDT□20190304ACL
KVIQ-LP	42631	Rio Dell, Scotia CA	Redwood Television Partners LLC	BTCCDT□20190304ACJ
WABG-TV	43203	Greenwood, MS	Cala Broadcast Partners LLC	BTCCDT□20190304ACN
WNBD-LD	181137	Grenada, MS	Cala Broadcast Partners LLC	BTCCDT□20190304ACO
WXVT-LD	181144	Cleveland, MS	Cala Broadcast Partners LLC	BTCCDT□20190304ACP
KPVI-DT	1270	Pocatello, ID	Idaho Broadcast Partners LLC	BTCCDT□20190304ACT
K13UF-D	1258	Rexburg, ID	Idaho Broadcast Partners LLC	BTCCDT□20190304ACV
K32LS-D	1266	Driggs, ID	Idaho Broadcast Partners LLC	BTCCDT□20190304AC W
K39GV	1252	Burley, etc., ID	Idaho Broadcast Partners LLC	BTCCDT□20190304ACU
K40MS-D	189407	Pocatello, ID	Idaho Broadcast Partners LLC	BTCCDT□20190304ACX
KLAX-TV	52907	Alexandria, LA	Lost Coast Broadcasting LLC	BTCCDT□20190304ADE
KWCE-LP	40251	Alexandria, LA	Lost Coast Broadcasting LLC	BTCCDT□20190304ADF

Cox Enterprises, Inc.

Call Sign	Facility ID No.	Community of License	Licensee	Application File Nos.
WSB□TV	23960	Atlanta, GA	Georgia Television, LLC	BTCCDT□20190304ACS
WSOC□TV	74070	Charlotte, NC	WSOC Television, LLC	BTCCDT□20190304ACZ
WAXN□TV	12793	Kannapolis, NC	WSOC Television, LLC	BTCCDT□20190304ADB
W42DR□D	53891	Marion, NC	WSOC Television, LLC	BTCCDT□20190304ADA
WHIO□TV	41458	Dayton, OH	Miami Valley Broadcasting Corporation	BTCCDT□20190304ADD
WHIO(AM)	14244	Dayton, OH	Cox Radio, Inc.	BAL□20190304AER

WHIO□FM	73908	Pleasant Hill, OH	Cox Radio, Inc.	BALH□20190304AES
WHKO(FM)	14245	Dayton, OH	Cox Radio, Inc.	BALH□20190304AET
WZLR(FM)	15649	Xenia, OH	Cox Radio, Inc.	BALH□20190304AEU
WFOX□TV	11909	Jacksonville, FL	Cox Television Jacksonville	BTCCDT□20190304ADH
WHBQ□TV	12521	Memphis, TN	Cox Media Group Northeast	BTCCDT□20190304ADJ
WFXT(TV)	6463	Boston, MA	Cox Media Group Northeast	BTCCDT□20190304ADK
WFTV(TV)	72076	Orlando, FL	WFTV, LLC	BTCCDT□20190304ADQ
W38EO□D	181668	Williston, FL	WFTV, LLC	BTC(DTL)□20190304AD R
W36DV□D	181650	Sebastian, FL	WFTV, LLC	BTC(DTL)□20190304AD S
WRDQ(TV)	55454	Orlando, FL	WFTV, LLC	BTC(DTL)□20190304AD T
KIRO□TV	66781	Seattle, WA	KIRO□TV, Inc.	BTCCDT□20190304AEH
K17IZ□D	66786	Everett, WA	KIRO□TV, Inc.	BTCCDT□20190304AEI
K26IC□D	66785	Bremerton, WA	KIRO□TV, Inc.	BTCCDT□20190304AEJ
K29IA□D	66784	Centralia, etc., WA	KIRO□TV, Inc.	BTCCDT□20190304AEK
K30FL□D	66787	Port Angeles, WA	KIRO□TV, Inc.	BTCCDT□20190304AEL
K47LG□D	6381	Point Pulley, WA	KIRO□TV, Inc.	BTCCDT□20190304AE M
K49IX□D	66788	Puyallup, WA	KIRO□TV, Inc.	BTCCDT□20190304AEN
KOKI□TV	11910	Tulsa, OK	Cox Television Tulsa, LLC	BTCCDT□20190304AEO
KMYT□TV	54420	Tulsa, OK	Cox Television Tulsa, LLC	BTCCDT□20190304AEP
WPXI(TV)	73910	Pittsburgh, PA	WPXI, LLC	BTCCDT□20190304AEQ