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Federal Communications Commission
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Washington, D. C. 20554

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE
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FCC APPROVES FOX/CHRIS-CRAFT MERGER WITH CONDITIONS

Washington - - The FCC announced today it has approved the application of Fox Television Stations, Inc. (FTS) to acquire the 10 television stations held by Chris-Craft Industries and its subsidiaries BHC Communications and United Television, Inc. (The stations to be acquired are listed below.) The approval was granted with conditions requiring the licensee to comply with FCC rules on television duopolies, the 35% national television audience cap, and newspaper/broadcast cross ownership.

The FCC said that FTS is a wholly owned subsidiary of Fox Television Holdings, Inc., which in turn is controlled by Mr. Rupert Murdoch. The broadcast licenses of the Chris-Craft stations will be held and controlled by FTS, while their non-license assets will be held by a new Fox subsidiary (Newco) that is ultimately controlled by News Corporation. Newco will operate the stations pursuant to an operating agreement with FTS. In its order, the Commission finds that the proposed company structure complies with its previous decisions regarding alien ownership of Fox entities.

The transaction will result in duopolies in New York, Los Angeles, Phoenix and Salt Lake City. These duopolies comply with the Commission's rules, except in Salt Lake City where each of Fox's two stations are ranked within the top four stations in the city. The FCC order gives Fox six months to divest one of these two stations.

The transaction will also result in Fox having an attributable interest in television stations with an aggregate national audience reach of 40.91%. The Commission's rules prohibit a party from owning stations that have an aggregate national audience reach in excess of 35%. The Commission granted Fox a 12 month period of time to come into compliance with the national ownership rule. However, since the 35% national ownership cap is currently the subject of review in the D.C. Circuit Court, the Commission said it would delay the effectiveness of this part of the order pending final disposition of the court case.

Fox has an existing permanent waiver of the television/newspaper cross-ownership rule permitting it to own the *New York Post* and television station WNYW (TV), New York. In this transaction, Fox will acquire a second television station, WWOR(TV), in that market. Fox argued that it should be permitted to acquire this second station under its existing waiver and under the Commission's revised duopoly rule. The FCC concluded that the original waiver was not adequate to cover the new combination, and instead ordered Fox to come into compliance with the existing waiver's one newspaper/one television station ownership limit within 24 months. The Commission said affording limited time periods for licensees to come into compliance with the FCC's multiple ownership rules is consistent with prior decisions permitting companies to engage in an orderly disposition of assets and avoid forced sales.

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CHRIS-CRAFT STATIONS TO BE TRANSFERRED TO FOX

<u>Station</u>	<u>Market</u>
WWOR-TV (UPN-9)	New York, NY
KCOP (UPN-13)	Los Angeles, CA
KMSP (UPN-9)	Minneapolis, MN
KUTP (UPN-45)	Phoenix, AZ
WRBW (UPN-65)	Orlando, FL
KPTV (UPN-12)	Portland, OR
WUTB (UPN-24)	Baltimore, MD
KTVX (ABC-4)	Salt Lake City, UT
KMOL (NBC-4)	San Antonio, TX
KBHK (UPN-45)	San Francisco, CA

Action by the Commission, July 23, 2001, FCC No. 01-209; Chairman Powell, Commissioners Abernathy and Martin; and Commissioners Tristani and Copps dissenting; with separate statements issued by Chairman Powell and Commissioners Tristani, Abernathy and Copps.

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