

PUBLIC VERSION

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

DIRECTV, LLC AND  
AT&T SERVICES, INC.,

Complainants,

v.

DEERFIELD MEDIA, INC.,  
DEERFIELD MEDIA (PORT ARTHUR) LICENSEE, LLC,  
DEERFIELD MEDIA (CINCINNATI) LICENSEE, LLC,  
DEERFIELD MEDIA (MOBILE) LICENSEE, LLC,  
DEERFIELD MEDIA (ROCHESTER) LICENSEE, LLC,  
DEERFIELD MEDIA (SAN ANTONIO) LICENSEE, LLC,  
GoCOM MEDIA OF ILLINOIS, LLC,  
HOWARD STIRK HOLDINGS, LLC,  
HSH FLINT (WEYI) LICENSEE, LLC,  
HSH MYRTLE BEACH (WWMB) LICENSEE, LLC,  
MERCURY BROADCASTING COMPANY, INC.,  
MPS MEDIA OF TENNESSEE LICENSEE, LLC,  
MPS MEDIA OF GAINESVILLE LICENSEE, LLC,  
MPS MEDIA OF TALLAHASSEE LICENSEE, LLC,  
MPS MEDIA OF SCRANTON LICENSEE, LLC,  
NASHVILLE LICENSE HOLDINGS, LLC,  
KMTR TELEVISION, LLC,  
SECOND GENERATION OF IOWA, LTD, AND  
WAITT BROADCASTING, INC.,

Defendants.

MB Docket No. 12-1  
File No. \_\_\_\_\_

**EXPEDITED  
TREATMENT  
REQUESTED**

**VERIFIED COMPLAINT OF DIRECTV, LLC AND AT&T SERVICES, INC.  
FOR THE STATION GROUPS' FAILURE TO NEGOTIATE IN GOOD FAITH**

**PUBLIC VERSION**

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June 18, 2019

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SUMMARY

In flagrant violation of the Commission’s rules, nine station groups (the “Station Groups”) have simply refused to negotiate retransmission consent with DIRECTV and AT&T Services (collectively, “AT&T”), for months on end. Indeed, the Station Groups, each of which appears to be managed and controlled by Sinclair Broadcast Group (“Sinclair”), have **[BEGIN CONFIDENTIAL]** [REDACTED] **[END CONFIDENTIAL]** retransmission proposals.<sup>1</sup> The Station Groups refused to respond even *after* their **[BEGIN CONFIDENTIAL]** [REDACTED] **[END CONFIDENTIAL]** agreements with AT&T expired and they went dark. Even now, in the midst of ongoing customer blackouts, the Station Groups *still* refuse to negotiate agreements that would permit AT&T to resume retransmission of these stations to customers across the country. This misconduct violates both the letter and the intent of the Commission’s *per se* good-faith rules — indeed, it is just this kind of gamesmanship that the rules are designed to prevent — and has generated (and continues to generate) enormous consumer harm.<sup>2</sup>

Notably, the ostensibly independent Station Groups all have deep ties to Sinclair, **[BEGIN HIGHLY CONFIDENTIAL]** [REDACTED] **[END HIGHLY CONFIDENTIAL]** These closely related Station Groups refused to engage in any negotiations with AT&T at all before nearly all their stations went dark. **[BEGIN CONFIDENTIAL]** [REDACTED]

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<sup>1</sup> See Sinclair Broadcast Group, Inc., Form 10-K at 5, 7-9 (filed Mar. 1, 2019) (for fiscal year ending Dec. 31, 2018) (explaining relationships through joint sales, local marketing, and other agreements with the Station Groups’ stations).

<sup>2</sup> See 47 C.F.R. § 76.65(b)(1)(i), (v) (requiring broadcasters to negotiate and respond to proposals).

[REDACTED]

[REDACTED] [END CONFIDENTIAL] This common refusal to negotiate is a clear violation of the Commission’s rules designed to drive up the fees AT&T collectively pays to retransmit their signals. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED] [END HIGHLY CONFIDENTIAL] The Station Groups’ unreasonable delay constitutes another *per se* violation.<sup>3</sup>

Alternatively, even if the Station Groups’ tactics did not establish any *per se* violation, they would constitute a failure to negotiate in good faith under the totality-of-the-circumstances test. *See* 47 C.F.R. § 76.65(b)(2). The Station Groups have made negotiations impossible

[BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[END CONFIDENTIAL]<sup>4</sup>

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<sup>3</sup> *See id.* § 76.65(b)(1)(iii) (requiring negotiation at reasonable times and without unreasonable delays).

<sup>4</sup> *See* Memorandum Opinion and Order, *Northwest Broad., L.P. v. DIRECTV, LLC*, 30 FCC Rcd 12449, ¶ 12 (Chief, Media Bur. 2015) (“not necessary or proper to compel DIRECTV to provide its confidential retransmission consent agreements”); Memorandum Opinion and Order,



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DECLARATION OF DALLIA KIM

DECLARATION OF MICHAEL PACE

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FOR THE STATION GROUPS' FAILURE TO NEGOTIATE IN GOOD FAITH**

1. DIRECTV, LLC (“DIRECTV”) and AT&T Services, Inc. (“U-verse,” and with DIRECTV, “AT&T”) bring this Complaint for failure to negotiate in good faith against nine



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station groups (the “Station Groups”) — Deerfield Media, Inc. and certain affiliated entities<sup>5</sup> (collectively, “Deerfield”), GoCom Media of Illinois, LLC (“GoCom”), Howard Stirk Holdings, LLC and certain affiliated entities<sup>6</sup> (collectively, “Howard Stirk”), Mercury Broadcasting Company, Inc. (“Mercury”), certain MPS Media entities<sup>7</sup> (collectively, “MPS”), Nashville License Holdings, LLC (“Nashville”), KMTR Television, LLC (“Roberts”), Second Generation of Iowa, LTD (“Second Generation”), and Waitt Broadcasting, Inc. (“Waitt”).

