



Federal Communications Commission
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Re: MB Docket No. 13-190
File Nos. BTCCDT-20130715AGP and
BTCCDT-20130715AGQ

By this letter decision, the Video Division dismisses as moot an application for review filed by Free Press¹ seeking review of the Media Bureau's (Bureau) decision to grant the above-captioned applications from Local TV Holdings, LLC (Local TV), to Dreamcatcher Broadcasting, LLC (Dreamcatcher).² Tribune Broadcasting Company II, LLC (Tribune), and Dreamcatcher filed separate oppositions to the AFR, to which Free Press filed a consolidated reply.³

Background. On June 29, 2013, Tribune and Local TV entered into a Securities Purchase Agreement (SPA) pursuant to which Tribune would acquire all of Local TV's nineteen television stations.⁴ In order to comply with the Commission's Newspaper/Broadcast Cross-Ownership Rule

¹ Application for Review of Free Press (filed Jan. 22, 2014) (AFR).

² *Local TV Holdings, LLC et al.*, Memorandum Opinion and Order, MB Docket 13-190, 28 FCC Rcd 16850 (MB 2013) (*Bureau Decision*).

³ Tribune Opposition to Application for Review (filed Feb. 21, 2014) (Tribune Opposition); Dreamcatcher Opposition to Application for Review (filed Feb. 21, 2014) (Dreamcatcher Opposition); Free Press Reply to Opposition to Application for Review (filed March 6, 2014) (Reply).

⁴ See File Nos. BTCCDT-20130715AER, *et al.*; see also *Bureau Decision*, 28 FCC Rcd at 16851.

(NBCO rule),⁵ Tribune assigned its rights under the SPA to acquire WNEP-TV, Scranton, Pennsylvania; WTKR(TV), Norfolk, Virginia; and WGN(TV), Portsmouth, Virginia (collectively, the Stations), from Local TV to Dreamcatcher. Dreamcatcher then filed the Dreamcatcher Applications seeking Commission consent to acquire the Stations.⁶ Tribune and Dreamcatcher also entered into shared service agreements (SSAs), lease agreements, and option agreements (collectively, Dreamcatcher Agreements).⁷ Under the Dreamcatcher Agreements, Tribune contracted to provide certain services to support Dreamcatcher's operation of the Stations, subject to Dreamcatcher's supervision and control.⁸ Free Press and Put People First PA (Put People First and collectively, Petitioners) jointly filed a petition to deny the Dreamcatcher Applications, to which Local TV, Tribune, and Dreamcatcher separately filed oppositions.⁹

The Bureau conditionally granted the Dreamcatcher Applications on December 20, 2013, rejecting the Petitioners' allegations that Tribune would operate the Stations as though it owned them outright.¹⁰ The Bureau found that the SSAs were consistent with precedent and did not require Commission review because they did not present a "novel question of law, fact or policy."¹¹ Because the Bureau found the SSAs conformed to Commission precedent, it also rejected the Petitioners' allegations

⁵ Under the NBCO rule, "[n]o license for an AM, FM, or TV broadcast station shall be granted to any party (including all parties under common control) if such party directly or indirectly owns, operates or controls a daily newspaper and the grant of such license will result in:...(iii)The Grade A contour of a TV station, computed in accordance with § 73.684, encompassing the entire community in which such newspaper is published." 47 CFR § 73.3555(d)(iii); 2014 Quadrennial Review Order – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996 et al., Second Report and Order, 31 FCC Rcd 9864 (2016).

⁶ File No. BTCCDT-201315AGR (WNEP Application); File No. BTCCDT-201315AGP (WTKR Application); and File No. BTCCDT-201315AGQ (WGNT Application, collectively, Dreamcatcher Applications).

⁷ *Id.*, Exhibit 15, p. 4, and Attached Agreements.

⁸ *Id.* The SSAs obligated Tribune to provide Dreamcatcher with services in five basic areas: Technical Services; Promotional and Other Services; Back Office and Related Services; Assistance and Distribution Matters; and Delivered Programming, which the SSAs limited to no more than 25 hours or 15% of the Station's broadcast hours in any given week. *Id.* at 16855-6. Though not dispositive for the reasons set forth below, and consistent with established precedent, the terms of the Dreamcatcher Agreements did not result in Tribune either holding an attributable interest in and/or exercising *de facto* control over the Dreamcatcher stations. *Shareholders of Ackerley Group*, Memorandum Opinion and Order, 17 FCC Rcd 10828, 10841 (2002) (finding that a set of sharing agreements must provide the licensee with an economic incentive to control programming in order to be nonattributable.).

