The Secretary October 7, 2002 Page 3

Each of these efforts, including the extent of interest by various parties in KWHY-TV, is necessarily affected by the pendency of the ongoing Rulemaking. The Company will continue to monitor such regulatory developments, as they may affect the manner in which the Company will be able to come into compliance with the Rule.

Please contact the undersigned with any communications regarding this matter.

Respectfully submitted,

TELEMUNDO OF LOS ANGELES LICENSE CORPORATION

Its Assistant Secretary

cc: Shaun Maher, Video Division, Media Bureau, FCC
Public Inspection Files of KVEA-TV, KWHY-TV and KNBC-TV





Copy Sent to Ref. Rm.

1299 Pennsylvania Avenue, N.W. Washington, D.C. 20004 Tel: (202) 637-4535

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January 6, 2003

Marlene H. Dortch Secretary Federal Communications Commission 445 Twelfth Street, S.W. Room TW-A325 Washington, D.C. 20554 RECEIVED

JAN - 6 2003

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Telemundo of Los Angeles License Corporation

90-Day Status Report

FCC File No. BTCCT-20011101ABK, et. seq.

Dear Madam Secretary:

On behalf of Telemundo of Los Angeles License Corporation, ("Telemundo"), the licensee of Television Broadcast Stations KWHY-TV, Los Angeles, California ("KWHY-TV"), and its affiliated companies, including the National Broadcasting Company, Inc. ("NBC", collectively with Telemundo and affiliates, the "Company"), and pursuant to the Commission's instructions, we hereby submit this 90-day status report that updates the efforts of the Company to come into compliance with the Commission's local television ownership rule (the "Rule") in the Los Angeles DMA.

In the *Telemundo Order*, the Commission approved the transfer of control of Telemundo to an entity attributable to NBC. Consistent with that approval, the Commission granted the Company a temporary waiver of the Rule to enable the common ownership of three television stations in the Los Angeles DMA – KWHY-TV, KVEA(TV), Corona, California, and KNBC(TV), Los Angeles, California (collectively, the "Stations"). The Commission also directed the Company to file, every 90 days, an update as to the Company's efforts to bring its common ownership of the Stations into compliance with the Rule.²

Telemundo Communications Group, Inc. and TN Acquisition Corp., Memorandum Opinion and Order, 17 FCC Rcd 6958 (2002) (the "Telemundo Order").

This report is due to be filed today, pursuant to Section 1.4 of the Commission's Rules. NBC timely filed the first report as of July 9, 2002 (the "July Update"), and the second report as of October 7, 2002 (the "October Update").

The Secretary January 6, 2003 Page 2

Contemporaneously with the issuance of the *Telemundo Order*, the D.C. Circuit issued a decision questioning the reasoning underlying the Rule and remanded the Rule for further review by the Commission.³ On September 23, 2002, the Commission issued a Notice of Proposed Rule Making to reconsider the Rule and other Commission ownership regulations.⁴ Both the Notice and multiple public comments responding to the Notice indicate that the Commission might modify the Rule in a manner that would create additional opportunities through which the Company can come into compliance with the Rule, or that would permit additional parties to purchase KWHY-TV.⁵

In the October Update, Telemundo noted that the uncertainties surrounding the pendency of the Notice might diminish immediate interest in any media transaction that would require any substantial outlay. ⁶ An intervening development, the proposed merger of the nation's largest television station group, Univision Communications, Inc., and the nation's largest radio station group, Hispanic Broadcasting Corporation, could also dampen interest on the part of potential purchasers of KWHY-TV.

Since the filing of the October Update, the Company has received two very preliminary inquiries by parties interested in acquiring KWHY-TV. It is exploring both. The Company also has attempted to obtain a more detailed proposal from another party that previously had made a similar preliminary inquiry. In addition to these efforts, the Company is reviewing other approaches to attracting additional potential purchasers, including parties that would be interested in maintaining the

³ See Sinclair Broadcast Group, Inc. v. FCC, 284 F.3d 148 (D.C. Cir. 2002). In light of this decision, Emmis Communications Corporation and Sinclair Broadcast Group, Inc. both expressly requested a stay of their temporary waivers of the Rule from the Federal Communications Commission.

⁴ 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, Notice of Proposed Rule Making, MB Docket No. 02-277 (released Sept. 23, 2002) (the "Notice" or the "Rulemaking").

⁵ See id. at ¶¶ 80, 111.

Telemundo spent \$240 million to acquire KWHY-TV. Accordingly, any bona fide offer to acquire the station would require a substantial expenditure.

