

Before the  
Federal Communications Commission  
Washington, D.C. 20554

In the Matter of	)	
	)	MB Docket No. 13-203
Applications for Consent to Transfer of Control	)	
from License Subsidiaries of Allbritton	)	File Nos. BTCCDT – 20130809ABW <i>et seq.</i>
Communications Co. to Sinclair Television Group,	)	
Inc.	)	
	)	

MEMORANDUM OPINION AND ORDER

Adopted: July 24, 2014

Released: July 24, 2014

By Chief, Media Bureau

**I. INTRODUCTION**

1. This Memorandum Opinion and Order conditionally grants the applications for transfer of control of entities holding television licenses from subsidiaries of Allbritton Communications Co. (“Allbritton”) to Sinclair Television Group, Inc. (“Sinclair”)<sup>1</sup> as identified in Exhibit A. In addition, the Order denies a petition to deny from the Rainbow Push Coalition (“Rainbow Push”), denies in part and dismisses as moot in part a petition to deny from the American Cable Association (“ACA”), denies an informal objection from Raymie Humbert, and dismisses as moot a petition to deny by Free Press and Put People First! PA (“Free Press”).<sup>2</sup>

**II. BACKGROUND**

2. *The Local Television Ownership Rule and Sharing Arrangements.* Under the local television ownership rule, two television stations licensed in the same Nielsen Designated Market Area (“DMA”) that have Grade B contour overlap<sup>3</sup> may be commonly owned if: (1) at least one of the stations is not ranked among the top four stations in the DMA; and (2) at least eight independently owned and operating, full power commercial and non-commercial educational television stations would remain in the DMA after the merger.<sup>4</sup>

<sup>1</sup> Together, the “Applicants.”

<sup>2</sup> Collectively, the “Petitioners.”

<sup>3</sup> Although the rule refers to Grade B contours, we note that, following the digital transition, the Commission has developed the digital noise-limited service contour (“NLSC”) to approximate the same probability of service as the analog Grade B contour, has stated that the two are roughly equivalent, and has proposed to replace the Grade B contour with the NLSC for purposes of the rule. *See 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.*, Further Notice of Proposed Rulemaking and Report and Order, 29 FCC Rcd 4371, 4383-84 (2014) (“*2014 Quadrennial Review Report & Order & FNPRM*”); *see also Riverside Media*, Letter, 26 FCC Rcd 16038, 16060, n. 2 (2011) (determining that the Commission will treat the digital noise-limited contour as the “functional equivalent” of Grade B contours for purposes of the local television ownership rule) (citations omitted).

<sup>4</sup> 47 C.F.R. § 73.3555(b)(2).

3. Following adoption of this rule, some broadcasters gradually began to rely on a series of sharing and/or financial arrangements intended to allow a licensee of one station largely to delegate its operation to another station in the same DMA without attribution of ownership between the two stations. Transactions presented to the Commission for review in recent years have increasingly featured complex combinations of sharing arrangements and financial ties such as options and loan guarantees linking stations that are asserted to be separately owned. Determining the full economic effects of these complex arrangements requires careful analysis, including review of the agreements and financial documents, to determine whether the arrangements together give the dominant station a level of operational and financial influence over the subordinate station such that we should treat the two as co-owned.

4. The first popular type of sharing arrangement was a television local marketing agreement or time brokerage agreement (“LMA”), which is a contract that involves sale by a licensee station (the “brokered station”) of blocks of time on its station to a brokering station that then supplies the programming and sells the commercials to support the programming.<sup>5</sup> In 1999, the Commission determined that any LMA between two television stations in the same market for more than 15 percent of the brokered station’s broadcast hours per week would be attributable and counted toward the ownership limits of the licensee of the brokering station.<sup>6</sup> The Commission concluded that LMAs involving existing combinations of stations entered into prior to November 5, 1996, would be grandfathered.<sup>7</sup> The grandfathering protection was intended to “avoid undue disruption of *existing LMA arrangements* while, at the same time, promote our competition and diversity goals.”<sup>8</sup> LMAs governing existing station combinations were also made transferable.<sup>9</sup>

5. Subsequently, broadcasters increasingly relied on other sharing arrangements between brokered and brokering stations, most commonly joint sales agreements (“JSAs”)<sup>10</sup> and shared services agreements (“SSAs”). On June 18, 2014, *the 2014 Quadrennial Review Report & Order & FNPRM* became effective, attributing joint sales agreements between broadcast television stations in the same market that cover more than 15 percent of the station’s weekly advertising time.<sup>11</sup> The Commission provided a two-year transition period starting from the effective date of the rule for parties to amend or terminate any JSAs that would result in a violation of the local TV ownership rule.<sup>12</sup>

**6. The Transaction.** On July 28, 2013, Sinclair and Allbritton entered into a Purchase Agreement and submitted applications for approval to transfer the entities owning the licenses for Allbritton’s eight full-power television stations (the “Allbritton Stations”) located in seven markets to Sinclair.<sup>13</sup> In four of those markets, Sinclair does not own any television stations, and it will be acquiring

<sup>5</sup> *Review of the Commission’s Regulations Governing Television Broadcasting*, Report and Order, 14 FCC Rcd 12903, 12958 (1999) (“*1999 TV Ownership Report and Order*”).

<sup>6</sup> *Id.*

<sup>7</sup> *Id.* at 12961; *2002 Biennial Regulatory Review- Review of the Commission’s Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, Report and Order and Notice of Proposed Rulemaking, 18 FCC Rcd 13620, 13812 (2003) (“*2002 Biennial Review*”).

<sup>8</sup> *1999 TV Ownership Report and Order*, 14 FCC Rcd at 12962. (emphasis added).

<sup>9</sup> *Id.* at 12965.

<sup>10</sup> A JSA is an agreement with a licensee of a brokered station that authorizes a broker to sell advertising time for the brokered station. 47 C.F.R. § 73.3555, Note 2(k).

<sup>11</sup> *2014 Quadrennial Review Report & Order & FNPRM*, 29 FCC Rcd at 4527.

<sup>12</sup> *Id.* at 4542.

<sup>13</sup> File Nos. BTCCDT-20130809ABW; ACA; ACB; ACC; ACD; ACE; & ACG; BALCDT-20130809ADC, ADE; ADF; & ADG. Sinclair would also acquire NewsChannel 8, a 24-hour cable/satellite news network covering the Washington D.C. metropolitan area.

the stations directly from Allbritton. Sinclair already owns stations, and has entered into sharing arrangements, which it describes as grandfathered LMAs, with additional stations in the remaining three markets—Birmingham, Alabama; Harrisburg, Pennsylvania; and Charleston, South Carolina (the “Overlap Markets”). Sinclair cannot retain its current holdings and acquire the Allbritton stations in these three markets consistent with the local TV ownership rule. Consequently, Sinclair initially proposed to assign the Birmingham and Harrisburg stations to Deerfield Media entities (“Deerfield”) and proposed to assign the Charleston stations to Howard Stirk Holdings, LLC (“HSH”). Sinclair would have retained a financial interest in and shared certain services with each of the stations acquired by Deerfield and HSH through option, SSA, and JSA arrangements, and other financial ties in connection with the purchase loan for the stations.<sup>14</sup>

7. On December, 6, 2013, the Video Division sent a letter notifying Applicants that the original proposal would not comply with the local TV ownership rule. Specifically, the proposed transactions would remove grandfathering relief for the LMAs in all three markets; in addition, grandfathering relief had never been appropriate for the LMA in the Charleston, South Carolina market because it was entered into after the grandfathering deadline of November 5, 1996.<sup>15</sup> On January 31, 2014, the Video Division held a conference call with all parties to this proceeding during which it requested additional financial information regarding the stations in the Overlap Markets.

