



OFFICE OF  
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

May 1, 2014

The Honorable C.A. Dutch Ruppertsberger  
U.S. House of Representatives  
2416 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Ruppertsberger:

Thank you for your letter expressing concerns regarding the recent Commission action to attribute certain Joint Sales Agreements (JSAs) between television stations. I appreciate the opportunity to provide some clarification about the Commission's March 31, 2014 decision to attribute TV JSAs where one station sells 15% or more of the weekly advertising time on behalf of another station in the same market.

The Commission is taking a comprehensive review of the broadcast ownership rules as part of our recently adopted *Further Notice of Proposed Rulemaking* that started the 2014 Quadrennial Review. Even in light of the pending proceeding, it is important that the Commission continues to enforce its existing rules. Historically, the Commission's rules have prohibited one television broadcaster from owning more than one station in small and medium-size markets. The purpose of this is to foster competition, localism, and a diversity of voices in the public interest. There has been a growing concern over the last decade that TV stations are using JSAs as a way to circumvent our local TV ownership restrictions by influencing the core operating functions of the other station in a market where joint ownership would not be allowed under the rules.

Stations have been on notice since 2004 when the Commission first started a proceeding proposing to attribute these types of TV agreements. Since the start, the industry has participated in the proceeding, including in 2010 when the Commission sought additional comment as part of the Quadrennial Review of broadcast ownership rules. In fact, it is our understanding that stations have been noting the possible change in policy as part of their SEC filings, and the Commission has consistently noted the pending proceeding to attribute JSAs in prior decisions on broadcast transactions that involve JSAs.

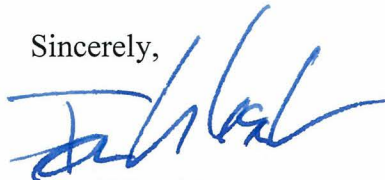
The Commission action on the TV JSA rule mirrors the path taken in 2002, when the Commission attributed JSAs for radio stations in the same manner and provided a 2-year period for stations to come into compliance. I do recognize that there could be some exceptions where an attributable JSA could be in the public interest, which is why the Commission adopted an expedited waiver process as part of its *Order*. I believe that this process will better protect competition and diversity than would merely grandfathering existing agreements.

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By moving decisions on broadcast ownership into the open, we will enable the public and the Commission to consider more fully and appropriately the public interest issues raised by the implementation of the Commission's rules.

I hope this information is helpful.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Wheeler", with a stylized flourish extending to the right.

Tom Wheeler