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DA 19-341

Released: April 26, 2019

MEDIA BUREAU ACCEPTS FOR FILING DIVESTITURE APPLICATIONS IN PROCEEDING TO TRANSFER CONTROL OF TRIBUNE MEDIA COMPANY TO NEXSTAR MEDIA GROUP, INC., AND ESTABLISHES CONSOLIDATED PLEADING CYCLE

MB Docket No. 19-30

Petition to Deny Date: May 27, 2019 Opposition Date: June 11, 2019 Reply Date: June 18, 2019

Tribune Media Company (Tribune) and Nexstar Media Group, Inc. (Nexstar and, jointly with Tribune, Applicants), in connection with their previously filed applications seeking consent to the transfer of control of subsidiaries of Tribune holding the licenses of full-power broadcast television stations (and related broadcast auxiliary facilities), low-power television stations, TV translator stations, and radio stations to Nexstar (Merger), have filed a new set of applications (Divestiture Applications) with the Federal Communications Commission (Commission) to divest certain stations to Scripps Media, Inc. (Scripps), Tegna, Inc. (Tegna), and Circle City Broadcasting I, Inc. (CCB). Because this proceeding involves multiple transactions in multiple markets, and requires coordinated timing to effectuate divestures of certain stations that are necessary for approval of the overall transaction, we find that consolidated processing of the Divestiture Applications, and their incorporation into this docket, will result in administrative efficiency and ensure a comprehensive record in this proceeding.

¹ See Media Bureau Establishes Pleading Cycle for Applications to Transfer Control of Tribune Media Company to Nexstar Media Group, Inc. and Permit-But-Disclose Ex Parte Status for the Proceeding, MB Docket 19-30, DA 19-82 (MB 2019) (February Public Notice). On April 19, The Applicants also filed amendments (Amended Applications) to their original set of applications (Original Applications).

² A list of the Divestiture Applications can be found in Attachment A to this Public Notice. Copies of the applications are available in Commission's Consolidated Database System (CDBS). All the applications listed in Attachment A have been accepted for filing.

³ In connection with the Merger, Tribune has exercised its right under an Option Agreement dated December 27, 2013, to acquire control of the licensees of WTKR, WGNT and WNEP-TV from Dreamcatcher Broadcasting, LLC (Dreamcatcher). Concurrently with consummation of the Merger and subject to Commission approval, Tribune and Dreamcatcher will consummate the transfer of control of the WTKR, WGNT and WNEP-TV licensees from Dreamcatcher to Tribune, and (1) the licensee of WTKR and WGNT will consummate the assignment of those stations' licenses to Scripps, and (2) the licensee of WNEP-TV will consummate the assignment of that station's license to TEGNA. Amended Comprehensive Exhibit at 2, n. 9. Applications for consent to the WTKR, WGNT and WNEP-TV transactions have been filed with the Commission and are listed in Attachment A. Those applications are also incorporated into MB Docket 19-30 and will be governed by the pleading cycle that we establish today.

The Commission accepted the Original Applications for filing on January 28, 2019.⁴ Under the proposed Merger, Nexstar would acquire all outstanding equity interests of Tribune in an all cash transaction.⁵ Subject to Commission approval of the Merger, Titan Merger Sub, Inc., a wholly-owned subsidiary of Nexstar, would merge with and into Tribune, with Tribune continuing as the surviving corporation, and Tribune would become a wholly-owned subsidiary of Nexstar. ⁶ Also subject to Commission approval, the new entity would divest a group of stations to Scripps, Tegna, and CCB.