8. In letters dated March 20 and May 29, 2014, Sinclair informed the Commission that it intended to amend the proposals to “eliminate entirely the creation of any joint sales agreements, as well as all combinations of sharing arrangements and contingent financial interests.”<sup>16</sup> Sinclair said that it engaged a global investment bank to aid with the sale of stations in the Overlap Markets but that no viable buyers were found for Sinclair’s stations in either the Birmingham or Charleston markets.<sup>17</sup> Thus, Sinclair proposes the following:

9. *Birmingham.* Sinclair currently owns stations WTTO(TV), Homewood, Alabama and WABM(TV), Birmingham, Alabama, and through WTTO(TV) it operates Station WDBB(TV), Bessemer, Alabama, pursuant to a grandfathered LMA. Under the amended proposal, the licenses of Allbritton stations WCFT-TV, Tuscaloosa, Alabama and WJSU-TV, Anniston, Alabama, both ABC affiliates, would be surrendered for cancellation. Sinclair would retain WTTO(TV) and WABM(TV), the My Network affiliate in the market. The existing grandfathered LMA between WTTO(TV) and WDBB(TV) would also continue. Sinclair would use the multicasting<sup>18</sup> ability of WABM(TV) to broadcast the programming currently offered on both WABM and WCFT/WJSU.

10. *Harrisburg.* Sinclair currently owns Station WHP-TV, Harrisburg, Pennsylvania, and

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<sup>14</sup> File Nos. BALCDT-20130809ADC, ADE, ADF, & ADG.

<sup>15</sup> Letter from Barbara A. Kreisman, Chief, Video Division, to Clifford M. Harrington, Esq. (Dec. 6, 2013) (“Dec. 6 Video Division Letter”).

<sup>16</sup> Letter from Clifford M. Harrington to Marlene H. Dortch at 2 (May 29, 2014). On April 7, 2014, HSH submitted a letter requesting waiver of the Commission’s JSA attribution rule. Sinclair did not file applications that sought waiver of the JSA attribution rule in any of the Overlap Markets. Since HSH is not a party to these applications and Sinclair did not request waivers, the relief requested could not be granted.

<sup>17</sup> Letter from Clifford M. Harrington to Marlene H. Dortch at 2. Sinclair’s proposal was therefore not compliant with Commission rules until it submitted amendments to the transaction on June 25 and 30, 2014.

<sup>18</sup> Multicasting enables broadcast stations to offer digital streams or channels (*i.e.*, digital multicast signals) of programming simultaneously, using the same amount of spectrum previously required for one stream of analog programming. Broadcasters may use multicast streams to carry independent programming or network programming, such as one of the four major broadcast networks (*i.e.*, ABC, CBS, Fox, or NBC), other national broadcast networks (*e.g.*, The CW, Telemundo), or newer networks (*e.g.*, Bounce TV, Retro TV).

through WHP-TV it programs WLYH-TV, Lancaster, Pennsylvania, pursuant to a grandfathered LMA. Under the revised proposal, Sinclair would sell Allbritton station WHTM-TV to Media General, Inc.,<sup>19</sup> and retain WHP-TV and continue to program WLYH-TV.

11. *Charleston.* Sinclair currently owns WMMP(TV), Charleston, South Carolina and through WMMP(TV) it programs WTAT-TV, Charleston, South Carolina, owned by Cunningham Broadcasting (“Cunningham”), pursuant to what it inaccurately described as a grandfathered LMA.<sup>20</sup> Under the revised proposal, the license of Allbritton station WCIV(TV), the ABC affiliate in the market, would be surrendered for cancellation. Sinclair would retain its interest in WMMP(TV) but the existing LMA, under which WMMP(TV) operates WTAT-TV, would be terminated. Cunningham would acquire from Sinclair any assets used to support operation of WTAT-TV, and Sinclair would terminate its option to acquire the assets of WTAT-TV. Moreover, no sharing arrangement of any kind would exist between Sinclair’s WMMP(TV) and Cunningham’s WTAT-TV. Sinclair would use the multicasting capability of WMMP(TV) to broadcast the programming currently offered on both WMMP(TV) and WCIV(TV).

12. On June 25 and June 30, 2014, Sinclair filed amendments noting that it would take time to fulfill the voluntary commitments set forth in the May 29, 2014, letter, and it requested a temporary waiver to permit it to follow through on the commitments after consummation of the broader sale of Allbritton’s other stations. With respect to the proposal to shift ABC programming to a multicast stream in Charleston and Birmingham, Sinclair maintains that it will need to reach agreements with certain parties that provide programming to stations WCFT-TV, WJSU-TV, and WCIV(TV) to permit their programming to be transferred to Sinclair’s existing stations; that it will need to confer with area MVPDs to ensure continued carriage of ABC programming in the Birmingham and Charleston markets exactly as such carriage exists today; and that system operators may need to provide thirty days advance notice of changes to their channel lineups. Because of the need to re-scan over-the-air television receivers, Sinclair also believes it will need to give the public as much advance notice as possible so that they can prepare for the cessation of operation of the three stations and the appearance on new stations of the programming previously carried by the terminated stations. Consequently, Sinclair has requested a period of 60 days to operate WCFT-TV, WJSU-TV, and WCIV(TV) after consummation of the transaction before us, after which time operation on the stations would cease and the licenses would be surrendered for cancellation.<sup>21</sup>

13. In the Harrisburg market, the pending assignment of WHTM-TV to Media General, Inc. went on public notice on July 1, 2014.<sup>22</sup> Therefore, the parties could consummate the sale on July 31, 2014, at the earliest, assuming there is no opposition to the sale. Sinclair states that financing will fall through if the broader transaction is not granted and consummated by July 27, 2014. On July 15, 2014, Sinclair entered into a Consent Decree with the Department of Justice, along with a “Hold Separate Agreement” governing operation of WHTM-TV during the period between consummation of the sale of Allbritton and the eventual sale of WHTM-TV to Media General. Sinclair has requested that we grant conditionally the sale of WHTM-TV to Sinclair.<sup>23</sup>

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<sup>19</sup> File No. BALCDT-20140625AOV.

<sup>20</sup> File No. BTCCDT-20130809ACA (amended Dec. 2013), at Exh. 15, p. 2 n.5.

<sup>21</sup> See File Nos. BTCCDT-20130809ABW & ACA (amended June 30, 2014), at Exh. 15, p. 4.

<sup>22</sup> File No. BALCDT-20140625AOV.