2. The Station Groups own the local broadcast television stations (the “Stations”) identified below.

<b>Legal Entity</b>	<b>Market</b>	<b>Call Letters</b>	<b>Affiliation</b>
Deerfield Media (Port Arthur) Licensee, LLC	Beaumont, TX	KBTV	FOX
Deerfield Media (Cincinnati) Licensee, LLC	Cincinnati, OH	WSTR	My Net
Deerfield Media (Mobile) Licensee, LLC	Mobile, AL	WPMI	NBC
Deerfield Media (Mobile) Licensee, LLC	Mobile, AL	WJTC	Independent
Deerfield Media (Rochester) Licensee, LLC	Rochester, NY	WHAM	ABC
Deerfield Media (Rochester) Licensee, LLC	Rochester, NY	WHAM-DT	CW
Deerfield Media (San Antonio) Licensee, LLC	San Antonio, TX	KMYS	CW
GoCom Media of Illinois, LLC	Champaign, IL	WBUI	CW
GoCom Media of Illinois, LLC	Champaign, IL	WCCU	FOX
GoCom Media of Illinois, LLC	Champaign, IL	WRSP	FOX
HSH Myrtle Beach (WWMB) Licensee, LLC	Myrtle Beach, SC	WWMB	CW
HSH Flint (WEYI) Licensee, LLC	Flint, MI	WEYI	NBC
Mercury Broadcasting Company, Inc.	Wichita, KS	KMTW	My Net
MPS Media of Tennessee Licensee, LLC	Chattanooga, TN	WFLI	CW
MPS Media of Gainesville Licensee, LLC	Gainesville, FL	WNBW	NBC
MPS Media of Tallahassee Licensee, LLC	Tallahassee, FL	WTLF	CW

<sup>5</sup> Deerfield Media (Port Arthur) Licensee, LLC, Deerfield Media (Cincinnati) Licensee, LLC, Deerfield Media (Mobile) Licensee, LLC, Deerfield Media (Rochester) Licensee, LLC, and Deerfield Media (San Antonio) Licensee, LLC.

<sup>6</sup> HSH Flint (WEYI) Licensee, LLC and HSH Myrtle Beach (WWMB) Licensee, LLC.

<sup>7</sup> MPS Media of Tennessee Licensee, LLC, MPS Media of Gainesville Licensee, LLC, MPS Media of Tallahassee Licensee, LLC, and MPS Media of Scranton Licensee, LLC.

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MPS Media of Scranton Licensee, LLC	Wilkes Barre / Scranton, PA	WSWB	CW
Nashville License Holdings, LLC	Nashville, TN	WNAB	CW
KMTR Television, LLC	Eugene, OR	KMTR	NBC
Second Generation of Iowa, LTD	Cedar Rapids, IA	KFXA	FOX
Waitt Broadcasting, Inc.	Sioux City, IA	KMEG	CBS

3. AT&T and the Station Groups each entered into retransmission consent agreements [BEGIN HIGHLY CONFIDENTIAL] [REDACTED] [END HIGHLY CONFIDENTIAL]<sup>8</sup> [BEGIN HIGHLY CONFIDENTIAL] [REDACTED] [REDACTED] [END HIGHLY CONFIDENTIAL] to expire on May 30, 2019, for all but three of the Stations, and on June 10 for those three.<sup>9</sup> The existing agreement lapsed, and AT&T's rights to retransmit the Stations' signals were terminated, on those dates. Accordingly, DIRECTV and U-verse subscribers have been denied access to the Stations' content for more than two weeks. *See* Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.<sup>10</sup>

4. These blackouts are the direct result of [BEGIN CONFIDENTIAL] [REDACTED] [REDACTED] [END CONFIDENTIAL] each of which appears to be

<sup>8</sup> AT&T has not included the existing retransmission agreements, drafts of proposals, or emails between AT&T and [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] as exhibits to this Complaint because AT&T intends to maintain the confidentiality of the information contained therein. Nevertheless, the pertinent terms and details necessary to the Commission's decision are described or quoted herein. If the Commission would find any document referenced herein useful, AT&T will promptly submit it subject to any protective order the Commission enters in this matter. Contemporaneous with this filing, AT&T is filing a request for entry of such an order.

<sup>9</sup> The three Stations that went dark on June 10 were Howard Stirk's Myrtle Beach Station and the Mercury and Nashville Stations. *See* Dai Decl. ¶ 2; Pace Decl. ¶ 2.

<sup>10</sup> The facts described in this Complaint are based on the personal knowledge of AT&T negotiators Linda Burakoff, Dallia Kim, Michael Pace, and Hongfeng (Julia) Dai, as stated in their declarations dated June 18, 2019, and as indicated by references to those declarations herein.

managed and controlled by Sinclair Broadcast Group (“Sinclair”), [BEGIN CONFIDENTIAL]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL] [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED] [END HIGHLY

CONFIDENTIAL] The apparent goal [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED] [END CONFIDENTIAL] is thus to extract rates for supposedly independent Station

Groups that bear no relationship to their individual portfolio of stations, in order to benefit

Sinclair. All of this comes at the expense of consumers who are suffering blackouts as the other

Station Groups *still* refuse to negotiate a deal. *See* Kim Decl. ¶ 2; Burakoff Decl. ¶ 2.

5. The Station Groups’ strategy violates the most fundamental requirement of the Commission’s good-faith rules: they have simply refused to negotiate. Specifically, AT&T sent separate draft amended retransmission consent agreements to each of the Station Groups containing proposed renewal terms in March. *See* Kim Decl. ¶ 2; Dai Decl. ¶ 2; Pace Decl. ¶ 2. To this day, none of the Station Groups has directly or meaningfully responded to these proposals. They have never stated whether they reject particular AT&T terms, have never put forward a proposal of their own, [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED] [END CONFIDENTIAL] even while blackouts are ongoing. *See* Kim Decl. ¶ 2; Pace Decl. ¶ 2; Burakoff Decl. ¶ 2. Each Station Group is violating several of the Commission’s *per se* prohibitions, including the bars on refusing to negotiate, *see* 47 C.F.R. § 76.65(b)(1)(i), refusing to respond to proposals, *id.* § 76.65(b)(1)(v), and refusing to



CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED] [END

CONFIDENTIAL] See Kim Decl. ¶ 2; Pace Decl. ¶ 2.

8. Any of these tactics alone, and certainly all of them in combination, constitute “sufficiently outrageous” conduct to violate the Commission’s good-faith rules under the totality-of-the-circumstances test. First Report and Order, *Implementation of the Satellite Home Viewer Improvement Act of 1999; Retransmission Consent Issues: Good Faith Negotiation and Exclusivity*, 15 FCC Rcd 5445, ¶ 32 (2000) (“*Good-Faith Order*”); see 47 C.F.R. § 76.65(b)(2).