As explained more fully in the Amended Comprehensive Exhibit, in thirteen Nielsen Designated Market Areas (DMAs), Nexstar and Tribune both own full-power television stations (Overlap Markets). 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 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. 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 topfour television stations licensed in the same DMA. 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.¹⁰

The Applicants state that in two Overlap Markets the Transaction would create a permissible combination by combining a top-four station and a non-top-four station.¹¹ In the other eleven markets (Top-Four Overlap Markets), prior to divestitures, the Transaction would create combinations of two top-four stations.¹² In ten of the Top-Four Overlap Markets, the Applicants will not seek to make a top-four showing and seek Commission approval of the divestiture of one top-four station to either Scripps or Tegna.¹³ In the remaining Top-Four Overlap Market, Indianapolis, Indiana, where Nexstar is acquiring an existing top-four combination from Tribune, the Applicants have submitted a top-four showing and

⁴ Amended Comprehensive Exhibit to the Amended Applications at 3.

⁵ *Id*.

⁶ *Id*.

⁷ Amended Comprehensive Exhibit at 1, 25-31.

⁸ See 47 CFR § 73.3555(b)(1).

⁹ *Id.* at § 73.3555(b)(2).

¹⁰ 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.

¹¹ Amended Comprehensive Exhibit at 1.

¹² *Id.* at 1, 25-31.

¹³ *Id*.

seek permission for Nexstar to retain the two Tribune stations while divesting its existing stations in that market. ¹⁴ The Applicants committed "to divest stations sufficient to ensure that the post-merger company will comply with the Duopoly Rule" in the Original Applications. ¹⁵ The Applicants assert that the proposed divestitures will bring the merger into compliance with the Local Television Ownership Rule, subject to Commission approval of their Top-Four showing in the Indianapolis DMA. ¹⁶

According to the Applicants, the proposed transaction as originally filed would have resulted in Nexstar exceeding the national television ownership limit by 8.1365% absent any divestitures.¹⁷ The national ownership limit prohibits the transfer of a license for a commercial broadcast station if the transfer would result in the transferee having an attributable interest in television stations that reach greater than 39% of the national audience.¹⁸ In the Original Applications, the Applicants committed to file "[a]pplications to divest stations sufficient to comply with the National Television Ownership Limit ... as soon as divestiture plans are finalized."¹⁹ In the Amended Comprehensive Exhibit, the Applicants represent they have filed "applications to divest additional stations sufficient to bring the combined company's audience reach to 39% or less."²⁰ Specifically, the Applicants represent that Nexstar will have "an attributable interest in television stations reaching 38.2965% of the national audience."²¹

GENERAL INFORMATION

The applications for transfer of control of licenses referred to in Attachment A to 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 27**, **2019**. Oppositions to petitions to deny must be filed no later than **June 11**, **2019**. Replies must be filed no later than **June 18**, **2019**. Persons and entities that file petitions to deny become parties to the proceeding.²²

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

¹⁴ *Id.* at 2. Application for Transfer of Control of Tribune Broadcasting Indianapolis, LLC, File No. BTCCDT-20190107ACF, Attachment 20 Top-Four Showing. The Applicants assert that in five Tribune markets, Nexstar would acquire and continue to operate existing permissible duopolies pursuant to the transaction and that no new combinations would be created in those markets. Comprehensive Exhibit at 2.

¹⁵ Original Comprehensive Exhibit at 25. As a result of the proposed merger, Nexstar also would acquire one radio station in Chicago, Illinois, which the Applicants state is a permissible combination under the Commission's rules.

¹⁶ Amended Comprehensive Exhibit at 2, 25. The Applicants are also seeking continuing satellite exemptions for Tribune stations in the Denver, Colorado and Indianapolis, Indiana DMAs. *Id.* at 3.

¹⁷ *Id.* at 34.

¹⁸ See 47 CFR § 73.3555(b)(e)(1). In calculating an interest holder's total ownership, the population attributed to a UHF television station is reduced by 50%. *Id.* at § 73.3555(b)(e)(2).

¹⁹ Original Comprehensive Exhibit at 34.

²⁰ Amended Comprehensive Exhibit at 2, 34.

²¹ *Id.* at 34, Attachment F.