<sup>23</sup> See File No. BTCCDT-20130809ACE (amended June 30, 2014), at Exh. 15, p. 5. As described in further detail below, we will make a condition of grant that, if the application to assign WHTM-TV is contested or is not otherwise grantable within the 60-day period after consummation of the instant transaction, Sinclair must file an application assigning the station to a divestiture trust.

14. **Petitions.** We note at the outset that the petitions to deny were filed assuming the transaction as originally proposed. Since the May 29, 2014, proposal,<sup>24</sup> we have received no pleadings opposing the restructured transaction. The revised proposal moots most of the allegations raised in the petitions. However, we recognize that this transaction has spawned a large and complex record. We describe the primary allegations raised in the petitions below.<sup>25</sup>

15. *Rainbow Push Coalition.* The Rainbow Push petition seeks denial of only the proposed transfer of control of WJLA-TV, Washington, D.C. from Allbritton to Sinclair.<sup>26</sup> Rainbow Push contends that the Commission should examine in hearing whether Sinclair possesses the basic qualifications to be a Commission licensee, with a particular focus on Sinclair's use of sharing arrangements with Cunningham and other entities. Rainbow Push argues that it has demonstrated in earlier proceedings that Sinclair lacks the character qualifications to serve as a licensee. These allegations have been raised in numerous pleadings since November 16, 1999, when Rainbow Push first filed a petition to deny approval of transactions involving sharing agreements with Cunningham's predecessor Glencairn.<sup>27</sup>

16. In its opposition, Sinclair states that Rainbow Push makes no concrete argument that the pending transaction is contrary to the Commission's rules or policies.<sup>28</sup> Sinclair contends that Rainbow Push's assertions that Sinclair dominates Cunningham are entirely unsupported by Rainbow Push's petition and that Cunningham is not a party to the applications.<sup>29</sup> Even if Sinclair's relationship with Cunningham was relevant, Sinclair argues that the Commission determined that Rainbow Push's 2003 petition is moot because the applications to which Rainbow Push objected had been dismissed by the Commission.<sup>30</sup> Sinclair further notes that Rainbow Push's challenge is limited to the WJLA transaction,

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<sup>24</sup> All parties to this proceeding were copied on Sinclair's May 29, 2014 letter providing the amended proposal and the amended applications were filed in the docket.

<sup>25</sup> On July 17, 2014, Campaign Legal Center, Common Cause, and the Sunlight Foundation ("Complainants") filed a complaint regarding the compliance of WJLA-TV with the Commission's political advertising rule. In a cover note, Complainants requested that the complaint be treated as an informal objection to this proceeding. We deny that request. This complaint will be reviewed in the usual course. Moreover, we conclude that the complaint does not allege facts that would call into question the Allbritton's fitness to serve as a Commission licensee.

<sup>26</sup> File No. BTCCDT-20130809ACD.

<sup>27</sup> Rainbow Push Petition to Deny (Sept. 13, 2013) ("Rainbow Push Petition") at 3-7. In 1998, Sinclair and Cunningham (then Glencairn, Ltd.) sought to acquire certain television stations from Sullivan Broadcasting Company. Rainbow Push opposed the applications arguing that the transactions resulted in Sinclair exercising *de facto* control over Glencairn. The Commission granted in part and denied in part Rainbow Push's petition to deny. *Glencairn, Ltd.*, Memorandum Opinion and Order and Notice of Apparent Liability, 16 FCC Rcd 22236 (2001) ("*2001 Glencairn Decision*"). The Commission found that Sinclair exercised *de facto* control over Glencairn with respect to the specific transaction at issue but did not designate the applications for hearing. The Commission did not find that the LMA and other relationships between Sinclair and Glencairn in general conferred *de facto* control. Sinclair and Glencairn were each issued forfeitures and the applications were granted. *Id.* at 22251-22256. In 2002 and 2003, separate applications were filed to transfer five full-power television stations from Cunningham to Sinclair. Rainbow Push filed petitions to deny the applications, arguing that new facts discovered after the *2001 Glencairn Decision* indicated that Sinclair had in fact acquired control as a result of its sharing arrangements and other relationships with Cunningham. The staff dismissed the 2002 applications in 2002 and the 2003 applications in 2004, for reasons other than the sharing arrangements between Sinclair and Glencairn. The staff determined that the allegations raised in 2002 were mooted by dismissal of the underlying application, but it denied the underlying allegations raised in the 2002 and 2003 petitions in a 2004 letter decision. *Kathryn R. Schmeltzer, Esq.*, Letter, 19 FCC Rcd 3897, 3899-3900 (2004) ("*2004 Letter Decision*"). Rainbow Push has filed a Petition for Reconsideration of that decision, which remains pending.

<sup>28</sup> Sinclair Opposition to Petition to Deny (Sept. 26, 2013) at 16.

<sup>29</sup> *Id.*

<sup>30</sup> *Id.* at 17.

which does not involve a proposed JSA or SSA.<sup>31</sup>

17. In its reply, Rainbow Push states that its allegations remain “live” because its 2004 Petition for Reconsideration and Sinclair’s 2004 Application for Review of the 2004 licensing decision remains pending.<sup>32</sup> Rainbow Push also cites to a *Wall Street Journal* investigative report and Free Press report both concerning Sinclair’s practices with sharing agreements in various markets.<sup>33</sup> Sinclair, in a surreply, contends that Rainbow Push’s reference to the *Wall Street Journal* article is hearsay and not reliable evidence, and therefore the article should be stricken from the record in this proceeding.<sup>34</sup> Sinclair further contends that Rainbow Push’s reference to the Free Press study should also be ignored, citing Sinclair’s own press release critiquing the study.<sup>35</sup>

18. *American Cable Association*. ACA petitions to deny all of the transfers but focuses on those that would have allowed Sinclair to negotiate retransmission consent for both the CBS and ABC affiliates in Harrisburg and the FOX and ABC affiliates in Charleston, contending that those combined negotiations would lead to higher prices for retransmission consent and thus harm consumers.<sup>36</sup> ACA requests that, even if the Commission grants the applications, it should condition approval on assurances that neither Sinclair nor any other third party would use sharing agreements to coordinate negotiations of retransmission consent agreements on behalf of multiple broadcast stations in a single market.<sup>37</sup> Applicants assert that ACA’s arguments should be addressed in the *Retransmission Consent Proceeding*.<sup>38</sup> Applicants further contend that ACA’s arguments are speculative and it is unable to point to any examples of harm to program diversity or competition for viewers resulting from SSA and JSA arrangements.<sup>39</sup>

19. *Free Press*. Free Press contends that the use of sharing arrangements like those originally proposed in the Overlap Markets is intended to circumvent the Commission’s local TV ownership limits while consolidating operations as if the stations were owned and controlled by a single entity.<sup>40</sup> Free Press further contends that, even if the Commission finds that the transaction does not violate a specific rule, it should make an independent finding that the assignments are contrary to the public interest and thus violate Section 310(d) of the Communications Act.<sup>41</sup>

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<sup>31</sup> *Id.* at 18.

<sup>32</sup> Rainbow Push Reply to Oppositions to Petition to Deny (Oct. 24, 2013) (“Rainbow Push Reply”) at 3 & n.8.

