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October 30, 2017

**VIA ELECTRONIC FILING**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, S.W., TW-A325  
Washington, D.C. 20554

**Re: Notice of Ex Parte Communication  
Review of Local Radio Ownership Rules - Embedded Radio Markets  
MB Docket Nos. 09-182 and 14-50**

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Dear Ms. Dortch:

On October 26, 2017, David Oxenford and Kathleen Abernathy, on behalf of Connoisseur Media, LLC ("Connoisseur"), met with Brooke Ericson of Commissioner O'Rielly's office to discuss the treatment under the Commission's multiple ownership rules of radio stations that are home to embedded markets in major metropolitan areas.<sup>1</sup>

Counsel for Connoisseur's emphasized that its proposal to allow the owners of embedded market stations to acquire stations in other embedded markets without having to comply with the ownership limits in the parent market is unopposed, and supported by other broadcasters and a large advertising buyer in New York. Granting this relief would allow the embedded market owners to be able to reach regional advertisers and overcome the competitive imbalance that they currently face. Connoisseur has provided significant information to demonstrate that the revenues of stations in these embedded markets is significantly less than that in comparably sized markets as so much revenue is diverted to stations in the parent market, and the embedded market owners cannot build the scale necessary to compete with these parent-market based competitors.

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<sup>1</sup> Connoisseur filed a Petition for Reconsideration of the Commission's treatment of embedded markets in the *Second Report and Order* in the referenced dockets. See *2014 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, Second Report and Order*, MB Docket Nos. 14-50, 09-182, 07-294, and 04-256, 31 FCC Rcd 9864 (2016).

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Connoisseur has submitted substantial unrefuted information in the record of this proceeding showing that, while stations in the heart of the parent market compete in the embedded markets, those stations in the embedded markets do not compete in other embedded markets or in the parent market. The current policy that prevents an owner from one embedded market from owning stations in another embedded market is at odds with Commission rules that, in other Nielsen markets, allow one company to own the maximum number of stations in multiple immediately adjacent markets, even though some of those stations may have some listeners in those adjacent markets. Connoisseur provided copies of the ex parte it filed in this proceeding on October 17, 2017 comparing completion between stations in embedded markets to competition in other adjacent Nielsen markets.

Connoisseur's counsel made clear that they will not work, as sellers of station clusters will not sell their stations unless they have certainty that a transaction can occur in a timely fashion - a certainty not provided by the need to seek a waiver.

Counsel also provided a copy of the slide presentation that was attached to its ex parte filed on October 11, 2017 in this proceeding.

This meeting was held prior to the release of the Commission's Draft Order in this proceeding. Connoisseur is today filing Supplemental Comments, addressing the conclusion of the Draft Order to deny Connoisseur's Petition to Deny. Connoisseur will be providing copies of its Supplemental Comments to the offices of all of the Commissioners. The Supplemental Comments include statements from both Nielsen Audio and BIA setting out misinterpretations of the practices of those companies reflected by the Draft Order, and supporting the arguments that Connoisseur has made in this proceeding.

Should there be any questions concerning this matter, please contact the undersigned.

Sincerely,

David Oxenford

cc: Brooke Ericson