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BY ELECTRONIC FILING

Marlene H. Dortch, Esq.
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: *Ex Parte* letter — MB Dockets No. 13-189, 10-71, 09-182

Dear Ms. Dortch:

Gannett Co., Inc. (“Gannett”) writes to correct misrepresentations regarding Gannett made by a group of MVPDs in a letter filed in these dockets on February 12, 2014.¹ In the course of raising policy arguments regarding broadcaster sharing arrangements, the MVPDs inaccurately claim that “Gannett obtained effective control of Belo’s stations in the Phoenix, AZ and Tucson, AZ” markets and that Gannett “controls the stations’ retransmission consent negotiations.”² These statements are false, and they demonstrate that the MVPDs’ assertions in pursuit of their policy objectives should not be taken at face value.

Phoenix: The former Belo Phoenix stations — KTVK(TV) and KASW(TV) — are currently licensed to Sander Operating Co. II LLC (collectively with its parent company, “Sander”). Contrary to the MVPDs’ demonstrably false assertion, the limited shared services agreement (“SSA”) pursuant to which Gannett currently makes available back-office and technical support to Sander’s stations in Phoenix does not provide for *any* Gannett involvement in retransmission consent negotiations. Indeed, the MVPDs are well aware that Gannett does not and will not have any involvement in Sander’s retransmission consent negotiations in Phoenix, as this fact was expressly stated in pleadings served upon more than half of the MVPDs and

¹ See American Cable Association *et al.*, Notice of Ex Parte Communication, MB Docket No. 13-189 *et al.* (Feb. 12, 2014) (the “MVPD Letter”). The multichannel video programming distributors (“MVPDs”) referred to herein are the American Cable Association, Charter Communications, DIRECTV, DISH Network, and Time Warner Cable. Since Gannett does not refer to the other transactions that the MVPDs referenced, it is not docketing this filing in those proceedings and/or identifying the pertinent application numbers.

² *Id.* at 4-5.

publicly available on ECFS in one of the dockets cited in their *ex parte* notice.³ Further, as the Bureau correctly found, the agreement comports with all Commission rules.⁴ The SSA expressly requires licensee control of the stations,⁵ and there simply is no basis to assert that Gannett “controls” the stations or that it has any involvement with their retransmission consent negotiations.

In addition, the MVPDs ignore that in the future, Gannett does not intend to provide *any* services with respect to KTVK(TV) and KASW(TV). It is a matter of public record that Sander has filed applications to assign the licenses of those two stations to a Meredith Corporation subsidiary and to SagamoreHill of Phoenix Licenses, LLC, respectively.⁶ Once those transactions are complete, Gannett does not intend to provide any services to either station’s licensee.

Tucson: Contrary to the MVPDs’ allegations otherwise, Gannett does not “control” Belo’s former stations — KMSB(TV) and KTTU(TV) — but instead simply provides limited services to the new licensees of those former stations, a Sander subsidiary and Tucker Operating Co. LLC (“Tucker”) respectively, via transition services agreements.⁷ Again, the Bureau correctly concluded that these arrangements comply with the Commission’s rules.⁸ And again, the agreements require licensee control of each station.⁹ Further, Gannett does not “control” the stations’ retransmission consent negotiations. Rather, Gannett may act as an agent for Sander or Tucker in such negotiations, but only at their respective request and subject to their direction. Both broadcasters and MVPDs sometimes appoint negotiating agents (e.g., Time Warner has acted as a negotiating agent for Bright House Networks). Assisting with retransmission consent negotiations, when requested, is an important service for stations given the resource-intensive nature of retransmission consent negotiations for broadcasters, who must hire outside counsel to negotiate with operators such as Time Warner Cable and DIRECTV, which employ teams of in-house lawyers and negotiators.

³ See, e.g., Gannett Co., Inc., Opposition to Petition to Deny, MB Docket No. 13-189, at 14 (Aug. 8, 2013) (served on the American Cable Association, DIRECTV, and Time Warner Cable); Sander Operating Companies, Opposition to Petition to Deny, MB Docket No. 13-189, at 10 (Aug. 8, 2013) (served on the same parties).

⁴ See *Applications for Consent to Transfer of Control from Shareholders of Belo Corp. to Gannett Co., Inc.*, 28 FCC Rcd 16867, 16877-80 ¶¶ 25-31 (Dec. 20, 2013) (“*Belo Order*”).

⁵ See, e.g., Phoenix SSA § 5 (“Station Licensee shall maintain ultimate control and authority over the Station, including, specifically, control and authority over the Station’s operations, finances, personnel and programming.”).

⁶ See FCC File Nos. BALCDT-20131231ADQ, BALCDT-201311231ADN.

⁷ Each licensee receives services from Raycom Media, Inc., via a shared services agreement, and the Sander station provides sales services to the Tucker station via a joint sales agreement.

⁸ See *Belo Order*, 28 FCC Rcd at 16877-80 at ¶¶ 25-31.

⁹ See, e.g., Tucson Transition Services Agreement § 5.

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At a more general level, it is unclear why the MVPDs view the arrangements in Tucson as implicating their purported concerns about retransmission consent negotiations. These stations were a duopoly when they were owned by Belo and thus necessarily subject to joint retransmission negotiations, whereas today they are owned and controlled by two separate companies, Sander and Tucker. Further, in Tucson, Gannett has only newspaper properties and not television stations, and newspapers of course are not subject to retransmission consent agreements.

* * *

In sum, the MVPDs' allegations about Gannett's purported control over third-party stations and their retransmission consent negotiations in the Phoenix and Tucson markets are utterly false. The misstatements betray the MVPDs' lack of attention to (or intentional mischaracterization of) the facts about which they make claims, which the Commission should take into consideration in evaluating the overall credibility of the MVPDs' contentions. Any questions with respect to the foregoing may be directed to the undersigned.

Respectfully submitted,



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