9. Accordingly, AT&T respectfully requests, pursuant to 47 C.F.R. § 76.65(c) and § 76.7, an Order (i) declaring that each Station Group has failed to negotiate in good faith under the Communications Act of 1934 and the Commission’s rules; (ii) compelling each Station Group to immediately [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] negotiate in good faith for the retransmission of its Stations’ signals, [BEGIN

CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL] (iii) imposing forfeitures on each Station Group

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<sup>12</sup> [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[END HIGHLY CONFIDENTIAL] See Kim Decl. ¶ 2; Burakoff Decl. ¶ 2.

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pursuant to Section 1.80 of the Commission's rules, as the Commission deems appropriate; and (iv) awarding AT&T other and further relief that the Commission deems just and proper.

10. Because the existing retransmission consent agreement between AT&T and the Station Groups expired on May 30, 2019, or June 10, 2019, and the Stations have been dark since those times, AT&T respectfully requests expedited treatment of this Complaint. *See Good-Faith Order* ¶ 85 (requiring resolution of good-faith complaints "in an expeditious manner").

### JURISDICTION

11. The Commission has jurisdiction to consider this Complaint under 47 U.S.C. § 325(b)(3)(C)(ii), 47 C.F.R. § 76.65, and 47 C.F.R. § 76.7.

### THE COMPLAINANTS

12. DIRECTV has approximately 20 million subscribers, all of whom receive multiple channels of digital video programming.<sup>13</sup> Accordingly, DIRECTV is a "multichannel video programming distributor" ("MVPD") as that term is used in 47 C.F.R. § 76.65(a).

13. U-verse has approximately 3.6 million subscribers, all of whom receive multiple channels of digital video programming.<sup>14</sup> Accordingly, U-verse is an MVPD as that term is used in 47 C.F.R. § 76.65(a).

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<sup>13</sup> *See* AT&T Inc., Form 10-K at PDF 140 (filed Feb. 20, 2019) (for fiscal year ending Dec. 31, 2018).

<sup>14</sup> *See id.*

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### THE DEFENDANTS

14. Deerfield Media, Inc., Deerfield Media (Port Arthur) Licensee, LLC,<sup>15</sup> Deerfield Media (Cincinnati) Licensee, LLC,<sup>16</sup> Deerfield Media (Mobile) Licensee, LLC,<sup>17</sup> Deerfield Media (Rochester) Licensee, LLC,<sup>18</sup> and Deerfield Media (San Antonio) Licensee, LLC<sup>19</sup> (collectively, “Deerfield”) own and control seven Stations listed in ¶ 2 above.<sup>20</sup> AT&T is seeking retransmission consent to carry each of these Stations. *See* Kim Decl. ¶ 2. The Deerfield entities are therefore “television broadcast stations” with respect to their retransmission consent negotiations, as that term is used in 47 C.F.R. § 76.65, and Deerfield and AT&T are “negotiating entities” for purposes of those rules.

15. GoCom Media of Illinois, LLC (“GoCom”) owns and operates three Stations in Illinois listed in ¶ 2 above.<sup>21</sup> AT&T is seeking retransmission consent to carry each of these Stations. *See* Kim Decl. ¶ 2. GoCom and its Stations are therefore “television broadcast

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<sup>15</sup> *See* KBTV Beaumont, *About KBTV*, <https://fox4beaumont.com/station/contact> (“owned and operated by Deerfield Media, Inc.”).

<sup>16</sup> *See* WSTR Cincinnati, *About WSTR*, <http://star64.tv/station/contact> (“owned and operated by Deerfield Media, Inc.”).

<sup>17</sup> *See* WPMI Mobile, *About WPMI*, <https://mynbc15.com/station/contact> (“owned and operated by Deerfield Media, Inc.”); WJTC Mobile, *About WJTC*, <http://utv44.com/station/contact> (same).

<sup>18</sup> *See* WHAM Rochester, *About WHAM*, <https://13wham.com/station/contact> (“owned and operated by Deerfield Media, Inc.”); CW Rochester, *About CW Rochester*, <http://cwrochester.com/station/contact> (this station alone among the Deerfield stations at issue indicated that it is “owned and operated by Sinclair Broadcast Group”).

<sup>19</sup> *See* CW35 (KMYS San Antonio), *About KMYS*, <http://cw35.com/station/contact> (“owned and operated by Deerfield Media, Inc.”).

<sup>20</sup> As shown in notes 15-19, the Stations’ websites indicate that they are owned by Deerfield Media, Inc.; however, FCC filings indicate that the various Deerfield LLCs identified above and in ¶ 2 are technically the legal licensees of these Stations. AT&T has named both Deerfield Media, Inc. and the various LLCs to ensure notice to the proper legal entity or entities.

<sup>21</sup> <https://publicfiles.fcc.gov/tv-profile/wbui>; <https://publicfiles.fcc.gov/tv-profile/wccu>; <https://publicfiles.fcc.gov/tv-profile/wrsp-tv>.

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stations” with respect to their retransmission consent negotiations, as that term is used in 47 C.F.R. § 76.65, and they and AT&T are “negotiating entities” for purposes of those rules.

16. Howard Stirk Holdings, LLC is “a leading broadcast television company” that, with its subsidiaries — as relevant here, HSH Flint (WEYI) Licensee, LLC<sup>22</sup> and HSH Myrtle Beach (WWMB) Licensee, LLC<sup>23</sup> (collectively, “Howard Stirk”) — owns and controls two of the Stations listed in ¶ 2 above.<sup>24</sup> AT&T is seeking retransmission consent to carry each of these Stations. *See* Dai Decl. ¶ 2. Howard Stirk and its Stations are therefore “television broadcast stations” with respect to their retransmission consent negotiations, as that term is used in 47 C.F.R. § 76.65, and they and AT&T are “negotiating entities” for purposes of those rules.

17. Mercury Broadcasting Company, Inc. (“Mercury”) owns and controls one Station listed in ¶ 2 above.<sup>25</sup> AT&T is seeking retransmission consent to carry this Station. *See* Pace Decl. ¶ 2. Mercury is therefore a “television broadcast station” with respect to their retransmission consent negotiations, as that term is used in 47 C.F.R. § 76.65, and Mercury and AT&T are “negotiating entities” for purposes of those rules.

18. MPS Media of Tennessee Licensee, LLC,<sup>26</sup> MPS Media of Gainesville Licensee, LLC,<sup>27</sup> MPS Media of Tallahassee Licensee, LLC,<sup>28</sup> and MPS Media of Scranton Licensee, LLC<sup>29</sup> (collectively, “MPS”) own and control four of the Stations listed in ¶ 2 above. AT&T is

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<sup>22</sup> <https://publicfiles.fcc.gov/tv-profile/weyi-tv>.