²² We remind interested parties seeking to make *ex parte* presentations to refer to the *February Public Notice* for instructions. We further remind interested parties that filings in this proceeding are to subject a protective order. *Tribune Media Company (Transferor) and Nexstar Media Group, Inc. (Transferee), Consolidated Applications for Consent to Transfer of Control*, MB Docket No. 19□30, Protective Order (rel. Mar. 15, 2019)

initial filings. Replies may only address matters raised in oppositions.²³ 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.²⁴ 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.19-30, 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 20554.
- 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 <u>David.Brown@fcc.gov</u>
- David Roberts, Video Division, Media Bureau, Room 2-A660, e-mail David Roberts@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, David Roberts, Chris Robbins, and Jim Bird should include in the subject line of the e-mail: (1) MB Docket No. 19-30; (2) the name of the submitting party;

²³ 47 CFR § 1.45(c).

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²⁴ See id. §§ 1.46(a) and 73.3584(e).

(3) a brief description or title identifying the type of document being submitted (*e.g.*, MB Docket No. 19-30, Nexstar/Tribune 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 the Commission's ECFS, which will provide hyperlinks to the applications in the Media Bureau's Consolidated Database System (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, David Roberts at (202) 418-1618, or Chris Robbins at (202) 418-0685. For press inquiries, contact Janice Wise at (202) 418-8165.

By: Chief, Media Bureau

Attachment A Nexstar/Tribune Divestiture Applications

Call Sign	Facility ID No.	Community of License	Assignor or Transferor	Assignee or Transferee	Application File No(s).
WTIC(TV)	147	Hartford, CT	Tribune Broadcasting Hartford, LLC	TEGNA Broadcast Holdings, LLC	BALCDT- 20190403ABJ
WCCT-TV	14050	Waterbury, CT	Tribune Broadcasting Hartford, LLC	TEGNA Broadcast Holdings, LLC	BALCDT- 20190403ABK
KASW(TV)	7143	Phoenix, AZ	Nexstar Broadcasting, Inc.	Scripps Broadcasting Holdings, LLC	BALCDT- 20190403ABL
K34EE-D	56142	Prescott- Cottonwood, AZ	Nexstar Broadcasting, Inc.	Scripps Broadcasting Holdings, LLC	BAL- 20190403ABM
WPMT(TV)	10213	York, PA	WPMT, LLC	TEGNA Broadcast Holdings, LLC	BALCDT- 20190403ABN
WQAD-TV	73319	Moline, IL	WQAD License, LLC	TEGNA Broadcast Holdings, LLC	BALCDT- 20190403ABO
WATN-TV	11907	Memphis, TN	Nexstar Broadcasting, Inc.	TEGNA Memphis Broadcasting, Inc.	BALCDT- 20190403ABP
WLMT(TV)	68518	Memphis, TN	Nexstar Broadcasting, Inc.	TEGNA Memphis Broadcasting, Inc.	BALCDT- 20190403ABQ
KFSM-TV	66469	Fort Smith, AR	Tribune Broadcasting Fort Smith License, LLC	Cape Publications, Inc.	BALCDT- 20190403ABS
WPIX(TV)	73881	New York, NY	WPIX, LLC	Scripps Media, Inc.	BALCDT- 20190403ABU
WOI-DT	8661	Ames, IA	Nexstar Broadcasting, Inc.	TEGNA Broadcast Holdings, LLC	BAL- 20190403ABV
KCWI-TV	51502	Ames, IA	Nexstar Broadcasting, Inc.	TEGNA Broadcast Holdings, LLC	BALCDT- 20190403ABW
WZDX(TV)	28119	Huntsville, AL	Nexstar Broadcasting,	TEGNA Broadcast	BALCDT- 20190403ABX