The Secretary January 6, 2003 Page 3

station's unique character as the country's oldest independent Spanish-language full-power television broadcast outlet.

The Company continues to investigate and pursue possible approaches of coming into compliance with the Rule with regard to the Stations. Accordingly, the Company continues to evaluate any and all interest expressed by other parties, whether sua sponte or in response to the Company's inquiry, as to a possible sale of KWHY-TV.

Please contact the undersigned with any communications regarding this matter.

Respectfully submitted,

TELEMUNDO OF LOS ANGELES LICENSE CORPORATION

By: J. William LeBeau

Its Assistant Secretary

cc: Shaun Maher, Video Division, Media Bureau, FCC
Public Inspection Files of KVEA(TV), KWHY-TV and KNBC(TV)



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July 7, 2003

RECEIVED

Marlene H. Dortch, Secretary Federal Communications Commission 445 Twelfth Street, S.W. Room TW-A325 Washington, D.C. 20554

JUL - 7 2003

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re:

Telemundo of Los Angeles License Corporation 90-Day Update and Notice of Operations FCC File No. BTCCT-20011101ABK, et. seq.

Dear Madam Secretary:

On behalf of Telemundo of Los Angeles License Corporation ("Telemundo"), the licensee of Television Broadcast Stations KWHY-TV, Los Angeles, California ("KWHY-TV"), and its affiliated companies, including the National Broadcasting Company, Inc. ("NBC", collectively with Telemundo and affiliates, the "Company"), we hereby update the Commission as to the status of the Company's Los Angeles television operations, pursuant to the Commission's order in the above-captioned proceeding (the "Telemundo Order") and Telemundo's pending March 2003 request for an extension of time to come into compliance with the Commission's local television ownership rule (the "Rule").

The Company has been operating KWHY-TV pursuant to special operational, programming, divestiture and reporting requirements as specified under the *Telemundo Order*. On June 2, 2003, the Commission adopted a new form of the Rule that authorizes common ownership of up to three television stations in Designated Market Areas that have 18 or more full-power television stations, only one of which may be among the top-four rated stations in the DMA. Last week, the Commission issued an order setting forth this change in the Rule, and required all parties that have temporary waivers of the Rule to file, no later than 60 days from the effective date of the *Order*: ¹

- (i) a statement describing how ownership of the subject station complies with the modified local TV ownership rule; or
- (ii) an application for transfer or assignment of license of those stations necessary to bring the applicant into compliance with the new rules.

In the Matter of 2002 Biennial Review, Review of the Commission's Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996, et. al, Report and Order and Notice of Proposed Rule Making, MB Docket No. 02-277, at para. 493 (released July 2, 2003).

The Secretary July 7, 2003 Page 2

In light of this requirement, and irrespective of any further Company or other action relating to the *Order*, the Company hereby confirms that the Company's common ownership of KWHY-TV, KNBC(TV) and KVEA-TV (the "LA Stations") complies with the Rule as adopted in the *Order*. The Los Angeles DMA, in which KWHY-TV is located, has 25 full-power television stations, none of which is a same market satellite television station.² Of the Company's three stations, only KNBC(TV) is ranked among the top-four stations in the DMA.³

Accordingly, unless the Commission chooses to notify the Company otherwise, the Company intends to terminate any special operational, programming, divestiture or reporting efforts that had been required until the Company's television ownership in Los Angeles complied with Commission's policies.

Please contact the undersigned as needed regarding this filing.

Respectfully submitted,

TELEMUNDO OF LOS ANGELES LICENSE CORPORATION

By: F. William La Dans

Its Assistant Secretary

cc: Shaun Maher, Video Division, Media Bureau, FCC
Public Inspection Files of KVEA(TV), KWHY-TV and KNBC(TV)

See, e.g., BIA Financial, 2002 Investing In Television Market Report, at DMA Rank 2 (listing 21 commercial and 4 noncommercial full-power stations in the Los Angeles DMA).

According to Nielsen Media Research data, in the May 2003 ratings period, KVEA(TV) and KWHY-TV were ranked 10th and 12th in the Los Angeles DMA, respectively. Each station had an all-day (9 a.m. to 12 midnight) audience share of 2, with ratings of 1.1 and 0.9, respectively. KNBC(TV) was the second-ranked station in the market, with an all-day audience share of 8, which trailed KABC and led KTTV and KCBS, who were the third and fourth-ranked stations in the market, by one and two points, respectively. This ranking is consistent with that of KVEA and KWHY-TV in the *Telemundo Order*, where the Commission noted the two stations were ranked eighth and ninth in the Los Angeles DMA.





