Federal Communications Commission
Washington, D.C. 20554

May 10, 2017

John M. Burgett, Esq.
Wiley Rein, LLP
1776 K Street, NW
Washington, DC 20006

In re: Request for Reinstatement of Grandfathered Joint Sales Agreement

KHSL-TV, Chico, CA
Facility ID No. 24508

KNVN(TV), Chico, CA
Facility ID No. 3374

Dear Counsel:

By this letter, we grant a request to reinstate a grandfathered Joint Sales and Services Agreement ("JSSA") between KHSL-TV, Chico, California, and KNVN(TV), Chico, California, filed by California TV License Company, LLC ("California TV") and Maxair Media, LLC ("Maxair").[1]

On May 6, 2013, GOCOM Media of Northern California, LLC ("GOCOM"), the prior licensee of KHSL-TV, and K4 Media, the prior licensee of KNVN(TV), entered into a JSSA giving GOCOM, among other things, "the right to sell all of KNVN's advertising time." On July 23, 2015, the Commission received applications seeking its consent to assign: 1.) KHSL-TV from GOCOM to California TV; and 2.) KNVN from K4 Media to Maxair.[2] Because GOCOM and K4 Media entered into the JSSA prior to March 31, 2014, it was originally grandfathered as set forth in the *2014 Quadrennial Review*.[3] The assignment applications were granted on October 15, 2015.

California TV and Maxair state that "[b]ased on the Commission's refusal to approve assignment of JSAs that provided for the sale of more than 15 [percent] of a station's advertising time, each application stated that 'upon consummation of the assignments, California TV and Maxair will enter into a joint sales and services agreement ('JSSA') whereby <u>California TV will provide certain operational and technical services to Maxair and sell up to fifteen percent (15[percent]) of KNVN's weekly advertising</u>

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[1] California TV License Company, LLC and Maxair Media, LLC, Request for Reinstatement of Grandfathered Joint Sales Agreement between KHSL-TV and KNVN(TV) (filed Mar. 29, 2017) ("Request").

[2] *See* FCC File No. BALCDT-20150723ABD and FCC File No. BALCDT-20150723ABH.

[3] *2014 Quadrennial Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996; Further Notice of Proposed Rule Making and Report and Order*, 29 FCC Rcd. 4371, 4542 (2014) (*2014 Quadrennial Review*) ("[P]arties to existing, same-market television JSAs whose attribution results in a violation of the ownership limits will have two years from the effective date of this Order to terminate or amend those JSAs or otherwise come into compliance with the local television ownership rule.")

time (so as to comply with the revised rules for such agreements as set forth in *2014 Quadrennial [] Review* . . . .'"[4] California TV and Maxair further state that "[w]hen the Commission granted the assignment applications, it incorporated this commitment as a condition on the Forms 732, declaring: 'The Commission's consent to the above is based on the representations made by the applicants and the statements contained in, or made in connection with, the application are true and that the undertakings of the parties upon which this transaction is authorized will be carried out in good faith.'"[5] Consequently, to comply with this condition, when the parties consummated their assignment on December 1, 2015, they entered into a JSSA that restricted California TV's sales to up to 15 percent of weekly advertising time.

On August 25, 2016, the Commission released the *Quadrennial Review Second Report and Order*.[6] The *Quadrennial Review Second Report and Order* incorporated Congress's extension of the grandfathering of JSAs through September 30, 2025,[7] and permitted parties "to transfer or assign these agreements to other parties without terminating the grandfathering relief."[8] Additionally, the *Quadrennial Review Second Report and Order* allowed television JSAs that lost grandfathering relief as a result of conditions placed by the Commission to request that the Commission remove those conditions and enter into an agreement that is substantially similar to the grandfathered JSA.[9] The parties have provided copies of the JSSA they seek to reinstate. We find that the reinstated JSSA will contain substantially similar terms and conditions as the grandfathered JSSA that the parties initially sought to continue as part of the original transaction.

Accordingly, IT IS ORDERED that, pursuant to the *Quadrennial Review Second Report and Order*, California TV and Maxair's request IS GRANTED.

Sincerely,

David Brown / For

Barbara A. Kreisman
Chief, Video Division
Media Bureau

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[4] Request at 2 (emphasis in original); *2014 Quadrennial Review*, 29 FCC Rcd. At 4533-40, pp. 350-363 (2014) (The Commission determined that it will attribute television joint sales agreements ("JSAs") when one station sells more than 15 percent of the weekly advertising time of another same-market station.).

[5] Request at 2. FCC Form 732, para. 2.

[6] *2014 Quadrennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules & Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, Second Report and Order, 31 FCC Rcd 9864 (2016) ("*Quadrennial Review Second Report and Order*").

[7] See Consolidated Appropriations Act, 2016, § 628, P.L. 114-113 (2015); Letter from Roy Blunt et al., United States Senator, to Tom Wheeler, Chairman, FCC, OLA Docket No. 16-9, at 1 (filed Mar. 15, 2016).

[8] *Quadrennial Review Second Report and Order*, 31 FCC Rcd at 9889.

[9] *Id.* at 9889, fn. 171.