⁹ Free Press and Put People First Petition to Deny (filed Aug. 19, 2013). Local TV, Tribune, and Dreamcatcher filed separate oppositions to the Petition to Deny on September 4, 2013. *See* MB Docket No. 13-190. The Bureau denied standing to Put People First, which did not join in the AFR and denied standing to Free Press with respect to the WNEP-TV Application. *See Bureau Decision*, 28 FCC Rcd at 16853-4. Free Press states that "[because] [t]he [] Bureau found that Put People First PA, but not Free Press, lacked standing to file a petition to deny...Free Press [i]s fil[ing] the present application for review." AFR at 7, n.23. Free Press does not contest the Bureau's finding that it did not have standing to challenge the WNEP-TV Application. *Bureau Decision*, 28 FCC Rcd at 16853-4; AFR at 6.

¹⁰ *Bureau Decision* at 16856. The decision was conditioned on the outcome of the then-pending rulemaking *In the Matter of the Amendment of Section 73.3555(e) of the Commission's Rules, National Television Multiple Ownership Rule*, Notice of Proposed Rulemaking, MB Docket 13-123, 28 FCC Rcd 14324 (2013).

¹¹ *Bureau Decision*, 28 FCC Rcd at 16856. The Bureau also noted that Free Press had filed comments on the issue of sharing arrangements in the then-ongoing 2010 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, Notice of Proposed Rulemaking, 26 FCC Rcd 17489 (2011).

that the NBCO rule had been implicated.¹² Finally, the Bureau held that there was no evidence that Tribune would exert undue influence over the head of Dreamcatcher, a former Tribune employee.¹³

In its AFR, Free Press again argues, *inter alia*, that the Commission, not the Bureau, should have reviewed the Dreamcatcher Applications because the transaction presents a “novel question of law, fact, and policy” regarding the effect of sharing arrangements on competition, localism, and diversity of local news that only the Commission has the authority to address.¹⁴

Discussion. In the context of the recent merger between Tribune Media Company and Nexstar Media Group, Inc. (Nexstar),¹⁵ Tribune exercised its right under an Option Agreement dated December 27, 2013, to acquire control of WTKR(DT) and WGNT(DT).¹⁶ Concurrent with consummation of the merger, Tribune and Dreamcatcher consummated the transfer of control of the licensees of WTKR(DT) and WGNT(DT), from Dreamcatcher to Tribune, and the new licensee in turn consummated the assignment of WTKR(DT) and WGNT(DT) to Scripps Broadcasting Holdings, LLC (Scripps).¹⁷ Dreamcatcher is no longer a Commission licensee and the previous relationships between Dreamcatcher and Tribune no longer exist. Other than a Transition Services Agreement, there was no ongoing agreement to share facilities or services between Scripps and Nexstar/Tribune as part of the sale of WTKR(DT) and WGNT(DT) to Scripps. Therefore, we find that the issues raised in Free Press’s AFR regarding such arrangements, and the issues that are based on them, are moot.

Accordingly, it is ordered that, pursuant to Section 1.115(g) of the Rules, Free Press’s Application for Review is dismissed as moot.

Sincerely,



Barbara A. Kreisman
Chief, Video Division
Media Bureau

¹² *Bureau Decision*, 28 FCC Rcd at 16858.

¹³ *Id.* at 16856. The Bureau explained that Mr. Wilson was a highly experienced broadcaster and, although he had once been associated with Tribune, Tribune was only one of several broadcasters where he had held senior positions and that further he had not worked at Tribune for three years. *Id.* at 16857.

¹⁴ AFR at 1. Free Press also sought full Commission review on the impact of the Dreamcatcher Agreements on the NBCO rule as it existed at the time of the transaction. *Id.* at 7. The fact that the case involved application of the NBCO rule as opposed to the Local Television Ownership Rule is irrelevant as the attribution standards, as well as the determination of control, operates independently of the ownership rule at issue.

¹⁵ *Tribune Media Company (Transferor) and Nexstar Media Group, Inc. (Transferee) et al*, Memorandum Opinion and Order, MB Docket 19-30, 34 FCC Rcd 8436 (2019) (*Nexstar/Tribune*).

¹⁶ April Comp. Exh. at 2; *see also Nexstar Tribune*, at para. 6.

¹⁷ *Id.* Application for Consent to Assignment of Broadcast Station License of WGNT et al., File No. BALCDT-20190410AAK. At the same time, WNEP-TV was assigned to TEGNA Broadcast Holdings, LLC. File No. BALCDT - 20190410AAM.