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March 22, 2005

RECEIVED

Marlene H. Dortch, Secretary Federal Communications Commission 445 Twelfth Street, S.W. Room TW-A325 Washington, D.C. 20554

MAR 2 2 2005

Federal Communications Commission Office of Secretary

Re: NBC Telemundo License Co.
Update re: Los Angeles Stations

FCC File No. BTCCT-20011101ABK, et. seq.

Dear Madam Secretary:

NBC Telemundo License Co. (the "Company") hereby files this update as to the operations of its three stations assigned to the Los Angeles Designated Market Area (the "Stations"). ¹

On June 2, 2003, the Commission adopted a revised form of the local television ownership rule, 47 C.F.R. § 73.3555(b) (the "Rule") that authorized common ownership of up to three television stations in Designated Market Areas that have 18 or more full-power television stations, only one of which may be among the top-four rated stations in the DMA. On July 3, 2003, the Commission issued the text of the order setting forth this change in the Rule. ² The Commission also required all parties that had temporary waivers of the Rule to file a statement describing whether those waivers remained necessary in light of the revised Rule. ³

In response to the Report and Order, the Stations filed such a statement. The statement explained that the common ownership of the Stations complied with the Rule and the Commission's broader public interest findings in the Report and Order, and concluded that the Stations' operations no longer needed to be subject to the waiver, subject to a Commission conclusion to the contrary. In September 2003, the Rule

The Stations are KNBC(TV), Los Angeles, California; KVEA(TV), Corona, California; and KWHY-TV, Los Angeles, California. The common ownership of the Stations was approved in *Telemundo Communications Group, Inc.*, Memorandum Opinion and Order, 17 FCC Rcd 6958 (2002) ("Telemundo Order"). Both KVEA and KWHY-TV air Spanish-language programming: KVEA is an affiliate of the Telemundo network, while KWHY-TV is not affiliated with any network.

In the Matter of 2002 Biennial Review, Review of the Commission's Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996, et. al, Report and Order and Notice of Proposed Rule Making, MB Docket No. 02-277 (released July 2, 2003) ("Report and Order").

d. at para. 493.

The Secretary March 22, 2005 Page 2

became the subject of a stay, and, in June 2004, was remanded to the Commission by the Third Circuit. 4 Parties have petitioned the Supreme Court to review the Third Circuit decision, and the matter remains pending.

We hereby file this submission to update the Commission as to the Los Angeles market and the Stations' operations. Since July 2003, the Los Angeles television market has remained one of the most competitive media markets in the nation, with 21 commercial television stations, including six Spanish-language full-power stations. ⁵

The acquisition of the Spanish-language Stations by NBC continues to enable the Stations to strengthen their operations. According to data collected in the February 2005 sweeps, each of KWHY-TV and KVEA has maintained a relatively stable viewership, with KWHY-TV ranked 12th and KVEA ranked 9th in the market, respectively. Since July 2003, KWHY-TV and KVEA have continued their previously established policies regarding separate programming and have maintained separate programming staffs (as, of course, has KNBC). KWHY-TV remains committed to delivering quality standalone programming to its viewers. As an illustration of the quality of this programming, the Station is pleased to report that an independently owned Class A television station in a neighboring market -- KBOP-CA, San Diego, California -- and a San Diego cable operator - Cox Communications -- have decided that they want to carry KWHY-TV's programming to their audiences. (The delivery of KWHY-TV programming to San Diego, which will commence April 8, also will be augmented by additional San Diego-produced programming, with current plans including a daily Spanish-language San Diego newscast.) Also since July 2003, each of KWHY-TV and KVEA has continued to maintain its own sales staff. Following adoption of the revised Rule, the Stations' policies were modified to enable combined sales; subsequently, in light of the Third Circuit's actions, the Stations have implemented policies that exclude any such arrangements. Finally, KWHY-TV recently hired a new general manager, Araceli DeLeon, who will oversee the separate programming, sales and operations of that station, consistent with the Telemundo Order. 6

As to the Stations' ownership, since July 2003, the Company has not received any third-party offers to purchase KWHY-TV, either as an independent Spanish-language station or otherwise, which is not surprising in light of the unsettled nature of the Rule and the television market in general. Also, pursuant to prior Commission approval of a *pro forma* transaction, the Stations now have consolidated their licensees into a single license entity. See File Nos. BALCT-20041106AKV/ALU/AMA.