<sup>23</sup> <https://publicfiles.fcc.gov/tv-profile/wwmb>.

<sup>24</sup> *See* Howard Stirk Holdings, <http://www.hsh.media/new-folder>.

<sup>25</sup> <https://publicfiles.fcc.gov/tv-profile/kmtw>.

<sup>26</sup> <https://publicfiles.fcc.gov/tv-profile/wfli-tv>.

<sup>27</sup> <https://publicfiles.fcc.gov/tv-profile/wnbw-dt>.

<sup>28</sup> <https://publicfiles.fcc.gov/tv-profile/wtlf>.

<sup>29</sup> <https://publicfiles.fcc.gov/tv-profile/wswb>.



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seeking retransmission consent to carry each of these Stations. *See* Pace Decl. ¶ 2. These MPS Stations are therefore “television broadcast stations” with respect to their retransmission consent negotiations, as that term is used in 47 C.F.R. § 76.65, and MPS and AT&T are “negotiating entities” for purposes of those rules.

19. Nashville License Holdings, LLC (“Nashville”) owns and controls one Station listed in ¶ 2 above.<sup>30</sup> AT&T is seeking retransmission consent to carry this Station. *See* Pace Decl. ¶ 2. Nashville is therefore a “television broadcast station” with respect to their retransmission consent negotiations, as that term is used in 47 C.F.R. § 76.65, and Nashville and AT&T are “negotiating entities” for purposes of those rules.

20. KMTR Television, LLC (“Roberts”) owns and controls one Station listed in ¶ 2 above.<sup>31</sup> AT&T is seeking retransmission consent to carry this Station. *See* Kim Decl. ¶ 2. Roberts is therefore a “television broadcast station” with respect to its retransmission consent negotiations, as that term is used in 47 C.F.R. § 76.65, and Roberts and AT&T are “negotiating entities” for purposes of those rules.

21. Second Generation of Iowa, LTD (“Second Generation”) owns and controls one Station listed in ¶ 2 above.<sup>32</sup> AT&T is seeking retransmission consent to carry this Station. *See* Dai Decl. ¶ 2. Second Generation is therefore a “television broadcast station” with respect to its retransmission consent negotiations, as that term is used in 47 C.F.R. § 76.65, and Second Generation and AT&T are “negotiating entities” for purposes of those rules.

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<sup>30</sup> <https://publicfiles.fcc.gov/tv-profile/wnab>.

<sup>31</sup> <https://publicfiles.fcc.gov/tv-profile/kmtr>.

<sup>32</sup> <https://publicfiles.fcc.gov/tv-profile/kfxa>.

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22. Waitt Broadcasting, Inc. (“Waitt”) owns and controls one Station listed in ¶ 2 above.<sup>33</sup> AT&T is seeking retransmission consent to carry this Station. *See* Dai Decl. ¶ 2. Waitt is therefore a “television broadcast station” with respect to its retransmission consent negotiations, as that term is used in 47 C.F.R. § 76.65, and Waitt and AT&T are “negotiating entities” for purposes of those rules.

23. Sinclair has a financial interest in each of these Stations, [BEGIN HIGHLY CONFIDENTIAL] [REDACTED] [REDACTED] [END HIGHLY CONFIDENTIAL] *See* Burakoff Decl. ¶ 2. Each Station is controlled by Sinclair, as stated on the Stations’ websites in similar terms to those found on the website for WHAM, Rochester: “WHAM . . . receives certain services from an affiliation of Sinclair Broadcast Group. Sinclair Broadcast Group, Inc. is one of the largest and most diversified television broadcasting companies in the country today. Sinclair owns and operates, programs or provides sales services to 163 television stations in 77 markets, after pending transactions. Sinclair’s television group reaches approximately 38.7% of US television households and includes FOX, ABC, MyTV, CW, CBS, NBC, Univision and Azteca affiliates.”<sup>34</sup>

24. Indeed, one of the Stations, CW Rochester (WHAM-DT), states that it is “owned and operated by Sinclair Broadcast Group,”<sup>35</sup> though that assertion appears to be inconsistent with the Station’s FCC profile, which lists Deerfield Media (Rochester) Licensee, LLC as the licensee.<sup>36</sup>

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<sup>33</sup> <https://publicfiles.fcc.gov/tv-profile/kmeg>.

<sup>34</sup> *See, e.g.*, WHAM Rochester, *About WHAM*, <https://13wham.com/station/contact>.

<sup>35</sup> *See supra* note 18.

<sup>36</sup> *See* <https://publicfiles.fcc.gov/tv-profile/wham-tv>.

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25. Sinclair’s 2018 10-K similarly confirms that Sinclair exercises significant control over the Stations. Sinclair informs investors that it provides extensive services to broadcast stations — referred to as “our stations” — including each of the Stations at issue here.<sup>37</sup> Sinclair describes its relationship to the Stations as follows:

We own, provide programming and operating services pursuant to local marketing agreements (LMAs), or provide sales services and other non-programming operating services pursuant to other outsourcing agreements (such as JSAs and SSAs) to 191 stations in 89 markets. These stations broadcast 605 channels, including 240 channels affiliated with primary networks or program service providers comprised of: FOX (59), ABC (41), CBS (30), NBC (24), CW (47), and MyNetworkTV (MNT) (39). The other 365 channels broadcast programming from Antenna TV, Azteca, Bounce Network, CHARGE!, Comet, Estrella TV, Get TV, Grit, Me TV, Movies!, Nevada Sports Network, Stadium, TBD, Telemundo, This TV, Unimas, Univision, Weather, and two channels broadcasting independent programming. For the purpose of this report, these 191 stations and 605 channels are referred to as “our” stations and channels.<sup>38</sup>

26. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] [END HIGHLY

CONFIDENTIAL] See Kim Decl. ¶ 2.

**STATEMENT OF FACTS**

A. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]  
[REDACTED] [END HIGHLY CONFIDENTIAL]

27. AT&T and the Station Groups entered retransmission consent agreements covering the Stations that were all set to expire on [BEGIN HIGHLY CONFIDENTIAL]  
[REDACTED] [END HIGHLY CONFIDENTIAL] See Burakoff Decl. ¶ 2.