<sup>33</sup> *Id.* at 1-2 (citing Keach Hagey, *Sinclair Draws Scrutiny Over Growth Tactic: TV-Station King Uses “Sidecars” to Skirt Ownership Limits*, *The Wall Street Journal* (Oct. 20, 2013) and Derek Turner, *Cease to Resist: How the FCC’s Failure to Enforce Its Rules Created a new Wave of Media Consolidation*, Free Press (Oct. 2013)).

<sup>34</sup> Sinclair Submission for the Record (Nov. 5, 2013) (“Sinclair Surreply”) at 8 (citing *Pikes Peak Broad. Co.*, Memorandum Opinion and Order, 12 FCC Rcd 4626, 4630 (1997) (internal citations omitted)).

<sup>35</sup> Sinclair Surreply at 9.

<sup>36</sup> ACA Petition to Deny (Sept. 13, 2013) at 2.

<sup>37</sup> *Id.* at 3.

<sup>38</sup> Sinclair Opposition at 12; Allbritton, Opposition to Petition to Deny (Sept. 26, 2013) (“Allbritton Opposition”) at 7.

<sup>39</sup> Sinclair Opposition at 11.

<sup>40</sup> Free Press Petition to Deny (Sept. 13, 2013) at 4. The Applicants filed oppositions that, much like the underlying petition, have been mooted by the amendments to the proposed transaction.

<sup>41</sup> *Id.* at 4 (citing *Verizon Communications, Inc. and MCI, Inc.*, Memorandum Opinion and Order, 20 FCC Rcd 18433, ¶ 16 (2005)). Applicants contend that the Commission need not make a separate finding that the applications would benefit the public interest. Allbritton Opposition at 3 n.4 (citing *Committee to Save WEAM v. FCC*, 808 F.2d

(continued...)

20. *Raymie Humbert*. Mr. Humbert, a citizen of Arizona, filed a pleading titled a petition to deny.<sup>42</sup> Humbert specifically notes the following would have resulted from the original proposal: (i) in Birmingham, Sinclair would control five full-power stations providing three separate networks; (ii) in Charleston, South Carolina, Sinclair would have a role in three stations in the market; and (iii) in Harrisburg, Sinclair would have a role in three stations in the market, including two of the market's top-four rated stations.<sup>43</sup>

### III. DISCUSSION

21. **Standing.** Applicants, HSH, and Deerfield challenge Petitioners' standing. Under the Communications Act of 1934, as amended (the "Act"), only a "party in interest" has standing to file a petition to deny.<sup>44</sup> The petition must contain specific allegations of fact demonstrating that the petitioner is a party in interest and that a grant of the application would be inconsistent with the public interest, convenience, and necessity.<sup>45</sup> The allegations of fact, except for those of which official notice may be taken, must be supported by an affidavit or declaration under penalty of perjury ("declaration") of a person with personal knowledge of the facts alleged.<sup>46</sup> Among the facts to be alleged is that the petitioner is a resident of the station's service area and a regular viewer of the station.<sup>47</sup> An organization can establish standing on behalf of its members if it provides an affidavit or declaration "of one or more individuals entitled to standing indicating that the group represents local residents and that the petition is filed on their behalf."<sup>48</sup>

22. Applicants allege that Free Press, ACA, Rainbow Push, and Raymie Humbert each lack standing to be a "party in interest" qualified to file a petition to deny.<sup>49</sup> A petition to deny must be supported by affidavits of persons with personal knowledge thereof, and the burden of proof for

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113, 118 (D.C. Cir. 1988) and *Office of the United Church of Christ, et al. v. FCC*, No. 01-1374, 51 Fed Appx. 21, 2002 WL 31496407 at \*\*1 (D.C. Cir. Nov. 8, 2002)).

<sup>42</sup> *Raymie Humbert*, Informal Objection ("Humbert Informal Objection") (Aug. 14, 2013). In its opposition, Sinclair contends that Humbert's pleading contains factual errors and mischaracterizes Sinclair's role by claiming that Sinclair operates or controls the stations to which it provides services. Sinclair Opposition at 9. As described in further detail below, we conclude that Humbert's pleading is an informal objection, not a petition to deny, because it is procedurally defective as a petition.

<sup>43</sup> *Id.* at 1-2.

<sup>44</sup> 47 U.S.C. § 309(d); 47 C.F.R. § 73.3584.

<sup>45</sup> 47 U.S.C. § 309(d).

<sup>46</sup> *Id.*

<sup>47</sup> *Curators of Univ. of Missouri*, Memorandum Opinion and Order and Notice of Apparent Liability, 16 FCC Rcd 1174, 1175 (2001). It is not necessary for a petitioner to make a separate showing that it has suffered an "injury in fact." *Local TV Holdings, LLC*, Memorandum Opinion and Order, 28 FCC Rcd 16850, 16851 (MB 2013). Factual allegations as to why grant of a broadcast application would not serve the public interest, combined with a showing of local residence, "supply the predicate for finding injury in fact." *Id.* (citing *Petition for Rulemaking to Establish Standards for Determining the Standing of a Party to Petition to Deny a Broadcast Application*, Memorandum Opinion and Order, 82 FCC 2d 89, 98-99 (1980)).

<sup>48</sup> *Local TV Holdings, LLC*, 28 FCC Rcd at 16851 (citing *Shareholders of Tribune*, Memorandum Opinion and Order, 22 FCC Rcd 21266, 21269 (2007) ("*Tribune I*"); *Cox Radio, Inc. & Summit Media, LLC*, Letter Decision, 28 FCC Rcd 5674, 5676, n. 12 (Aud. Div. 2013)).

<sup>49</sup> Sinclair Opposition at 9 (regarding Humbert pleading) & at 18 (regarding Rainbow Push pleading); Deerfield and HSH Consolidated Opposition at 12-13 (regarding Free Press and ACA petitions).

demonstrating standing under the statute is on the petitioner, Applicants contend.<sup>50</sup> Sinclair notes that (i) Raymie Humbert's pleading is not accompanied by an affidavit, (ii) Humbert is not a resident viewer of any of the stations considered in these applications, and (iii) Humbert's petition was not served on the parties.<sup>51</sup> We find that, by failing to include an affidavit or declaration, Humbert has failed to demonstrate standing.<sup>52</sup> We will treat Humbert's pleading as an informal objection.