See Prometheus Radio Project v. FCC, Order, No. 03-3388 (3d Cir. Sept. 3, 2003); Prometheus Radio Project v. FCC, 373 F.3d 372 (3d Cir. 2003).

See Broadcasting & Cable Yearbook 2005 at B-191.

Each of KVEA and KNBC(TV) has retained its general manager since prior to July 2003.

The Secretary March 22, 2005 Page 3

CC:

At this time, the Company's request to extend the temporary waiver with respect to the Stations until a final form of the Rule has become effective remains pending. The Company will continue to update the Commission and otherwise comply with the terms of the temporary waiver set forth in the Telemundo Order until government action directing the Company otherwise, including resolution of the judicial review proceedings concerning the Report and Order and/or adoption of a final Rule that approves the common ownership of three stations in the nation's second largest market. Accordingly, the Company will file its next quarterly update regarding the Stations by April 1, 2005, and will continue to file such reports on the first business day following the last day of each calendar quarter.

Please contact the undersigned as needed regarding this filing.

Respectfully submitted,

NBC TELEMUNDO LICENSE CO.

F. William LeBeau

Its Assistant Secretary

Barbara Kreisman, Chief, Video Division, Media Bureau
Public Inspection Files of KVEA(TV), KWHY-TV and KNBC(TV)





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April 8, 2005

Marlene H. Dortch, Secretary Federal Communications Commission 445 Twelfth Street, S.W. Room TW-A325 Washington, D.C. 20554 RECEIVED

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Federal Communications Commission <

mission CG

Re:

NBC Telemundo License Co. Update re: Los Angeles Stations FCC File No. BTCCT-20011101ABK, et. seq.

Dear Madam Secretary:

NBC Telemundo License Co. (with its attributable investors, the "Company") hereby files this quarterly update as to its efforts to come into compliance with the Commission's local television ownership rule (the "Rule") with respect to its three stations assigned to the Los Angeles Designated Market Area (the "Stations"). ¹

The Los Angeles television market has remained one of the most competitive media markets in the nation, with 21 commercial television stations, including six Spanish-language full-power stations. ² In this highly diverse market, the acquisition of Spanish-language Stations by NBC continues to enable the Stations to strengthen their operations. According to data collected in the February 2005 sweeps, each of KWHY-TV and KVEA has maintained a relatively stable viewership, with KWHY-TV ranked 12th and KVEA ranked 9th in the market, respectively.

In the most recent calendar quarter, the Company continues to employ a vice president in its broadcasting Business Development group, who has overseen efforts to divest KWHY-TV. However, as the Commission is aware, the unsettled nature of the Rule, including the ongoing U.S. Supreme Court certiorari and remand proceedings, has limited potential television station transactions. During the past calendar quarter, the Company has not received any third-party offers to purchase KWHY-TV, either as an independent Spanish-language station or otherwise.

The Stations are KNBC(TV), Los Angeles, California; KVEA(TV), Corona, California; and KWHY-TV, Los Angeles, California. The common ownership of the Stations was approved in *Telemundo Communications Group, Inc.*, Memorandum Opinion and Order, 17 FCC Rcd 6958 (2002) ("Telemundo Order"). Both KVEA and KWHY-TV air Spanish-language programming: KVEA is an affiliate of the Telemundo network, while KWHY-TV is not affiliated with any network.

See Broadcasting & Cable Yearbook 2005 at B-191.

The Secretary April 8, 2005 Page 2

At this time, the Company's request to extend the temporary waiver with respect to the Stations until a final form of the Rule has become effective remains pending. The Company will continue to update the Commission and otherwise comply with the terms of the temporary waiver set forth in the Telemundo Order until government action directing the Company otherwise, including resolution of the judicial review proceedings concerning the Report and Order and/or adoption of a final Rule that approves the common ownership of three stations in the nation's second largest market.

Please contact the undersigned as needed regarding this filing.

Respectfully submitted,

NBC TELEMUNDO LICENSE CO.

F. William LeBeau

Its Assistant Secretary

cc: Barbara Kreisman, Chief, Video Division, Media Bureau
Public Inspection Files of KVEA(TV), KWHY-TV and KNBC(TV)





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July 1, 2005

Mariene H. Dortch, Secretary Federal Communications Commission 445 Twelfth Street, S.W. Room TW-A325 Washington, D.C. 20554

Re:

NBC Telemundo License Co. Update re: Los Angeles Stations

FCC File No. BTCCT-20011101ABK, et. seq.