<sup>37</sup> Sinclair Broadcast Group, Inc., Form 10-K at 5, 7-9 (filed Mar. 1, 2019) (for fiscal year ending Dec. 31, 2018).

<sup>38</sup> *Id.* at 5.

28. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

---

<sup>39</sup> [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END HIGHLY CONFIDENTIAL] See Burakoff Decl. ¶ 2.

29. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END HIGHLY CONFIDENTIAL] [BEGIN

CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

---

[REDACTED]

[END HIGHLY CONFIDENTIAL]

[REDACTED]

[REDACTED]

[END CONFIDENTIAL] See Burakoff Decl. ¶ 2.

B. [BEGIN CONFIDENTIAL] [REDACTED]  
[END CONFIDENTIAL]

30. [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[END CONFIDENTIAL] See Burakoff Decl. ¶ 2.

31. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END HIGHLY CONFIDENTIAL] See Kim Decl. ¶ 2.

C. **The Station Groups Ignored AT&T's Individualized Proposals and Refused To Negotiate**

32. In March 2019, AT&T sent separate, complete proposals to renew agreements with each Station Group [BEGIN CONFIDENTIAL] [REDACTED]  
[REDACTED]

[REDACTED] [END CONFIDENTIAL] See Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.

33. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED] [END HIGHLY CONFIDENTIAL] the Station Groups and [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] varied widely

in, among other things, station portfolios (ranging from just one station with no Big-4 subscription base, to more than 15 stations with a large Big-4 subscription base) and geography (ranging from a single small market to markets nationwide including major metropolitan areas). *See* Burakoff Decl. ¶ 2.

34. AT&T's negotiators, including Ms. Kim, Mr. Pace, Ms. Dai, and Ms. Burakoff, diligently followed up on AT&T's separate proposals to the Station Groups, but none of the Station Groups ever offered a counterproposal or markup in response. *See* Burakoff Decl. ¶ 2; Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.

35. [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED] [END CONFIDENTIAL] *See* Burakoff Decl. ¶ 2; Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.

36. [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED] [END CONFIDENTIAL] *See* Burakoff Decl. ¶ 2. The other Station Groups did not respond to their Station Group-specific proposals. *See* Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.

**D. AT&T Sent the Station Groups Another Proposal, Which They Again Ignored**

37. In a continued effort to advance negotiations, AT&T sent new proposals [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END

CONFIDENTIAL] See Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.

38. [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL] At this point, those proposals had gone unaddressed for approximately a month and a half. See Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.

39. [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL] while persisting in ignoring AT&T's pending non-[BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] proposals. See Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.

40. [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

[REDACTED] [END CONFIDENTIAL] *See*

Burakoff Decl. ¶ 2.

E. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]  
[REDACTED] [END HIGHLY CONFIDENTIAL]

41. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END

HIGHLY CONFIDENTIAL] *See* Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.

42. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END HIGHLY

CONFIDENTIAL] *See* Kim Decl. ¶ 2.

43. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END HIGHLY CONFIDENTIAL] *See Kim*

Decl. ¶ 2.

**F. The Existing Agreements Expired, Stations Went Dark, and the Station Groups *Still* Refused To Respond**

44. [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL] AT&T engaged

outside counsel [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL] *See Burakoff Decl. ¶ 2.*

45. [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL]

*See Burakoff Decl. ¶ 2.*

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<sup>40</sup> [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED] [END HIGHLY CONFIDENTIAL] *See Burakoff Decl. ¶ 2.*

46. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END HIGHLY CONFIDENTIAL]

*See* Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.

47. At that point, AT&T had [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED] [END CONFIDENTIAL] in the hope that the Station Groups would begin

negotiations, but this did not happen. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED] [END HIGHLY

CONFIDENTIAL] AT&T was forced to stop retransmitting the signals for all but three of the

Stations on May 30. *See* Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2. Agreements with the

other three Stations (one Howard Stirk Station and the Mercury and Nashville Stations) expired

on June 10 [BEGIN CONFIDENTIAL], [REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL] *See* Pace Decl. ¶ 2; Dai

Decl. ¶ 2.

G. [BEGIN CONFIDENTIAL] [REDACTED]  
[END CONFIDENTIAL]

48. On June 3, four days into the blackout, [BEGIN HIGHLY CONFIDENTIAL]  
[REDACTED]  
[REDACTED] [END  
HIGHLY CONFIDENTIAL] See Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.

49. [BEGIN CONFIDENTIAL] [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] [END  
CONFIDENTIAL] See Kim Decl. ¶ 2.

H. [BEGIN CONFIDENTIAL] [REDACTED]  
[REDACTED] [END CONFIDENTIAL]

50. [BEGIN CONFIDENTIAL] [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] [END CONFIDENTIAL] See Burakoff Decl. ¶ 2.

51. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] [END HIGHLY CONFIDENTIAL] See Kim Decl. ¶ 2; Pace Decl. ¶ 2; Dai Decl. ¶ 2.

COUNT I – PER SE VIOLATIONS

52. AT&T incorporates by reference paragraphs 1-51 as though fully stated herein.

53. The Station Groups are television broadcast stations, DIRECTV and U-verse are MVPDs, and AT&T and the Station Groups are negotiating entities.

54. Under 47 U.S.C. § 325(b)(3)(C)(ii), and the Commission’s rules, *see* 47 C.F.R. § 76.65(a), the Station Groups were and are required to negotiate retransmission consent in good faith with AT&T.

55. The Commission has set forth a series of practices that are *per se* violations of the requirement to negotiate in good faith. *See* 47 C.F.R. § 76.65(b)(1). The Station Groups have violated several of these *per se* rules.

**A. The Station Groups’ Refusal To Negotiate**

56. The first *per se* rule precludes “[r]efusal by a Negotiating Entity to negotiate retransmission consent.” 47 C.F.R. § 76.65(b)(1)(i). The Station Groups have done that throughout. [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED] [END HIGHLY CONFIDENTIAL] even now, with Stations off the air, they have refused to negotiate agreements [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED] [END CONFIDENTIAL]

57. The *Good-Faith Order* itself states that “[b]roadcasters *must participate* in retransmission consent negotiations with the intent of reaching agreement.” *Good-Faith Order* ¶ 40 (emphasis added). The Commission “reiterate[d] that good faith negotiation requires a broadcaster’s *affirmative participation*.” *Id.* ¶ 44 (emphasis added). [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL]

58. In sum, though [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] the Station Groups' deals would require negotiation, and despite the fact that AT&T had submitted proposals to begin those negotiations in March, to this day, they have refused to negotiate an agreement for their own deals.

