DOCKET FILE COPY ORIGINAL

ORIGINAL

WILEY, REIN & FIELDING

1776 K STREET, N.W.
WASHINGTON, D.C. 20006
(202) 429-7000

JAMES R. BAYES
(202) 429-7064

FACSIMILE
(202) 429-7049

July 8, 1997

RECEIVED
JUL - 8 1997
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

VIA HAND DELIVERY

William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW
Washington, DC 20554

Re: A.H. Belo Corporation;
Submission of Information Regarding Television LMAs
(MM Docket Nos. 91-211, 87-8, 94-150, 92-51, and 87-154)

Dear Mr. Caton:

In Public Notice DA-97-1246, released June 17, 1997, the Commission requested that parties to all existing television local marketing agreements ("LMAs") provide certain factual information regarding the terms and characteristics of these agreements, to supplement the record in the above-referenced rulemaking proceedings.

A.H. Belo Corporation ("Belo"), through its several licensee subsidiaries, is a party to four (4) television LMAs. In each case, the Belo station involved is the brokering station. With respect to each LMA, the information submitted herewith as "Attachment A" addresses the items listed in the Public Notice. This requested information is also being submitted on a diskette, as requested in the June 17 Public Notice. Belo understands that the licensees of several of the brokered stations also are submitting reports in response to the Public Notice.

Belo's experience with the four LMA arrangements described in the attached materials provides examples of the diverse and substantial public interest benefits that can flow from television LMAs. Indeed, the LMAs to which Belo stations are parties have strengthened financially troubled stations, facilitated the construction and commencement of operations by a new UHF station in the Seattle market, and made possible capital improvements that enhance the service provided by the brokered stations. The arrangements thus foster diversity and competition in the marketplace and produce substantial public interest benefits. Many of these benefits are of particular significance to the Commission, including: expanded educational

No. of Copies rec'd 0+4
List ABCDE

children's programming; initiation and expansion of local news and public affairs programs; initiation of local service from new national networks such as UPN; and increased station involvement in community affairs and charitable causes. These public interest benefits are the direct result of the economies of scale and shared resources which arise out of LMAs, and in many cases could not be realized in their absence.

Any further questions concerning the LMAs to which Belo is a party should be directed to the undersigned.

Sincerely,

James R. Bayes

Enclosure

ATTACHMENT A

A.H. Belo Corporation
Information Regarding Television LMAs

I. Honolulu, Hawaii

1. Stations: Licensee, Call Letters, Channel Number and Community of License

   a. Brokered Station: KFVE -TV
      Licensee: KFVE Joint Venture
      Call Letters: KFVE -TV
      Channel Number: 5
      Community of License: Honolulu, HI

   b. Brokering Station: KHNL-TV
      Licensee: King Broadcasting Company
      Call Letters: KHNL-TV
      Channel Number: 13
      Community of License: Honolulu, HI

2. Name and Rank of Nielsen Designated Market Area(s)

   Honolulu, HI Rank #69

3. Signal Overlap

   Substantial City Grade, Grade A and Grade B contour overlap.

4. Date of LMA

   May 5, 1993

5. Term of the LMA

   a. The start and end dates of the initial term of the LMA are as follows: May 5, 1993 until 12:00 midnight on May 4, 2003.

   b. The LMA automatically renews for an additional period of five years, unless either party provides written notice of nonrenewal no later than the close of business on May 4, 2002.

6. Percentage of Brokered Station's Weekly Broadcast Hours Brokered

   100% of KFVE-TV's weekly broadcast hours are brokered to KHNL-TV, except for the time slot filled by a weekly one hour live public affairs show, "Island Issues," broadcast on KFVE-TV. In addition, the licensee may delete and/or preempt programming scheduled by the brokering station to air programming that will better serve the needs and interests of the community.

7. Affiliations

KFVE (TV) is affiliated with UPN.
KHNL (TV) is affiliated with NBC.

8. Nielsen Ratings

The reported Nielsen all-day audience shares (measuring 9:00 a.m. through midnight) for the last three most recent rating periods were as follows:

	Nov. 1996	Feb. 1997	May 1997
KFVE-TV	5	6	4
KHNL-TV	13	13	15

9. Public Interest Benefits

Before entering into the current LMA arrangement, KFVE-TV was experiencing serious financial trouble and was failing in its efforts to attract advertisers and audience share. KFVE-TV faces particularly difficult market conditions, including high operating costs characteristic to Hawaii, an advertising market weakened by the sluggish Hawaiian economy, and formidable competition -- eleven television stations, excluding satellite stations and LPTV's, and an 87% cable television penetration rate throughout Hawaii. The LMA has transformed KFVE-TV into a dynamic, thriving station, and has allowed KFVE-TV to develop substantially its local news, public affairs, sports and entertainment programming.