23. With respect to the petitioners, certain parties to the proceeding state that the D.C. Circuit has previously rejected a claim of organizational standing derived from "broad and conclusory assertions" that fail to be concrete or particularized enough to demonstrate injury.<sup>53</sup> In their petitions, however, Free Press, Rainbow Push, and ACA give multiple examples of concrete harms to the public interest, recited in the affidavits attached to their petitions to deny, which they claim would result from grant of the applications.<sup>54</sup> This is in contrast to the speculative and conclusory assertions and the overall vagueness of the declarations at issue in *Rainbow/Push Coalition*.<sup>55</sup> In light of the detailed declarations provided, we find *Rainbow/Push* to be inapposite here.<sup>56</sup> We find that Free Press, Rainbow Push, and ACA have standing because they have alleged that grant of the applications will have specific, negative effects on their members<sup>57</sup> and claim that those harms can be cured by dismissal or denial of the applications. We find that denial of the Applicants' applications would afford them the relief they seek, and they therefore have standing.<sup>58</sup>

24. *Transfer of Control Applications.* Pursuant to Section 310(d) of the Act, we must determine whether the proposed applications for transfer of control of certain licenses and authorizations held and controlled by Allbritton to Sinclair will serve "the public interest, convenience, and necessity." In making this determination, we must assess whether the proposed transaction complies with the specific provisions of the Act, other applicable statutes, and the Commission's Rules. If an applicant seeks a waiver of a rule, the Commission determines whether the requested waiver meets the Commission's standards for granting such waivers. If the transaction would not violate a statute or rule, or a waiver is granted, the Commission considers whether a grant could result in public interest harms (by substantially frustrating or impairing the objectives or implementation of the Act or related statutes) or public interest benefits. Where, as here, the Commission has adopted rules to promote diversity, competition or other public interest concerns, those rules and the decision whether to waive them may form the basis for determining whether the transfer applications and/or waivers are on balance in the public interest. Further, our public interest authority enables us, where appropriate, to impose and enforce transaction-related conditions

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<sup>50</sup> Deerfield and HSH Consolidated Opposition at 12 (citing *Choctaw Broadcasting Corp.*, Memorandum Opinion and Order, 12 FCC Rcd 8534, 8538 (1997)).

<sup>51</sup> Sinclair Opposition at 9-10.

<sup>52</sup> *Local TV Holdings, LLC*, 28 FCC Rcd at 16851.

<sup>53</sup> Deerfield and HSH Consolidated Opposition at 12 (citing *Rainbow/PUSH Coalition v. FCC*, 330 F.3d 539, 544 (D.C. Cir. 2003)).

<sup>54</sup> Free Press Petition to Deny at 3-4 (citing Declarations of Lynda Maria Bangham, Mitch Troutman, George W. Hopkins, Jerry Huhn, Faye Steuer, and Will Moredock); ACA Petition to Deny at 6-7 (citing Declaration of Ross Lieberman); Rainbow Push Petition at 2-3 (citing Declaration of Steven Smith).

<sup>55</sup> *Rainbow/PUSH Coalition v. FCC*, 330 F.3d at 544.

<sup>56</sup> *Shareholders of Belo Corp.*, Memorandum Opinion and Order, 28 FCC Rcd 16867, 16875-76 (2013).

<sup>57</sup> The organizations submitted declarations from members who reside in the relevant markets and/or regularly view the stations. See *supra* n. 54.

<sup>58</sup> *Shareholders of Belo Corp.*, 28 FCC Rcd at 16875-76.



targeted to ensure that the public interest is served by the transaction.<sup>59</sup>

25. Our findings are based upon the record before us and require that we incorporate into our analysis issues raised by petitions to deny and other comments filed in this proceeding. Applicants bear the burden of proving, by a preponderance of the evidence, that the proposed transactions, on balance, will serve the public interest.<sup>60</sup> If we are unable to find that the proposed transaction serves the public interest, or if the record presents a substantial and material question of fact, we must designate the application for hearing under section 309(e) of the Act.<sup>61</sup>

26. The Commission applies a two-step analysis of any petition to deny an application. The Commission must first determine whether the petition contains specific allegations of fact sufficient to show that granting the application would be *prima facie* inconsistent with the public interest.<sup>62</sup> The first step “is much like that performed by a trial judge considering a motion for directed verdict: if all the supporting facts alleged in the [petition] were true, could a reasonable fact finder conclude that the ultimate fact in dispute had been established.”<sup>63</sup> If the petition clears this first step,<sup>64</sup> the Commission must determine whether “on the basis of the application, the pleadings filed, or other matters which [the Commission] may officially notice,” the petitioner has raised a substantial and material question of fact as to whether the application would serve the public interest.<sup>65</sup> For the reasons discussed below, we find that Petitioners have failed to raise a substantial and material question of fact regarding whether the applications are consistent with the public interest.<sup>66</sup>

27. *Sharing Arrangements.* We note that there will be no new Overlap Markets created by the proposed transaction once Sinclair implements the voluntary commitments it submitted into the record on May 29, 2014. The allegations regarding any purported control over Deerfield and HSH in these markets are no longer relevant, because these entities will no longer hold these stations. Moreover, in none of the three Overlap Markets will a proposed purchaser enter into any sharing arrangements or financial relationship with Sinclair. With the exception of Charleston, the existing ownership combinations comply with our local TV ownership rule or our grandfathering policies regarding LMAs.<sup>67</sup> Our local TV ownership rule does not restrict the use of multicast capability to form dual affiliations, and in the recently

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<sup>59</sup> *Shareholders of Belo Corp.*, 28 FCC Rcd at 16876.

<sup>60</sup> *Id.*

<sup>61</sup> *Id.*

<sup>62</sup> 47 U.S.C. § 309(d)(1); *Astroline Communications Co., Ltd. Partnership v. FCC*, 857 F.2d 1556 (D.C. Cir. 1988) (“*Astroline*”).

<sup>63</sup> *Gencom, Inc. v. FCC*, 832 F.2d 171, 181 (D.C. Cir. 1987).

<sup>64</sup> The Commission can evaluate a petition under the second step without evaluating it under the first step. *Mobile Communications Corp. of Am. v. F.C.C.*, 77 F.3d 1399, 1409-10 (D.C. Cir.), *cert. denied*, 519 U.S. 823 (1996).

<sup>65</sup> *Astroline*, 857 F.2d at 1561; 47 U.S.C. § 309(e).

<sup>66</sup> The ACA petition challenges all of the pending applications and the Rainbow Push petition challenges only the application to transfer Station WJLA-TV, Washington, D.C. from Allbritton to Sinclair. The Free Press petition challenges the four applications which originally sought to assign stations from Sinclair to Deerfield and HSH in the Birmingham, Charleston, and Harrisburg markets and have since been withdrawn.

<sup>67</sup> As we noted in two letters to Sinclair, the Charleston LMA between stations WMMP(TV) and WTAT-TV was not entitled to grandfathering relief. Letter from Barbara A. Kreisman, Chief, Video Division, to Clifford M. Harrington, Esq. (Dec. 6, 2013); Letter from Barbara A. Kreisman, Chief, Video Division, to Clifford M. Harrington, Esq. (Jan. 15, 2014). Even though this LMA and other sharing arrangements between the two stations will cease, the Commission will address potential sanctions for operating a non-grandfathered LMA for twelve years and other violations in a separate order.

released *2014 Quadrennial Review FNPRM & Report and Order*, the Commission tentatively concluded that the record did not support changing the ownership rule to restrict such arrangements.<sup>68</sup> Given these facts, we do not find that the multicasting proposal put forth by Sinclair would disserve the public interest.<sup>69</sup>

28. In Charleston, termination of the LMA between WMMP(TV) and WTAT-TV alleviates the chief concerns about the relationship between the stations in the future. There is no indication in the record that, absent the sharing arrangements and other financial arrangements with WMMP(TV) that are being terminated, WTAT-TV could not operate independently. No new financial ties or sharing arrangement would be created as a result of this transaction; indeed, the only changes are the elimination of the LMA and the parties' certification that Cunningham's WTAT-TV will now be a fully independent voice in the Charleston market. However, given the history of the relationship between WMMP(TV) and WTAT-TV, we find that it is in the public interest to implement a reporting condition, as set forth below.