**B. The Station Groups' Failure To Respond to AT&T's Proposals**

59. Another *per se* rule precludes “[f]ailure of a Negotiating Entity to respond to a retransmission consent proposal of the other party, including the reasons for the rejection of any such proposal.” 47 C.F.R. § 76.65(b)(1)(v).

60. The Station Groups have violated this rule. AT&T has asked many times for responses to its March and April proposals, but the Station Groups have never provided one.

[BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED] [END HIGHLY

CONFIDENTIAL] Indeed, the clearest indication that [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED] [END CONFIDENTIAL] the Station Groups have not responded to AT&T's

proposals is that [BEGIN HIGHLY CONFIDENTIAL] [REDACTED] [END HIGHLY

CONFIDENTIAL] AT&T does not even know whether the Station Groups object to any other

term AT&T proposed. AT&T could only learn that information through responses, and none

have been provided. Despite AT&T's numerous follow-up inquiries, the Station Groups have

simply never provided a substantive answer.

61. The Commission recently reminded OpticalTel to “be more responsive in the future to retransmission inquiries.” Order, *Optical Telecomms., Inc.*, 31 FCC Rcd 8952, ¶ 16

(Sr. Dep. Chief, Media Bur. 2016) (cautioning OpticalTel for “not responding to SUN’s letters and phone calls” but finding no good-faith violation because OpticalTel had a good-faith but mistaken belief that its retransmission consent fees were covered in a separate agreement with Dish, and OpticalTel was working with Dish to resolve the issue at hand). Such admonitions would be toothless if the Station Groups’ conduct passes the good-faith test. The Station Groups know [BEGIN CONFIDENTIAL], [REDACTED] [END CONFIDENTIAL] that they *each* will have to fully negotiate [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] and that they owe AT&T responses. They have impermissibly refused to complete either step [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] two weeks into blackouts, [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL].

**C. The Station Groups’ Refusal To Negotiate at Reasonable Times and Without Unreasonably Delaying Agreement**

62. Even if [BEGIN HIGHLY CONFIDENTIAL] [REDACTED] [END HIGHLY CONFIDENTIAL] were deemed both a sufficient negotiation and a response, it is not enough to negotiate and respond *eventually*. Rather, “[r]efusal by a Negotiating Entity to . . . negotiate retransmission consent at *reasonable times* and locations, or acting in a manner that *unreasonably delays* retransmission consent negotiations,” is also a *per se* violation. 47 C.F.R. § 76.65(b)(1)(iii) (emphases added). “The rule requires parties to respond to offers on a timeline that is reasonable in the *specific context* of the negotiations at hand.” Memorandum Opinion and Order, *Coastal Television Broad. Co. LLC*, MB Docket No. 18-208, CSR No. 8961-C, DA 18-1126, ¶ 8, 2018 WL 5816554 (Chief, Media Bur., FCC rel. Nov. 2, 2018) (emphasis added).

**PUBLIC VERSION**

63. The Commission has further clarified that “in many cases, time will be of the essence in retransmission consent negotiations . . . . We advise broadcasters that, in examining violations of this standard, we will consider the proximity of the termination of retransmission consent and the consequent service disruptions to consumers.” *Good-Faith Order* ¶ 42.

64. Time was and is of the essence here, especially because the Stations are dark and have been since May 30 (and June 10, for three Stations). Refusing to provide [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] a response until [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] the existing agreement had expired (or, for three Stations, was about to expire), despite receiving initial proposals in March, qualifies as a refusal to negotiate “at [a] reasonable time[.]” 47 C.F.R. § 76.65(b)(1)(iii). By waiting several months and allowing existing terms to lapse [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] the Station Groups also “unreasonably delay[ed] retransmission consent negotiations.” *Id.* That conclusion is no different for the three Stations that went dark on June 10 because those Stations, like the others, went dark before any response was provided on a set of terms needed to reach a deal.

65. Accordingly, the Commission should conclude that the Station Groups have failed to negotiate in good faith, in violation of the Communications Act of 1934 and the Commission’s *per se* rules. *See* 47 U.S.C. § 325(b)(3)(C)(ii); 47 C.F.R. § 76.65(b)(1)(i), (iii), (v).

**COUNT II – TOTALITY OF THE CIRCUMSTANCES**

66. AT&T incorporates by reference paragraphs 1-65 as though fully stated herein.

67. Even if the conduct just described does not give rise to a *per se* violation, in the alternative, the Commission should find that the Station Groups’ misconduct fails the good-faith test “based on the totality of the circumstances.” 47 C.F.R. § 76.65(b)(2). Under this standard, “an MVPD may present facts to the Commission which, even though they do not allege a



violation of the objective standards, given the totality of the circumstances reflect an absence of a sincere desire to reach an agreement that is acceptable to both parties and thus constitute a failure to negotiate in good faith.” *Good-Faith Order* ¶ 32. Such conduct includes actions that are “sufficiently outrageous” so as to violate the good-faith negotiation requirement. *Id.*

68. Beyond failing to affirmatively participate, failing to respond to AT&T’s proposals, and unreasonably delaying, as just described, the Station Groups also imposed conditions on negotiations that are incompatible with good faith, including [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in order to extract undue bargaining power [BEGIN CONFIDENTIAL] [REDACTED] [REDACTED] [END CONFIDENTIAL] with very different economic realities.

69. [BEGIN CONFIDENTIAL] [REDACTED]  
[REDACTED]  
[REDACTED] [END CONFIDENTIAL] [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]  
[REDACTED]  
[REDACTED] [END HIGHLY CONFIDENTIAL]  
[BEGIN CONFIDENTIAL] [REDACTED]  
[REDACTED] [END CONFIDENTIAL]

70. [BEGIN CONFIDENTIAL] [REDACTED]  
[REDACTED] [END CONFIDENTIAL] [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]  
[REDACTED]  
[END HIGHLY CONFIDENTIAL] [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL]

71. The Commission has recognized that both MVPDs and broadcasters are free to insist on treating terms of retransmission consent agreements confidentially. Rejecting a broadcaster’s claim that DIRECTV should be compelled to share agreements reached with other broadcasters, the Commission held it is “not necessary or proper to compel DIRECTV to provide its confidential retransmission consent agreements.” Memorandum Opinion and Order, *Northwest Broad., L.P. v. DIRECTV, LLC*, 30 FCC Rcd 12449, ¶ 12 (Chief, Media Bur. 2015). The Commission used the same rule to reject an MVPD’s attempt to obtain Sinclair’s confidential information. See Memorandum Opinion and Order, *Mediacom Commc’ns Corp. v. Sinclair Broad. Grp., Inc.*, 22 FCC Rcd 35, ¶ 14 (Chief, Media Bur. 2007) (permitting Sinclair to withhold its confidential information).