Dear Madam Secretary:

NBC Telemundo License Co. (with its attributable investors, the "Company") hereby files this quarterly update as to its efforts to come into compliance with the Commission's local television ownership rule (the "Rule") with respect to the Company's three stations assigned to the Los Angeles Designated Market Area (the "Stations"). 1

The Los Angeles television market has remained one of the most competitive media markets in the nation, with 21 full-power commercial television stations, including at least six Spanish-language full-power stations. ² In this highly diverse market, the acquisition of the Spanish-language Stations by NBC continues to enable the Stations to strengthen their operations and to maintain stable viewership, with KVEA and KWHY-TV ranked 10th and 11th in the market, respectively, during the recent May 2005 sweeps period. The Stations also are better able to serve their communities with quality local Spanish-language news programming; collectively, KWHY-TV and KVEA offer Spanish-language viewers 29 hours of local news per week.

In the most recent calendar quarter, the Company continued to comply with the terms of the temporary waiver set forth in the Telemundo Order. A vice president in the Company's broadcasting

The Stations are KNBC(TV), Los Angeles, California; KVEA(TV), Corona, California; and KWHY-TV, Los Angeles, California. Common ownership of the Stations was approved in *Telemundo Communications Group, Inc.*, Memorandum Opinion and Order, 17 FCC Rcd 6958 (2002) ("Telemundo Order"). Both KVEA and KWHY-TV air Spanish-language programming (collectively, "Spanish-language Stations"): KVEA is an affiliate of the *Telemundo* network, while KWHY-TV is not affiliated with any network.

See Broadcasting & Cable Yearbook 2005 at B-191, B-143.

The Secretary July 1, 2005 Page 2

Business Development group continues to oversee efforts by which the Company may come into compliance with the Rule, and the Company has not received any third-party offers to purchase KWHY-TV, either as an independent Spanish-language station or otherwise, during the past calendar quarter. As noted in NBC's pending request to extend the temporary waiver of the Rule, the ongoing FCC proceedings to revise local media ownership restrictions have fostered uncertainty regarding the ultimate form of the Rule, which in turn appears to have limited potential buyers of large-market television stations.

Please contact the undersigned as needed regarding this filing.

Respectfully submitted,

NBC TELEMUNDO LICENSE CO.

F. William LeBeau

Its Assistant Secretary and Senior Regulatory Counsel

CC:

Barbara Kreisman, Chief, Video Division, Media Bureau Shaun Maher, Video Division, Media Bureau Public Inspection Files of KVEA(TV), KWHY-TV and KNBC(TV)

Shaun Maker, Video Div





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October 11, 2005

RECEIVED - FCC

OCT 1 1 2005

Federal Communication Commission Bureau / Office

Marlene H. Dortch, Secretary Federal Communications Commission 445 Twelfth Street, S.W. Room TW-A325 Washington, D.C. 20554

Re:

NBC Telemundo License Co. Update re: Los Angeles Stations

FCC File No. BTCCT-20011101ABK, et. seq.

Dear Madam Secretary:

NBC Telemundo License Co. (with its attributable investors, the "Company") hereby files this quarterly update with respect to the Company's three stations assigned to the Los Angeles Designated Market Area (the "Stations") and the Commission's local television ownership rule (the "Rule"). 1

In April 2002, the Commission approved common ownership of the Stations pursuant to a conditional waiver of the Rule. In July 2003, the Commission issued a revised form of the Rule that permitted unconditional common ownership of the Stations, among other combinations, in light of the increased competition in the U.S. media marketplace. ² Last year, the Third Circuit, as part of a broad

See 47 C.F.R. § 73.3555(b). Common ownership of KNBC(TV), Los Angeles, California; KVEA(TV), Corona, California; and KWHY-TV, Los Angeles, California, (collectively, the "Stations") was approved in Telemundo Communications Group, Inc., Memorandum Opinion and Order, 17 FCC Rcd 6958 (2002) ("Telemundo Order"). Both KVEA and KWHY-TV air Spanish-language programming (collectively, the "Spanish-language Stations"): KVEA is an affiliate of the Telemundo network, while KWHY-TV is not affiliated with any established network, although it has begun efforts to make its programming available to stations in other markets.

See 2002 Biennial Regulatory Review -- Review of the Commission's Broadcast Ownership Rules and Other Rule's Adopted Pursuant to Section 202 of the Telecommunications Act of 1996 Cross-Ownership of Broadcast Stations and Newspapers Rules and Policies Concerning Multiple Ownership of Radio Broadcast Stations in Local Markets Definition of Radio Markets Definition of Radio Markets for Areas Not Located in an Arbitron Survey Area, Report and Order, 18 FCC Rcd 13620 (2003), reversed and remanded, Prometheus Radio Project v. FCC, 373 F.3d 372, 412 (3d Cir. 2004), cert. denied 125 S. Ct. 2904.