29. *Retransmission Consent.* ACA asserts that the joint negotiation of retransmission consent agreements by broadcast television licensees in the same market harms cable operators by reducing their bargaining power and that the Commission should act to prohibit it. Specifically, ACA is concerned that the transaction will allow Sinclair to jointly negotiate retransmission consent agreements for two top four stations in Charleston and Harrisburg— WTAT-TV, the Charleston FOX affiliate owned by Cunningham and WCIV-TV, the Charleston ABC affiliate currently owned by Allbritton; and WHP-TV, Sinclair's Harrisburg CBS affiliate, and WHTM-TV, Allbritton's Harrisburg ABC affiliate. Subsequent to the filing of ACA's petition, this issue was addressed in the recently released *Retransmission Consent Report and Order*.<sup>70</sup> On March 31, 2014, the Commission adopted a rule that it is a violation of the duty to negotiate in good faith under Section 325 of the Act for a television broadcast station that is ranked among the top four stations as measured by audience share to negotiate retransmission consent jointly with another such station, if the stations are not commonly owned and serve the same geographic market.<sup>71</sup> Thus, Sinclair is now prohibited by the Commission's rules from conducting joint retransmission consent negotiations involving two top four stations that are not commonly owned. Moreover, in Harrisburg, Sinclair will sell the Allbritton station to Media General, and in Charleston, Sinclair will sever its ties with WTAT-TV. We therefore dismiss ACA's petition as moot.

30. *Character Allegations.* Rainbow Push contends that there are outstanding character allegations against Sinclair that should prevent it from serving as a Commission licensee. These allegations have been raised piecemeal in a number of proceedings spanning a period of approximately fourteen years. We have reviewed the allegations in detail and conclude that the character allegations raised by Rainbow Push fail to raise a substantial and material question of fact regarding Sinclair's fitness to acquire the stations at issue in this proceeding.<sup>72</sup> In the Charleston market, however, we have identified an apparent rule violation that we will address below, as well as in a separate order.

31. The character allegations Rainbow Push seeks to incorporate into this proceeding fall into five categories, namely that: (i) Sinclair exercised *de facto* control over Cunningham; (ii) Sinclair

<sup>68</sup> 47 C.F.R. §3.3555(b); *2014 Quadrennial Review Report & Order & FNPRM*, 29 FCC Rcd at 4398-99 (tentatively declining to regulate dual network affiliations accomplished through multicasting and seeking comment on that determination).

<sup>69</sup> Sinclair would not be multicasting the programming of two top four networks in either of the relevant markets.

<sup>70</sup> *Amendment of the Commission's Rules Related to Retransmission Consent*, Report and Order and Further Notice of Proposed Rulemaking, 29 FCC Rcd 3351 (2014).

<sup>71</sup> *Id.* at 3357.

<sup>72</sup> *2004 Letter Decision*, 19 FCC Rcd at 3899-3900 (concluding Rainbow Push's character allegations are without merit).

misrepresented or withheld facts in connection with the *Edwards* litigation; (iii) Sinclair solicited *ex parte* communications in violation of Commission rules; (iv) Sinclair attempted to conceal or falsely report campaign contributions; and (v) Sinclair presented biased news coverage.<sup>73</sup> The Media Bureau has previously concluded that all of these categories of allegations are without merit<sup>74</sup> but we reprise and expand our discussion of certain of these allegations here.

32. As noted in the *2004 Letter Decision*, Rainbow Push's contentions regarding *de facto* control related to the financial and operational relationship between Sinclair and Cunningham, including the existence of LMAs between the entities in various markets.<sup>75</sup> The Bureau concluded that Rainbow Push had not provided evidence sufficient to show that Sinclair exercised *de facto* control over Cunningham, specifically noting that the LMAs between Sinclair and Cunningham had been in place for five years and had been favorably reviewed by the Commission in *Glencairn Ltd.*<sup>76</sup>

33. Rainbow Push also contends several of its allegations were not specifically addressed in the *2004 Letter Decision*. For example, Rainbow Push alleges that Sinclair solicited *ex parte* presentations from members of Congress in the *Edwards* litigation, and after receiving copies of *ex parte* communications, failed to cure these violations.<sup>77</sup> None of the supposed *ex parte* letters addressed the merits of any proceeding and all were described as status inquiries, which are proper under our rules.<sup>78</sup> Moreover, because the Commission served all parties with copies of the communications, there was nothing further that Sinclair could have done to cure any violation that might have occurred. We conclude that Rainbow Push has not established a *prima facie* case that Sinclair enticed members of Congress to file communications on an *ex parte* basis.

34. Rainbow Push further alleges that Sinclair attempted to conceal or falsely report campaign contributions to a candidate in the 2002 Maryland gubernatorial election. The Commission will only review non-FCC misconduct of an applicant only if the misconduct has been adjudicated.<sup>79</sup> This means "there must be an ultimate adjudication by an appropriate trier of fact, either by a government agency or court, before we will consider the activity in our character determinations."<sup>80</sup> None of the allegations raised by Rainbow Push here involves adjudicated misconduct, and therefore there is no basis in the record for us to deny the transfer for applications or designate them for hearing based on the allegations raised by Petitioners at this time.<sup>81</sup>

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<sup>73</sup> Rainbow/PUSH Coalition, Petition to Deny Various Applications (Dec. 19, 2013).

<sup>74</sup> *2004 Letter Decision*, 19 FCC Rcd at 3899-3900.

<sup>75</sup> *Id.*

<sup>76</sup> *Id.* at 3900 (citing *2001 Glencairn Decision*, 16 FCC Rcd at 22255-56).

<sup>77</sup> Rainbow/Push Coalition, Petition for Reconsideration (2004) at 3.

<sup>78</sup> See 47 C.F.R. § 1.1202 (a presentation under this rule is a "communication directed to the merits or outcome of a proceeding" and excluded are "inquiries relating solely to the status of a proceeding, including inquiries as to the approximate time that action in a proceeding may be taken.")

<sup>79</sup> *Applications for Renewal of License of WUTB*, Public Notice, 28 FCC Rcd 6312, 6317 (2013).

<sup>80</sup> *Id.* at 6317-6318 (quoting *Policy Regarding Character Qualifications in Broadcast Licensing*, Report, Order, and Policy Statement, 102 FCC 2d 1179, 1206 (1986) ("*1986 Character Policy Statement*"); see also *Character Qualifications in Broadcast Licensing*, Policy Statement and Order, 5 FCC Rcd 3252 (1990) ("We continue to believe that it is appropriate to refrain from making licensing decisions based on mere allegations of relevant non-FCC misconduct, even where those allegations have resulted in an indictment or are otherwise in the process of being adjudicated by another agency or court.") ("*1990 Policy Statement*").

<sup>81</sup> *Applications for Renewal of License of WUTB*, 28 FCC Rcd at 6317. Moreover, because we conclude that Rainbow Push has not established a *prima facie* case with respect to the allegations at issue, they could not rise to

(continued...)