72. Confidentiality agreements are therefore established tools that negotiators may rely upon, as AT&T is doing here. Breaching contracts, by contrast, is a tool any good-faith negotiator would recognize as “outrageous” and far out of bounds. *Good-Faith Order* ¶ 32.

73. [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL] [BEGIN HIGHLY CONFIDENTIAL] [REDACTED]

[REDACTED] [END HIGHLY CONFIDENTIAL] [BEGIN CONFIDENTIAL]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[END CONFIDENTIAL] The Commission has recognized that good faith precludes a negotiator from refusing “to put forth more than a single, unilateral proposal.” 47 C.F.R. § 76.65(b)(1)(iv). [BEGIN CONFIDENTIAL] [REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] [END CONFIDENTIAL]

74. [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] has a larger, more diverse portfolio of stations than do the other Station Groups. [BEGIN CONFIDENTIAL] [REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED] [END CONFIDENTIAL] is an indicator that “[c]onsiderations that are designed to frustrate the functioning of a competitive market” are at work. *Good-Faith Order* ¶ 8.

75. Thus, the Station Groups are [BEGIN CONFIDENTIAL] [REDACTED] [REDACTED] [END CONFIDENTIAL] that has caused, and is continuing to cause, substantial consumer harm, through widespread blackouts. The clear goal of this strategy is to extract higher fees that are untethered to market realities.

**PUBLIC VERSION**

76. The Commission has said that it “will consider the proximity of the termination of retransmission consent and the consequent service disruptions to consumers” in considering good-faith violations. *Good-Faith Order* ¶ 42. The Station Groups’ continued recalcitrance *after* termination of retransmission consent should be judged harshly under this standard.

\* \* \* \* \*

77. Under the totality-of-the-circumstances test, each of these violations, alone and together — including the violations discussed under Count I — constitutes a failure by the Station Groups to negotiate in good faith, in violation of the Communications Act of 1934 and the Commission’s rules. *See* 47 U.S.C. § 325(b)(3)(C)(ii); 47 C.F.R. § 76.65(b)(2).

**REQUEST FOR RELIEF**

For the foregoing reasons, AT&T asks the Commission to issue an order granting the following relief:

(1) Declaring that each Station Group has failed to negotiate in good faith under the Act and the Commission’s rules;

(2) Requiring each Station Group to immediately **[BEGIN CONFIDENTIAL]**  
**[REDACTED]** **[END CONFIDENTIAL]** negotiate in good faith for the retransmission of its Stations’ signals, **[BEGIN CONFIDENTIAL]**

**[REDACTED]**

**[REDACTED]**

**[REDACTED]**

**[REDACTED]**

**[REDACTED]**

**[REDACTED]**

**[REDACTED]** **[END CONFIDENTIAL]**

## PUBLIC VERSION

- (3) Imposing forfeitures on each Station Group pursuant to Section 1.80 of the Commission's rules, as the Commission deems appropriate; and
- (4) Awarding AT&T other and further relief that the Commission deems just and proper.

### **REQUEST FOR EXPEDITED TREATMENT**

AT&T's existing agreements with the Station Groups have already expired. In order to minimize the harm to the public caused by the Station Groups' illegal, bad-faith conduct, AT&T respectfully requests that the Commission act on this Complaint with utmost speed. *See Good-Faith Order* ¶ 85 (explaining that expedited treatment is more feasible in a case like this involving "a clear violation, such as outright refusal to negotiate"; giving "priority to Section 325(b)(3)(C) complaints"). In particular, AT&T asks the Commission to place this Complaint on public notice immediately and to greatly expedite the comment period permitted under its procedural rules, 47 C.F.R. § 76.7(b)(2)(i) and (c)(3).

Respectfully submitted,

**DIRECTV, LLC  
AT&T SERVICES, INC.**

By:

  
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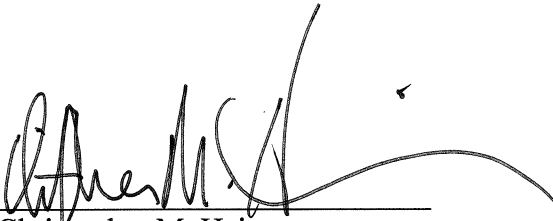
*Counsel for DIRECTV, LLC  
and AT&T Services, Inc.*

June 18, 2019

## VERIFICATION

I, Christopher M. Heimann, do hereby declare and state under penalty of perjury as follows:

1. I am Assistant Vice President – Senior Legal Counsel, for AT&T Services, Inc. My business address is 1120 20<sup>th</sup> Street, N.W., Suite 1000, Washington, D.C. 20036.
2. I have read the foregoing Complaint. To the best of my personal knowledge, information, and belief formed after reasonable inquiry, the statements made in this Complaint (other than those of which official notice can be taken) are well grounded in fact and warranted by existing law or a good-faith argument for the extension, modification, or reversal of existing law. This Complaint is not interposed for any improper purpose.

  
\_\_\_\_\_  
Christopher M. Heimann

June 18, 2019

## **DECLARATION OF LINDA BURAKOFF**

I, Linda Burakoff, am over the age of 18. I am a resident of the state of California. I have personal knowledge of the facts herein, and, if called as a witness, could competently testify thereto.

1. I am Vice President, Content & Programming for AT&T Mobility & Entertainment Group. In that role, I routinely oversee retransmission negotiations between various AT&T entities, including AT&T Services, Inc. and DIRECTV, LLC (collectively, “AT&T”), and broadcast stations. In particular, I have been personally involved on behalf of AT&T in the negotiations that are the subject of the foregoing Verified Complaint.
2. I have reviewed the Verified Complaint. Based on my personal knowledge, each statement in the Verified Complaint followed by a reference to this declaration is true and correct. Moreover, based on information made known to me pursuant to my duties, the remainder of the Statement of Facts is true and correct, as well.



I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on June 18, 2019, in California.