Call Sign	Facility ID No.	Community of License	Assignor or Transferor	Assignee or Transferee	Application File No(s).
			Inc.	Holdings, LLC	
WSFL-TV	10203	Miami, FL	WSFL, LLC	Scripps Broadcasting Holdings, LLC	BALCDT- 20190403ABY
KSTU(TV)	22215	Salt Lake City, UT	KSTU License, LLC	Scripps Broadcasting Holdings, LLC	BALCDT- 20190403ABZ
KKRP-LD	70979	St. George, UT	KSTU License, LLC	Scripps Broadcasting Holdings, LLC	BAL- 20190403ACA
K43CC-D	22205	Santa Clara, UT	KSTU License, LLC	Scripps Broadcasting Holdings, LLC	BAL- 20190403ACB
K35OP-D	22213	Park City, UT	KSTU License, LLC	Scripps Broadcasting Holdings, LLC	BALDTT- 20190403ACC
K25HF-D	22212	Heber City, UT	KSTU License, LLC	Scripps Broadcasting Holdings, LLC	BAL- 20190403ACD
K17HM-D	22217	Wendover, UT	KSTU License, LLC	Scripps Broadcasting Holdings, LLC	BAL- 20190403ACE
K15FQ-D	22214	Milford, etc., UT	KSTU License, LLC	Scripps Broadcasting Holdings, LLC	BALDTT- 20190403ACF
K14PA-D	22202	Rural Juab County, UT	KSTU License, LLC	Scripps Broadcasting Holdings, LLC	BALDTT- 20190403ACG
WXMI(TV)	68433	Grand Rapids, MI	WXMI, LLC	Scripps Broadcasting Holdings, LLC	BAL- 20190403ACH
W42CB-D	64440	Hesperia, MI	WXMI, LLC	Scripps Broadcasting Holdings, LLC	BAL- 20190403ACI
W17DF-D	64442	Muskegon, MI	WXMI, LLC	Scripps Broadcasting Holdings, LLC	BAL- 20190403ACJ
WTVR-TV	57832	Richmond, VA	WTVR License, LLC	Scripps Broadcasting Holdings, LLC	BALCDT- 20190403ACK
WISH-TV	39269	Indianapolis, IN	Nexstar Broadcasting, Inc.	CCB License, LLC	BALCDT- 20190408AAR
WNDY-TV	28462	Marion, IN	Nexstar Broadcasting,	CCB License, LLC	BALCDT- 20190408AAS

Call Sign	Facility ID No.	Community of License	Assignor or Transferor	Assignee or Transferee	Application File No(s).
			Inc.		
WTKR(TV)	47401	Norfolk, VA	Local TV	Scripps	BALCDT-
			Virginia	Broadcasting	20190410AAK
			License, LLC	Holdings, LLC	
			Dreamcatcher	Local TV	BTCCDT-
			Broadcasting, LLC	Finance, LLC	20190410AAX ¹
WGNT(TV)	9762	Portsmouth,	Local TV	Scripps	BALCDT-
		VA	Virginia	Broadcasting	20190410AAL
			License, LLC	Holdings, LLC	
			Dreamcatcher	Local TV	BTCCDT-
			Broadcasting, LLC	Finance, LLC	20190410AAW ²
WNEP-TV	73318	Scranton, PA	Local TV	TEGNA	BALCDT-
		·	Pennsylvania	Broadcast	20190410AAM
			License, LLC	Holdings, LLC	
			Dreamcatcher	Local TV	BTCCDT-
			Broadcasting,	Finance, LLC	20190410AAZ ³
			LLC		
W10CP-D	73320	Towanda, PA	Local TV	TEGNA	BALDTV-

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¹ In connection with the proposed Transaction, Tribune has exercised its right under an Option Agreement dated December 27, 2013, to acquire control of Local TV Virginia License, LLC (WTKR-WGNT License), the licensee of WTKR, Norfolk, and WGNT, Portsmouth, both Virginia, from Dreamcatcher Broadcasting, LLC. Tribune currently provides certain services to WTKR-WGNT License pursuant to contractual arrangements. Concurrently, Tribune proposes to assign the licenses of WTKR and WGNT to Scripps. The parties explain that, concurrently with consummation of the Transaction, Tribune and Dreamcatcher will consummate the transfer of control of WTKR-WGNT License from Dreamcatcher to Tribune, and WTKR-WGNT License and Scripps in turn will consummate the assignment of WTKR and WGNT from WTKR-WGNT License to Scripps.