35. Rainbow Push finally contends that WBFF-TV should have disclosed to its audience as part of its gubernatorial campaign coverage that Sinclair made contributions to one of the candidates. Rainbow Push has failed to establish a *prima facie* case with respect to the allegations because they are based on speculation and hearsay.<sup>82</sup> We further note that Rainbow Push has not cited any Commission rule that such contributions or nondisclosure would violate. The choice of what is or is not to be covered in the presentation of broadcast news is a matter committed to the licensee's good faith discretion.

36. With respect to all of the character allegations raised by Rainbow Push, including the unsupported contention that Sinclair and/or Cunningham has failed to provide material information to the Commission, we conclude that Rainbow Push has failed to establish a *prima facie* case, supported by affidavits, sufficient to show that grant of the applications would be inconsistent with the public interest.

37. However, we do have concerns regarding an LMA that had existed between Sinclair and Cunningham in the Charleston market. We believe that the facts show that Sinclair apparently violated the local TV ownership rule with respect to its continued operation of the LMA in the Charleston market, and we plan to issue an order addressing this potential violation specifically.

38. Our review of the facts and circumstances leads us to conclude, however, that the potential violations do not call into question Sinclair's fitness to serve as a Commission licensee.<sup>83</sup> Although the parties were clearly aware of the attribution rule and chose to proceed with the LMA nonetheless, Sinclair states that it relied on what it believed to be the continued viability of a 2001 stay of enforcement of the new rules.

39. The Commission views "misrepresentation and lack of candor in an applicant's dealings with the Commission as serious breaches of trust."<sup>84</sup> The Commission defines misrepresentation as "an intentional misrepresentation of fact intended to deceive."<sup>85</sup> Lack of candor exists when an applicant breaches its duty "to be fully forthcoming as to all facts and information relevant to a matter before the FCC, whether or not such information is particularly elicited."<sup>86</sup> The Commission will not disqualify an applicant, however, for a negligent omission; "intent to deceive [is] an essential element of a misrepresentation or lack of candor showing."<sup>87</sup> An intent to deceive is established when "factual evidence" shows that "the inconsistency involved an intent to deceive. . . ."<sup>88</sup> The record does not contain the factual evidence necessary to demonstrate that Sinclair acted with intent to deceive the Commission, a necessary predicate for a finding of misrepresentation or lack of candor.<sup>89</sup> Moreover, the parties have

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the type of egregious nonbroadcast misconduct that would be a Commission concern prior to adjudication by another body as theorized by Rainbow Push. *1986 Character Policy Statement*, 102 FCC 2d at 1205 n.60.

<sup>82</sup> *Pikes Peak Broad. Co.*, 12 FCC Rcd at 4630 ("Hearsay, such as that contained in newspaper articles, is not reliable evidence. . . . Furthermore, a newspaper article is not an acceptable substitute for the requirement of Section 309(d) . . . that allegations in a petition to deny be supported by the affidavit of a person with personal knowledge of the facts alleged.").

<sup>83</sup> *2001 Glencairn Decision*, 16 FCC Rcd at 22248 n.21.

<sup>84</sup> *Swan Creek Communications, Inc. v. F.C.C.*, 39 F.3d 1217, 1221-22 (D.C. Cir. 1994) (quoting *1986 Character Policy Statement*, 102 FCC 2d at 1211).

<sup>85</sup> *Id.* at 1222 (internal quotation omitted).

<sup>86</sup> *Id.*

<sup>87</sup> *Id.* (internal quotations and citations omitted).

<sup>88</sup> *Weyburn Broadcasting Ltd. Partnership v. F.C.C.*, 984 F.2d 1220, 1232 (D.C. Cir. 1993).

<sup>89</sup> *Roy M. Speer*, Memorandum Opinion and Order and Notice of Apparent Liability, 11 FCC Rcd 18393, 18428 (1996) (finding unauthorized transfer of control and violation of local TV ownership rule but concluding violation

(continued...)

now terminated the LMA, and Cunningham will operate as a fully independent licensee in the market. This accomplishes our ultimate aim of promoting diversity in television ownership.

40. In the *1986 Character Policy Statement*, the Commission held that if it has not, as an initial matter, been found that any allegations under consideration involve conduct likely to impact the future operation of other stations, there generally appears to be no reason to condition or defer processing assignment and transfer applications.<sup>90</sup> Such a finding is typically made when an application where character has been placed at issue is designated for hearing.<sup>91</sup> However, allowing the initial acquisition does not “affect the Commission’s discretion to take action against the newly acquired stations, should the Commission’s inquiry ultimately reveal that the applicant does not possess the requisite qualifications to remain a licensee.”<sup>92</sup>

41. We conclude that the potential violations uncovered in this proceeding do not involve conduct likely to impact the future operation of other stations and that we have adequate enforcement remedies to address them. Nonetheless, we do note that proceedings raising potential character allegations against Sinclair remain open, including our review of the operation of the LMA in the Charleston market, and should the evidence in any of those proceedings demonstrate that Sinclair does not possess the requisite qualifications to remain a licensee, we will take appropriate action.

42. *Public Interest Analysis.* Where the Commission has adopted rules to promote diversity, competition, localism, or other public interest objectives, those rules provide a starting point for determining whether applications are on balance in the public interest.<sup>93</sup> The Commission seeks to achieve three principal objectives through its ownership regulations, two of which are relevant here: competition and diversity.<sup>94</sup> We believe the amended transactions would either have a neutral effect or, in certain markets, would in fact promote competition and diversity. For example, Sinclair has dissolved its arrangements with Cunningham in the Charleston market and has certified that Cunningham will operate as an independent broadcaster in that market. In addition, a new independent voice will be added to the Harrisburg market based on the sale of WHTM-TV to Media General, Inc. We believe the public interest favors the grant of these applications, subject to the specific voluntary commitments set forth in the May 29, 2014, letter.

43. Upon a full review of the record, we agree that grant of a temporary period following consummation to fulfill the voluntary commitments set forth in the May 29, 2014 letter would serve the

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did not call into question character qualifications to remain licensee); *2001 Glencairn Decision*, 16 FCC Rcd at 22248 (finding unauthorized transfer of control but concluding hearing not appropriate and forfeiture was the appropriate remedy for the violation); *Iglesia Jesucristo Es Mi Refugio, Inc.*, Memorandum Opinion and Order and Notice of Apparent Liability, 25 FCC Rcd 16310, 16317-18 (Aud. Div. 2010) (failure to report pertinent information did not call into question licensee’s character absent evidence of intent to deceive or misrepresent).

<sup>90</sup> *1986 Character Policy Statement*, 102 FCC 2d at 1224-25.

<sup>91</sup> *Grayson Enterprises, Inc.*, Memorandum Opinion and Order, 79 FCC 2d 936, 940 (1980); *see also Strauss Communications, Inc.*, Memorandum Opinion and Order, 2 FCC Rcd 7469 (1987) (declining to defer consideration of assignment application on the basis of character issues raised in pending proceedings).

<sup>92</sup> *1986 Character Policy Statement*, 102 FCC 2d at 1225.

<sup>93</sup> *Shareholders of Belo Corp.*, 28 FCC Rcd at 16876.