  
\_\_\_\_\_  
Linda Burakoff

## **DECLARATION OF HONGFENG DAI**

I, Hongfeng Dai, am over the age of 18. I am a resident of the state of California. I have personal knowledge of the facts herein, and, if called as a witness, could competently testify thereto.

1. I am Director, Content & Programming for AT&T Inc. In that role, I routinely participate in retransmission negotiations between various AT&T entities, including AT&T Services, Inc. and DIRECTV, LLC (collectively, “AT&T”), and broadcast stations. In particular, I have been personally involved on behalf of AT&T in the negotiations that are the subject of the foregoing Verified Complaint.
2. I have reviewed the Verified Complaint. Based on my personal knowledge, each statement in the Verified Complaint followed by a reference to this declaration is true and correct, with respect to the following three Station Groups with which I was personally involved: Howard Stirk, Second Generation, and Waitt.\* Moreover, based on information made known to me pursuant to my duties, the remainder of the Statement of Facts is true and correct, as well.

---

\* These capitalized terms have the same meaning as in the Verified Complaint.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on June 18, 2019, in California.

A handwritten signature in black ink, consisting of several fluid, overlapping strokes, positioned above a horizontal line.

Hongfeng Dai

## **DECLARATION OF DALLIA KIM**

I, Dallia Kim, am over the age of 18. I am a resident of the state of California. I have personal knowledge of the facts herein, and, if called as a witness, could competently testify thereto.

1. I am Assistant Vice President, Content & Programming for AT&T Inc. In that role, I routinely participate in retransmission negotiations between various AT&T entities, including AT&T Services, Inc. and DIRECTV, LLC (collectively, "AT&T"), and broadcast stations. In particular, I have been personally involved on behalf of AT&T in the negotiations that are the subject of the foregoing Verified Complaint.
2. I have reviewed the Verified Complaint. Based on my personal knowledge, each statement in the Verified Complaint followed by a reference to this declaration is true and correct. Moreover, based on information made known to me pursuant to my duties, the remainder of the Statement of Facts is true and correct, as well.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on June 18, 2019, in California.



---

Dalia Kim

## DECLARATION OF MICHAEL PACE

I, Michael Pace, am over the age of 18. I am a resident of the state of California. I have personal knowledge of the facts herein, and, if called as a witness, could competently testify thereto.

1. I am Director, Content & Programming for AT&T Inc. In that role, I routinely participate in retransmission negotiations between various AT&T entities, including AT&T Services, Inc. and DIRECTV, LLC (collectively, “AT&T”), and broadcast stations. In particular, I have been personally involved on behalf of AT&T in the negotiations that are the subject of the foregoing Verified Complaint.
2. I have reviewed the Verified Complaint. Based on my personal knowledge, each statement in the Verified Complaint followed by a reference to this declaration is true and correct with respect to the following three Station Groups with which I was personally involved: Mercury, MPS, and Nashville.\* Moreover, based on information made known to me pursuant to my duties, the remainder of the Statement of Facts is true and correct, as well.

---

\* These capitalized terms have the same meaning as in the Verified Complaint.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on June 18, 2019, in California.


  
\_\_\_\_\_  
Michael Pace

**CERTIFICATE OF SERVICE**

I hereby certify that, on June 18, 2019, I caused a copy of two versions of the foregoing Complaint — (1) the fully redacted Public Version as filed with the Commission, and (2) a version redacted to remove certain information for which AT&T has requested Commission approval to limit disclosure to the Station Groups’ attorneys not participating in negotiations with AT&T (and marked “CONFIDENTIAL INFORMATION – Not for Public Inspection”) — to be served upon the following entities:

Deerfield Media, Inc.  
Deerfield Media (Port Arthur) Licensee, LLC  
Deerfield Media (Cincinnati) Licensee, LLC  
Deerfield Media (Mobile) Licensee, LLC  
Deerfield Media (Rochester) Licensee, LLC  
Deerfield Media (San Antonio) Licensee, LLC  
GoCom Media of Illinois, LLC  
Howard Stirk Holdings, LLC  
HSH Flint (WEYI) Licensee, LLC  
HSH Myrtle Beach (WWMB) Licensee, LLC  
KMTR Television, LLC  
Mercury Broadcasting Company, Inc.  
MPS Media of Tennessee Licensee, LLC  
MPS Media of Gainesville Licensee, LLC  
MPS Media of Tallahassee Licensee, LLC  
MPS Media of Scranton Licensee, LLC  
Nashville License Holdings, LLC  
Second Generation of Iowa, LTD  
Waitt Broadcasting, Inc.

via overnight delivery and via electronic mail (as designated) on those on the attached list, and/or upon the named defendants by hand delivery to their registered agents for service of process.

  
Matthew M. Duffy



## SERVICE LIST

Deerfield/Manhan Group  
1261 Dublin Road  
Columbus, Ohio 43215  
Attn: Danielle Turner  
(dturner@wwhotv.com)

### *Deerfield Entities*

GoCom Media of Illinois, LLC  
400 Main Street, Suite 200F  
Hilton Head, South Carolina 29926  
Attn: Ric Gorman

### *GoCom Media of Illinois, LLC*

Howard Stirk Holdings, LLC  
201 Massachusetts Avenue, N.E.  
Suite C-1  
Washington, D.C. 20002  
Attn: Armstrong Williams

### *Howard Stirk Holdings Entities*

KMTR Television, LLC  
3825 International Court  
Springfield, Oregon 97477-1086  
Attn: Larry Roberts

### *KMTR Television, LLC*

Mercury Broadcasting Company, Inc.  
115 East Travis, Suite 533  
San Antonio, Texas 78205

Mercury Broadcasting Company, Inc.  
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San Antonio, Texas 78209

### *Mercury Broadcasting Company, Inc.*

MPS Media  
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Attn: Eugene Brown

### *MPS Media Entities*

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Los Angeles, California 90064

### *Nashville License Holdings, LLC*

Second Generation of Iowa, LTD  
3029 Prospect Avenue  
Cleveland, Ohio 44115  
Attn: Tom Embrescia

KFXA TV  
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Attn: Autumn Giddens

### *Second Generation of Iowa, LTD*

Waitt Broadcasting, Inc.  
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Omaha, Nebraska 68124  
Attn: John S. Schuele

### *Waitt Broadcasting, Inc.*

Pillsbury Winthrop Shaw Pittman LLP  
1200 17th Street, N.W.  
Washington, D.C. 20036  
Attn: Joseph A. Cohen  
(joseph.cohen@pillsburylaw.com)

### *On Behalf of All Entities*