The Secretary October 11, 2005 Page 2

review of the Commission's broadcast ownership rules, remanded and stayed the revised Rule, pending further Commission support for its findings and rationale. ³ The Commission has not yet responded to concerns regarding the evidence underlying its conclusion that triopolies in the nation's larger media markets will not materially harm media competition or diversity.

Since issuance of the *Telemundo Order*, the Los Angeles television market has remained one of the nation's largest and most competitive media markets. The <u>Telemundo Order</u> noted that Los Angeles had 19 independently owned television stations, of which four provided programming "directed to the Hispanic market." ⁴ In 2005, according to the *Broadcasting & Cable Yearbook*, the Los Angeles television market has 20 independent full-power television stations, including eight Spanish-language full-power stations. ⁵

In this highly diverse and competitive market, common ownership of the Stations has enabled the Stations to strengthen their overall operations and continue to attract viewers. For example, KVEA and KWHY-TV ranked 10th and 11th in the market in all demographics, respectively, during the recent July 2005 sweeps period. The Stations also continue to deliver quality local news offenings; collectively, the Stations deliver 59 hours of local news per week, with nearly half that amount Spanish-language news offerings from KVEA and KWHY-TV.

The combined resources of the Company further has enabled KWHY-TV to offer its programming to media outlets in other markets that are looking to provide additional Spanish-language services to their audiences. These outlets are not looking to acquire KWHY-TV, but to deliver the Station's programming to markets that may benefit from additional Spanish-language programming services. The Company has not received any third-party offers to purchase KWHY-TV, either as an independent Spanish-language station or otherwise, during the past calendar quarter, but a vice president in the Company's broadcasting Business Development group continues to oversee efforts by which the Company may come into compliance with the Rule.

³ See Prometheus Radio Project v. FCC, 373 F.3d 372, 412 (3d Cir. 2004), cert. denied 125 S. Ct. 2904.

See Telemundo Order at ¶¶ 45, 48.

⁵ See Broadcasting & Cable Yearbook 2005 at B-191, B-143.

The Secretary October 11, 2005 Page 3

Please direct any further communications regarding this submission to the undersigned.

Respectfully submitted,

NBC TELEMUNDO LICENSE CO.

F. William LeBeau

Its Assistant Secretary and Senior Regulatory Counsel

cc: Barbara Kreisman, Chief, Video Division, Media Bureau Shaun Maher, Video Division, Media Bureau Public Inspection Files of KVEA(TV), KWHY-TV and KNBC(TV)





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January 10, 2006

Marlene H. Dortch, Secretary Federal Communications Commission 445 Twelfth Street, S.W. Room TW-A325 Washington, D.C. 20554

RECEIVED

JAN 1 0 2006

Federal Communications Commission Office of Secretary

Re:

NBC Telemundo License Co. Update re: Los Angeles Stations

FCC File No. BTCCT-20011101ABK, et. seq.

Dear Madam Secretary:

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See 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 Cross-Ownership of Broadcast Stations and Newspapers Rules and Policies Concerning Multiple Ownership of Radio Broadcast Stations in Local Markets Definition of Radio Markets Definition of Radio Markets for Areas Not Located in an Arbitron Survey Area, Report and Order, 18 FCC Rcd 13620 (2003), reversed and remanded, Prometheus Radio Project v. FCC, 373 F.3d 372, 412 (3d Cir. 2004), cert. denied 125 S. Ct. 2904.

The Secretary January 10, 2006 Page 2

review of the Commission's broadcast ownership rules, remanded and stayed the revised Rule, pending further Commission support for its findings and rationale. ³ The Commission has not yet responded to concerns regarding the evidence underlying its conclusion that triopolies in the nation's larger media markets will not materially harm media competition or diversity.

Since issuance of the *Telemundo Order*, the Los Angeles television market has remained one of the nation's largest and most competitive media markets. The <u>Telemundo Order</u> noted that Los Angeles had 19 independently owned television stations, of which four provided programming "directed to the Hispanic market." ⁴ In 2005, according to the *Broadcasting & Cable Yearbook*, the Los Angeles television market has 20 independent full-power television stations, including eight Spanish-language full-power stations. ⁵

In this highly diverse and competitive market, common ownership of the Stations has enabled the Stations to strengthen their overall operations and continue to attract viewers. For example, KVEA and KWHY-TV ranked 10th and 12th in the market in households, respectively, during the recent November 2005 sweeps period. The Stations also continue to deliver quality local news offerings; collectively, the Stations deliver 59 hours of local news per week, with nearly half that amount Spanish-language news offerings from KVEA and KWHY-TV.