<sup>94</sup> *2002 Biennial Review*, 18 FCC Rcd at 13627. The cases cited by Applicants do not stand for the proposition that a public interest inquiry is not necessary; the cases merely conclude that once the Commission has completed a proper public interest inquiry, it need not spell out each step in its reasoning in a final order. *See, e.g., Committee to Save WEAM*, 808 F.3d at 118 (“By requiring a proposed assignee to address the relevant facets of the public interest . . . on FCC Form 314, the Commission has incorporated consideration of these issues into the application process.”).

public interest, and that a sixty-day period is not an unreasonable period of time to fulfill the specific commitments. We do not anticipate granting any extensions of this period. We note that our decision with respect to WHTM-TV is consistent with the U.S. Department of Justice's recent Consent Decree with Sinclair. We further agree that migration of the ABC programming to Sinclair's current stations in the Birmingham and Charleston markets may require a period of time to implement in order to avoid viewer confusion. As to the proposal to separate operations between WTAT-TV and WMMP(TV), we will require, as a condition of grant, that Sinclair and Cunningham fulfill the voluntary commitments set forth in its amended application.<sup>95</sup> The Commission has held in the past that a specific commitment to separate operation during a temporary period of noncompliance could alleviate concerns regarding the anti-competitive effect of a transaction.<sup>96</sup> Given the extensive and longstanding past relationship between WTAT-TV and WMMP(TV), we believe a reporting condition is also necessary to safeguard competition in Charleston. We require that, for a period of eight years, Cunningham report on quarterly basis to the Media Bureau any formal or informal sharing arrangements involving services provided to WTAT-TV by other stations in the market or by licensees, other entities, or individuals who hold an attributable interest in another station in the market.

44. *Current Renewals.* It is Commission policy, in multi-station transactions, to grant transfer of control applications while renewal applications are pending as long as there are no basic qualification issues pending against the transferor or transferee that could not be resolved in the context of the transfer proceeding, and the transferee explicitly assents to standing in the stead of the transferor in the pending renewal proceeding.<sup>97</sup> Some of the Allbritton licensees have applications pending before the Commission for renewal of broadcast licenses.<sup>98</sup> None of these renewals have petitions or other matters currently pending that present a basic character qualification issue. Sinclair has submitted a statement explicitly agreeing to stand in the stead of the transferor in any renewal application that is pending at the time of the consummation of the transfer.<sup>99</sup> Therefore, we will apply the policy set out in *Shareholders of CBS* to those applications. We recognize that other stations to be transferred to Sinclair may need to file their renewal applications prior to closing. This situation is also encompassed by the precedent established by *Shareholders of CBS*.<sup>100</sup>

45. We have reviewed the transfer of control applications identified in Exhibit A, the petitions to deny, oppositions, replies, and related pleadings. We conclude that, based on the record before us, the transferees are fully qualified to hold the licenses and that grant of the applications will serve the public interest, convenience, and necessity.

#### IV. ORDERING CLAUSES

46. ACCORDINGLY, IT IS ORDERED, That the Applications for Consent to Transfer of Control identified in Exhibit A ARE GRANTED, CONDITIONED upon the following: (1) with respect to Charleston and Birmingham, that Sinclair comply with the voluntary commitments described in the instant order within 60 days of consummation of the instant transaction; (2) with respect to Harrisburg,

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<sup>95</sup> See File No. BTCCDT-20130809ACA (amended June 30, 2014), at Exhibit 15, p. 3.

<sup>96</sup> *Capital Cities/ABC, Inc.*, Memorandum Opinion and Order, 11 FCC Rcd 5841, 5872 (1996) (granting temporary waiver where applicants committed to separate operations, including no joint sales of advertising.)

<sup>97</sup> *Shareholders of CBS Corporation*, Memorandum Opinion and Order, 16 FCC Rcd 16072, 16072-73 (2001).

<sup>98</sup> License renewal applications for Stations WJLA-TV, WSET-TV, and KTVL(TV) are currently pending before the Commission.

<sup>99</sup> See, e.g., File No. BTCCDT-20130809ACA (amended June 30, 2014), at Exhibit 15, p. 4.

<sup>100</sup> See *Cumulus Media, Inc. and Citadel Broadcasting Corp.*, Memorandum Opinion and Order, 26 FCC Rcd 12956, 12959 (2011).

that Sinclair submit an application to assign Station WHTM-TV to Media General, Inc., within 30 days of consummation of the instant transaction<sup>101</sup>; (3) that, if the application to assign WHTM-TV is contested or the application to Media General, Inc. is not otherwise grantable within the 60-day period after consummation of the instant transaction, Sinclair file an application assigning the station to a divestiture trust, the terms of which must be previously approved by Commission staff and which shall not contain a provision permitting the beneficiary to set a price floor; (4) termination of all sharing arrangements and financial ties between Sinclair and Cunningham governing operation of WTAT-TV and no new entry into such relationships or ties, as set forth in Sinclair's voluntary commitments, as well as written documentation containing affirmative representations that the sharing arrangements and financial ties have been terminated filed with the Media Bureau within 60 days of closing documentation; and (5) compliance with the reporting condition described in paragraph 43.

47. IT IS FURTHER ORDERED, that the petition to deny filed by Rainbow Push and the informal objection filed by Raymie Humbert ARE DENIED.

48. IT IS FURTHER ORDERED, that the petition to deny filed by ACA is DISMISSED IN PART and DENIED IN PART.

49. IT IS FURTHER ORDERED, that the petition to deny filed by Free Press IS DISMISSED.

FEDERAL COMMUNICATIONS COMMISSION

William T. Lake  
Chief, Media Bureau

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<sup>101</sup> This condition has already been satisfied. File No. BALCDT20140625AOV.

## Exhibit A

Station	Fac. ID	Community	Licensee	Transferee	Application Number
WCFT-TV	21258	Tuscaloosa, AL	TV Alabama, Inc.	Sinclair Television Group, Inc.	BTCCDT-20130809ABW
WJSU-TV	56642	Anniston, AL	TV Alabama, Inc.	Sinclair Television Group, Inc.	BTCCDT-20130809ABW
WBMA-LD	60214	Birmingham, AL	TV Alabama, Inc.	Sinclair Television Group, Inc.	BTCCDT-20130809ABW
WCIV(TV)	21536	Charleston, SC	Charleston Television, LLC	Sinclair Television Group, Inc.	BTCCDT-20130809ACA
KATV(TV)	41427	Little Rock, AR	KATV, LLC	Sinclair Television Group, Inc.	BTCCDT-20130809ACB
KTUL(TV)	35685	Tulsa, OK	KTUL, LLC	Sinclair Television Group, Inc.	BTCCDT-20130809ACC
WJLA-TV	1051	Washington, D.C.	ACC Licensee, LLC	Sinclair Television Group, Inc.	BTCCDT-20130809ACD
WHTM-TV	72326	Harrisburg, PA	Harrisburg Television, Inc.	Sinclair Television Group, Inc.	BTCCDT-20130809ACE
WSET-TV	73988	Lynchburg, VA	WSET, Incorporated	Sinclair Television Group, Inc.	BTCCDT-20130809ACG