



September 27, 2017

**VIA ELECTRONIC FILING**

Marlene H. Dortch, Esq.  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

**Re: *Ex Parte Notification***

*Applications of Tribune Media Company and Sinclair Broadcast Group for Consent to Transfer Control of Licenses and Authorizations, MB Docket No. 17-179;*

*Modernization of Media Regulation Initiative, MB Docket No. 17-105;*

*Amendment of Section 73.3555(e), UHF Discount, MB Docket No. 13-236; and*

*Promoting the Availability of Diverse and Independent Sources of Video Programming, MB Docket No. 16-41*

Dear Ms. Dortch:

On September 25, 2017 Christopher Ruddy, CEO of Newsmax Media Inc., (“Newsmax”) and the undersigned of Hope Beckham Inc., met with Commissioner Michael O’Rielly regarding the above-referenced proceedings.

Specifically, Mr. Ruddy expressed his concerns that Applications of Tribune Media Company and Sinclair Broadcast Group for Consent to Transfer Control of Licenses and Authorizations (“Sinclair Merger”) would undermine the longstanding national television ownership cap and other rules designed to protect diverse voices at the local level, and importantly, to insure local news is not controlled by a handful of large media companies. Mr. Ruddy stated that approval of the Sinclair Merger thwarted Congressional intent and overturned long-standing bipartisan consensus that network ownership limits were integral to a diverse media and press. He said the Sinclair Merger would inevitably lead to a massive consolidation of local broadcast channels by major networks, notably NBC, ABC and CBS. Local news programming, now diverse, would become centralized and open to greater control by non-local actors.

Mr. Ruddy noted that the Reagan FCC first instituted the national ownership cap at 25 percent, and in the preceding 30 years, it has been effective at ensuring a variety of voices are available in every television market. In contrast, when Congress eliminated the national multiple radio ownership rule in the 1996 Telecommunications Act, the majority of key radio stations across the United States were ultimately owned by just two entities (Cumulus and iHeartMedia) and significantly reduced local programming while offering more homogenized content.

Mr. Ruddy urged Commissioner O’Rielly to support a full review of the Commissions ownership regulations before approving the Sinclair Merger. He expressed concern that that agency was not first reviewing the ownership rule before acting on the Sinclair Merger. He indicated the Sinclair Merger has enormous implications, and the commission has a responsibility to first review the impact of its reimplementation of the UHF discount. Approving the Sinclair Merger before a comprehensive media ownership rulemaking makes little sense, creates uncertainty and likely results in a national ownership cap that will be in excess of 70 percent of television households.

Finally, Mr. Ruddy noted that independent programmers face unique challenges in negotiating carriage. Mr. Ruddy raised concerns about Comcast’s vertical integration and their ability to benefit their owned and operated networks like MSNBC and CNBC. At the same time, there is clear evidence they have taken steps to thwart competition from independent channels that compete with their vertically integrated networks. Mr. Ruddy suggested the FCC review the implications of vertically integrated MVPDs and refresh the languishing Availability of Diverse and Independent Sources of Video Programming docket while seeking ways to revise the Commission’s program carriage rules.

Respectfully submitted,

*/s/ John Simpson*

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