² In connection with the proposed Transaction, Tribune has exercised its right under an Option Agreement dated December 27, 2013, to acquire control of Local TV Virginia License, LLC (WTKR-WGNT License), the licensee of WTKR, Norfolk, and WGNT, Portsmouth, both Virginia, from Dreamcatcher. Tribune currently provides certain services to WTKR-WGNT License pursuant to contractual arrangements. Concurrently, Tribune proposes to assign the licenses of WTKR and WGNT to Scripps Broadcasting. The parties explain that, concurrently with consummation of the Transaction, Tribune and Dreamcatcher will consummate the transfer of control of WTKR-WGNT License from Dreamcatcher to Tribune, and WTKR-WGNT License and Scripps in turn will consummate the assignment of WTKR and WGNT from WTKR-WGNT License to Scripps.

³ In connection with the proposed Transaction, Tribune has exercised its right under an Option Agreement dated December 27, 2013, to acquire control of Local TV Pennsylvania License, LLC (WNEP License), the licensee of WNEP-TV, Scranton, Pennsylvania, from Dreamcatcher. Tribune currently provides certain services to WNEP License pursuant to contractual arrangements. Concurrently, Tribune proposes to assign the licenses of WNEP-TV to TEGNA. The parties explain that, concurrently with consummation of the Transaction, Tribune and

Call Sign	Facility ID No.	Community of License	Assignor or Transferor	Assignee or Transferee	Application File No(s).
			Pennsylvania License, LLC	Broadcast Holdings, LLC	20190410AAN
			Dreamcatcher Broadcasting, LLC	Local TV Finance, LLC	BTCDTV- 20190410ABA
W20AD-D	73321	Williamsport, PA	Local TV Pennsylvania License, LLC	TEGNA Broadcast Holdings, LLC	BALDTT- 20190410AAO
			Dreamcatcher Broadcasting, LLC	Local TV Finance, LLC	BTCDTT- 20190410ABB
W15CO-D	73324	Towanda, PA	Local TV Pennsylvania License, LLC	TEGNA Broadcast Holdings, LLC	BALDTT- 20190410AAQ
			Dreamcatcher Broadcasting, LLC	Local TV Finance, LLC	BTCDTT- 20190410ABC
W07DC-D	73325	Allentown/ Bethlehem, PA	Local TV Pennsylvania License, LLC	TEGNA Broadcast Holdings, LLC	BALDTV- 20190410AAR
			Dreamcatcher Broadcasting, LLC	Local TV Finance, LLC	BTCDTV- 20190410ABD
W14CO-D	73326	Clarks Summit, etc., PA	Local TV Pennsylvania License, LLC	TEGNA Broadcast Holdings, LLC	BALDTT- 20190410AAS
			Dreamcatcher Broadcasting, LLC	Local TV Finance, LLC	BTCDTT- 20190410ABE
W28DP-D	73327	Pottsville, PA	Local TV Pennsylvania License, LLC	TEGNA Broadcast Holdings, LLC	BALDTT- 20190410AAT
			Dreamcatcher Broadcasting, LLC	Local TV Finance, LLC	BTCDTT- 20190410ABF
W26CV-D	129499	Mansfield,	Local TV	TEGNA	BALDTT-

Dreamcatcher will consummate the transfer of control of WNEP License from Dreamcatcher to Tribune, and WNEP License and TEGNA in turn will consummate the assignment of WNEP-TV from WNEP License to TEGNA.

Call Sign	Facility	Community	Assignor or	Assignee or	Application
	ID No.	of License	Transferor	Transferee	File No(s).
		PA	Pennsylvania	Broadcast	20190410AAU
			License, LLC	Holdings, LLC	
			Dreamcatcher	Local TV	BTCDTT-
			Broadcasting,	Finance, LLC	20190410ABG
			LLC		
WIIH-CD	167765	Indianapolis,	Nexstar	CCB License,	BALDTA-
		IN	Broadcasting,	LLC	20190416AAO
			Inc.		