The combined resources of the Company further has enabled KWHY-TV to offer its programming to media outlets in other markets that are looking to provide additional Spanish-language services to their audiences. These outlets are not looking to acquire KWHY-TV, but to deliver the Station's programming to markets that may benefit from additional Spanish-language programming services. The Company has not received any third-party offers to purchase KWHY-TV, either as an independent Spanish-language station or otherwise, during the past calendar quarter, but a vice president in the Company's broadcasting Business Development group continues to oversee efforts by which the Company may come into compliance with the Rule.

³ See Prometheus Radio Project v. FCC, 373 F.3d 372, 412 (3d Cir. 2004), cert. denied 125 S. Ct. 2904.

See Telemundo Order at ¶¶ 45, 48.

See Broadcasting & Cable Yearbook 2005 at B-191, B-143.

The Secretary January 10, 2006 Page 3

Please direct any further communications regarding this submission to the undersigned.

Respectfully submitted,

NBC TELEMUNDO LICENSE CO.

By: J. William Je Beau
F. William LeBeau

Its Assistant Secretary and Senior Regulatory Counsel

cc: Barbara Kreisman, Chief, Video Division, Media Bureau Shaun Maher, Video Division, Media Bureau Public Inspection Files of KVEA(TV), KWHY-TV and KNBC(TV)

ATTACHMENT F

17





Tel: (202) 637-4535 Tel: (202) 637-4530

March 14, 2003

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

RE: Telemundo of Los Angeles License Corporation

Estrella License Corporation NBC Subsidiary (KNBC-TV), Inc.

Joint Request for Extension of Waiver of Section 73.3555(b)

KWHY-TV, Los Angeles, CA; Facility ID No. 26231 FCC File Nos. BTTCT-20011101ACN, et. seq.

Dear Madam Secretary:

Telemundo of Los Angeles License Corporation and Estrella License Corporation (collectively with their common parent Telemundo Communications Group, Inc., and all of its subsidiaries, "Telemundo"), and NBC Subsidiary (KNBC-TV), Inc. (collectively with its parent company, National Broadcasting Company, Inc., and all of its subsidiaries, "NBC"), submits, in triplicate, this request to extend the temporary waiver (the "Waiver") of Section 73.3555(b) of the Commission's Rules (the "Local Television Ownership Rule" or the "Rule") with regard to the common ownership by Telemundo and NBC (collectively, the "Movants") of three of the 25 television stations in the Los Angeles Designated Market Area ("DMA").

Unforeseen changes in regulatory and market conditions support extension of the Waiver. In April 2002, pursuant to the Waiver, General Electric Company ("GE"),

the parent company of NBC, acquired Telemundo's two Los Angeles stations – KVEA(TV), Corona, California, and KWHY-TV, Los Angeles, California (the "Telemundo Stations") – as part of GE's acquisition of Telemundo. The Waiver was intended to provide sufficient time for the Movants to come into compliance with the Rule, including possible divestiture of KWHY-TV, the nation's oldest independent Spanish-language television station. That same month, the D.C. Circuit concluded that the existing record did not justify the Rule.¹ Pursuant to that decision and the congressional mandate to review broadcast ownership regulations biennially,² the Commission commenced a rule making proceeding in September 2002 that raised substantial questions as to whether the Rule in its current form would be retained.³

During the term of the Waiver, the Movants have worked diligently to divest KWHY-TV. But the uncertainty created by *Sinclair* and the pendency of the Ownership Proceeding, along with continued economic instability and the July announcement of a merger between the nation's largest Spanish-language television and radio broadcasters, have resulted in uniquely difficult conditions for the sale of a Spanish-language television station. These significantly changed circumstances were not and could not have been foreseen. Accordingly, extension of the Waiver until twelve months

Sinclair Broadcast Group, Inc. v. FCC, 284 F.3d 148 (D.C. Cir. 2002) ("Sinclair") (ordering the entire Rule remanded to the Commission because it was not sufficiently justified).

² See id. & 47 U.S.C. § 202(h).