For example, the KHNL-TV contract with the University of Hawaii Athletics Department was shifted to KFVE-TV, which now devotes 30% of its prime time programming to this local sports program and has made particular efforts to televise and promote women's sports. Under the LMA, KFVE-TV has been able to air locally-produced information and entertainment programming, including a weekly local music program, an annual music awards show, and a daily 9:00 p.m. newscast -- the only prime time newscast in Hawaii.

The benefits of this LMA arrangement have been recognized by Senator Inouye in a speech on the floor of the United States Senate, where he remarked that this LMA "has made possible a significant increase in local programming, including an in-depth local news program at 9 p.m., extensive coverage of University of Hawaii's sporting events, weekly programs on Hawaiian culture and local issues, and a doubling of children's programming." 142 Cong. Rec. S706 (daily ed. February 1, 1996) (statement of Sen. Inouye).

II. Tucson, AZ

1. Stations, Licensee, Call Letters, Channel Number and Community of License

   a. Brokered Station: KTTU-TV
      Licensee: Clear Channel Television Licenses, Inc.
      Call Letters: KTTU-TV
      Channel Number: 18
      Community of License: Tucson, AZ

   b. Brokering Station: KMSB-TV
      Licensee: KMSB-TV, Inc.
      Call Letters: KMSB-TV
      Channel Number: 11
      Community of License: Tucson, AZ

2. Name and Rank of Nielsen Designated Market Area(s)

   Tucson, AZ Rank #78

3. Signal Overlap

   Substantial City Grade, Grade A and Grade B contour overlap.

4. Date of LMA

   October 7, 1991

5. Term of the LMA

   a. The start and end dates of the initial term of the LMA are as follows: October 7, 1991 until 12:00 midnight on October 7, 2001.

   b. The LMA automatically renews for an additional period of five years, unless either party provides written notice of nonrenewal no later than 180 days prior to the expiration of the initial term.

6. Percentage of Brokered Station's Weekly Broadcast Hours Brokered

   All weekly broadcast hours, excepting two ½-hour public affairs programs, are brokered to KMSB-TV.

7. Affiliations

   KTTU-TV is affiliated with UPN.
   KMSB-TV is affiliated with FOX.

8. Nielsen Ratings

The reported Nielsen all-day audience shares (measuring 9:00 a.m. through midnight) for the last three most recent rating periods were as follows:

	Nov. 1996	Feb. 1997	May 1997
KTTU-TV	4	5	3
KMSB-TV	8	8	7

9. Public Interest Benefits

KTTU-TV had been experiencing serious financial difficulties prior to this LMA. The station almost "went dark" under its previous owner, the Catholic Diocese, and was losing money under its current owner, Clear Channel Television Licenses. The LMA has allowed the station to operate as a solvent and viable broadcast facility. Under the LMA, KTTU-TV has expanded its public affairs programming from ½ hour to 1 hour per week, and has aired second runs of KMSB-TV public affairs programs, such as "13 and Pregnant" and "Stranger Danger," allowing increased exposure to different audiences in different time periods. KTTU-TV also has been able to partner with local non-profit organizations to support community events and programs. KTTU-TV airs the popular University of Arizona football and basketball games, sports specials and coaches' shows. The LMA has allowed for more programming choices for viewers and UPN network expansion into the Tucson community. The local advertising community has benefited under the LMA through lower advertising rates and greater commercial inventory on KTTU-TV. Finally, operational economies have allowed for investment in much-needed capital improvements for both stations.

III. Seattle, WA

1. Stations: Licensee, Call Letters, Channel Number and Community of License

   a. Brokered Station: KONG-TV
      Licensee: Zeus Corporation of Washington, Inc.
      Call Letters: KONG-TV
      Channel Number: 16
      Community of License: Everett, WA

   b. Brokering Station: KING-TV
      Licensee: King Broadcasting Company
      Call Letters: KING-TV
      Channel Number: 5
      Community of License: Seattle, WA

2. Name and Rank of Nielsen Designated Market Area(s)

   Seattle-Tacoma, WA Rank #12

3. Signal Overlap

   Substantial City Grade, Grade A and Grade B contour overlap.

4. Date of LMA

   May 14, 1996

5. Terms of the LMA

   a. The start and end dates of the initial term of the LMA are as follows: May 14, 1996 until 12:00 midnight on May 14, 2006.

   b. The LMA automatically renews for an additional period of five years, unless either party provides written notice of nonrenewal no later than 180 days prior to expiration of the initial term.

6. Percentage of Brokered Station's Weekly Broadcast Hours Brokered

   99% of the weekly broadcast hours of KONG-TV has been brokered. The licensee may delete and/or preempt programming scheduled by the brokering station to air programming that will better serve the needs and interests of the community.

7. Affiliations

KONG-TV has no major network affiliation.
KING-TV is affiliated with NBC.

8. Nielsen Ratings

The reported Nielsen all-day audience shares (measuring 9:00 a.m. through midnight) for the last three most recent rating periods were as follows:

	Nov. 1996	Feb. 1997	May 1997
KONG-TV*	--	--	--
KING-TV	19	18	18

* station commenced service on July 7, 1997

9. Public Interest Benefits

The LMA has enabled the brokered station, KONG-TV, to emerge as a new voice in the local broadcast market. KONG-TV was constructed while under the LMA and commenced programming at 4:00 a.m. (PST) on Monday, July 7, 1997. The LMA has provided KONG-TV with much-needed capital support, produced operational economies and allowed KONG-TV access to KING-TV's experienced management and staff, all of which enabled KONG-TV to begin broadcasting programming on a 24-hour-per-day basis. KONG-TV now airs local and public service programming, including several hours of locally-produced daily news programming and locally-produced public service announcements. KONG-TV also has plans in place to provide additional children's television programming beginning in the fall of 1997, and hopes to acquire the rights to broadcast local professional or college sporting events.

IV. Spokane, WA

1. Stations: Licensee, Call Letters, Channel Number and Community of License

   a. Brokered Station: KSKN-TV
      Licensee: KSKN-TV, Inc.
      Call Letters: KSKN-TV
      Channel Number: 22
      Community of License: Spokane, WA

   b. Brokering Station: KREM-TV
      Licensee: King Broadcasting Company
      Call Letters: KREM-TV
      Channel Number: 2
      Community of License: Spokane, WA

2. Name and Rank of Nielsen Designated Market Area(s)

   Spokane, WA Rank #73

3. Signal Overlap

   Substantial City Grade, Grade A and Grade B contour overlap.

4. Date of LMA

   June 26, 1996

5. Term of the LMA

   a. The start and end dates of the initial term of the LMA are as follows: July 1, 1996 , until 12:00 midnight on July 1, 2006.

   b. The LMA automatically renews for an additional period of five years, unless either party provides written notice of nonrenewal no later than 180 days prior to the expiration of the initial term.

6. Percentage of Brokered Station's Weekly Broadcast Hours Brokered

   100% of KSKN-TV's weekly broadcast hours are brokered to KREM-TV. However, the licensee may delete and/or preempt programming scheduled by the brokering station to air programming that will better serve the needs and interests of the community.

7. Affiliations

KSKN-TV is affiliated with Home Shopping Club, Inc (to be terminated shortly).
KREM-TV is affiliated with CBS.

8. Nielsen Ratings

	Nov. 1996	Feb. 1997	May 1997
KSKN-TV*	--	--	--
KREM-TV	16	17	17

* not rated by Nielsen

9. Public Interest Benefits

The LMA will result in a number of efficiencies and public interest benefits. For example, once KSKN-TV's affiliation with the Home Shopping Club is terminated, the LMA will enable KSKN-TV to air additional local and public service programming, including: additional weeknight newscasts at 10:00 p.m., which research and viewing patterns have demonstrated to be of great interest in the area; additional live, on-going news coverage of important events; additional informational and children's educational programming such as "Oscar's Orchestra" and "Popular Mechanics for Kids"; additional public service announcements; and the opportunity to broadcast local high school, college or semi-pro sports events. In general, the parties believe that KSKN-TV, under the LMA, will have a much broader demographic appeal as a full service station than it had before the LMA as only a Home Shopping Club affiliate.

Furthermore, the LMA will enable KSKN-TV to make technical upgrades, which will increase the station's signal coverage and allow access to additional viewers and to additional cable system headends. These facilities improvements, combined with the new programming and the switch to a new format, will allow expanded cable carriage of this local station. In addition, the LMA allows operational efficiencies, such as affording KSKN-TV access to experienced management and staff, and providing additional outlets for news, public affairs and local programming at limited additional costs. Finally, the LMA will provide an additional revenue stream from outside the market and generate local tax dollars for the community.