In the Matter of 2002 Biennial Regulatory Review—Review of the Commission's Broadcast Ownership Rules, Notice of Proposed Rule Making, 17 FCC Rcd 18503 (2002) ("Ownership Notice" or "Ownership Proceeding").

after the final conclusion, including any judicial review, of any aspect of the Ownership

Proceeding relating to the Rule is necessary to avoid the adverse consequences to

KWHY-TV's viewers and the Movants that will result from any divestiture forced to occur

under such uncertain regulatory and economic conditions.⁴

Background

On April 10, 2002, the Commission granted the Waiver as part of its approval of GE's proposed acquisition of Telemundo.⁵ The Commission cited several bases for the Waiver.⁶

- Los Angeles was an "exceptionally" competitive and diverse television market;
- 2) The three stations to be commonly owned KNBC(TV), Los Angeles, California and the Telemundo Stations – each appealed to different audiences and maintained separate programming;
- 3) The Telemundo Stations lacked "dominant economic power in the market," especially as compared to Univision's KMEX-TV, the market's (and the nation's) leading Spanish-language television broadcaster;
- 4) The Movants pledged to maintain the Telemundo Stations' separate programming and to refrain from engaging in joint sales; and
- 5) The economic downturn following the September 2001 terrorist attack and other obstacles, such as the long-standing "Spanish-language character" of KWHY-TV, limited potential buyers.

To the extent the proposed relief is not granted, the Movants request an additional 180 days from the final order denying relief to submit the application(s) or to undertake the other actions necessary to come into compliance with the Rule.

Telemundo Communications Group, Inc. and TN Acquisition Corp., Memorandum Opinion & Order, 17 FCC Rcd 6958 (2002) (the "Telemundo Order"). The Waiver currently is to expire on April 7, 2003.

⁶ See id. at 6976-77.

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The Commission concluded that, on balance, these substantial reasons outweighed any speculation that the Waiver might undermine the rule or materially harm competition or service to the Spanish-language television audience. Through the Waiver, the Commission intended to afford sufficient time for the Movants to come into compliance with the Rule. The Movants also were to update the Commission on their efforts to come into compliance with the Rule every 90 days.

Pursuant to Commission approval and the Waiver, GE consummated the transaction as of April 12, 2002. Since that time, NBC and Telemundo have continued their efforts to strengthen their service to the nation's Spanish-language community. Telemundo has enhanced its programming, including improvements to entertainment programming and the addition of local weekend newscasts on Telemundo's stations in three major Spanish-language markets. GE's resources have bolstered Telemundo's distribution, including the acquisition (or proposed acquisition) of several Telemundo affiliates in key Spanish-language markets and a multi-faceted effort to upgrade existing facilities. For example, in Los Angeles, the Movants' commitment to better serve the

⁷ Id.

The Commission did not condition any divestiture on the requirement that the Station be sold to a party that would continue the Station's Spanish-language programming. See id.

See, e.g., FCC File Nos. BALCT- 20021011ABA (acquisition of full-power Telemundo affiliate in Tucson, Arizona DMA); BALCT-20020906ABC (acquisition of full power television station in Boston, Massachusetts DMA, which may soon become Telemundo affiliate); BALCT- 20021007ABS (acquisition of full-power Telemundo affiliate in Fresno, California DMA). Also, Telemundo has attempted to acquire a full-power station that serves Phoenix, Arizona, but only has been able to acquire a Class A

Spanish-language community has resulted in approval for an improved analog transmission facility for KVEA and Telemundo's continued effort to enhance KWHY-TV's digital parameters. 10

Throughout this period, the Movants have complied with the Waiver's requirements. The Movants have continued programming KWHY-TV separately from KNBC and KVEA, have not conducted joint sales between KWHY-TV and the other stations, and have timely filed each 90-day status report. In these reports, the Movants have detailed their ongoing efforts to divest KWHY-TV in a manner consistent with the Commission's goals in the *Telemundo Order*.

Telemundo, drawing on the substantial resources of GE and NBC, has diligently strived to identify and solicit buyers for KWHY-TV, which is the nation's oldest independent Spanish-language station and which Telemundo had acquired for \$240 million two years ago. 11 For example, GE hired a new vice president in its broadcasting Business Development group, who, among his primary tasks, has pursued proposals and overseen efforts to divest KWHY-TV. Through these and similar efforts, Telemundo has explored a proposed sale of KWHY-TV with multiple parties over the

television station and a full-power facility on the edge of the Phoenix market. See FCC File No. BALCT-20020426AAP.

See FCC File Nos. BPCT-20011217ABM (KVEA analog) & BMPCDT-20000428ABX & BEDSTA- 20021028ABZ (KWHY-TV digital).

See FCC File No. BALCT- 20010216AAG.