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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

July 7, 1997

**VIACOM**

William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, Northwest  
Room 222  
Washington, D.C. 20554

**RE: Information Regarding Television LMAs**  
**MM Docket Nos. 91-221, 87-8, 94-150, 92-51 and 87-154**

Dear Mr. Caton:

Viacom Inc. ("Viacom") submits this letter in response to the *Public Notice*, DA 97-1246, released June 17, 1997, which seeks further information regarding television local marketing agreements (LMAs). Viacom is the direct and indirect licensee of eleven commercial television stations, 10 of which are UHF and 10 of which are UPN affiliates. Those stations are: WPSG, Channel 57 (UPN), Philadelphia; WSBK, Channel 38 (UPN), Boston; WDCA, Channel 20 (UPN), Washington, D.C.; KTXA, Channel 21 (UPN), Arlington (Dallas); WKBD, Channel 50 (UPN), Detroit; WUPA, Channel 69 (UPN), Atlanta; KTXH, Channel 20 (UPN), Houston; WBFS, Channel 33 (UPN), Miami; KSTW, Channel 11 (UPN), Tacoma (Seattle); WTOG, Channel 44 (UPN), St. Petersburg (Tampa-St. Petersburg); and WVIT, Channel 30 (NBC), New Britain (Hartford-New Haven). In addition, as of January 1, 1997, Viacom is 50% owner of UPN broadcast television network.

Viacom is currently party to one LMA, and will be party to a second LMA recently approved by the Commission. The current LMA is an in-market arrangement between Viacom's WVIT, New Britain, CT and WTXX, Waterbury, CT, licensed to Counterpoint Communications, Inc. The LMA has been in existence since 1993. Both stations are located in the Hartford & New Haven DMA. The LMA soon to be executed —on July 31, 1997— is an out-of-market arrangement between Viacom's WBFS, Miami, FL and WTVX, Fort Pierce, FL. WBFS is located in the Miami-Fort Lauderdale DMA and WTVX is located in the West Palm Beach-Fort Pierce DMA. This out-of-market LMA was approved by the Commission on June 13, 1997 in connection with the assignment of license of WTVX. See File No. BALCT-970331IA.

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The details of the two LMAs are as follow:

Hartford & New Haven DMA

- (1) Brokering station: WVIT, Channel 30, New Britain, CT, licensed to WVIT Inc.  
Brokered station: WTXX, Channel 20, Waterbury, CT, licensed to Counterpoint Communications Inc.
- (2) WVIT: Hartford & New Haven DMA (ranked # 27).  
WTXX: Hartford & New Haven DMA (ranked # 27).
- (3) Brokering and brokered stations have overlapping Grade B, Grade A and city grade contours. (The stations' transmitters are approximately 15 miles apart.) The degree of overlap for any of the contours is not known.
- (4) The parties entered into the LMA on May 30, 1993.
- (5) The LMA is currently in its first 3-year renewal term, which commenced on July 19, 1996. The initial term of the LMA was for three years, commencing on July 19, 1993 and ending on July 18, 1996. The LMA automatically renews for additional terms of three years each unless broker provides written notice of non-renewal no later than 90 days prior to the end of the initial term or then-current renewal term, provided, however, that the brokered station may choose not to renew upon the expiration of the first renewal term and upon the expiration of every second succeeding renewal term thereafter. In the event the brokered station chooses not to renew, the station must give the broker 12 months advance written notice.
- (6) The brokered station, WTXX, broadcasts a total of 153 hours each week. Of those hours, 27.5 hours are brokered with children's programming and news, representing 17.97% of the brokered station's weekly broadcast hours. (WVIT does not broker the UPN programming time.)
- (7) The brokering station, WVIT, an NBC network affiliate, is ultimately owned by Viacom, which is 50% owner of the UPN network.
- (8) The Nielsen 9 AM - midnight audience shares for the last three most recent rating periods are as follow:

Brokering station (WVIT): May 1997 - 13; Feb 1997 - 13; Nov 1996 - 13

Brokered station (WTXX): May 1997 - 2; Feb 1997 - 3; Nov 1996 - 2

- (9) The viewing public in the Hartford & New Haven DMA is the beneficiary under the LMA between WVIT and WTXX. Prior to the LMA, the brokered station, WTXX, was an independent station, airing home shopping, religious and syndicated programming. Under the LMA, the licensee continues to air its own programming for the majority of the broadcast week and is a primary UPN affiliate. Moreover, with the news expertise and resources of WVIT, which is an NBC affiliate, WTXX has launched a half-hour local newscast at 10 PM seven times each week. This news program is not simply a feed from the brokering station, but an original, live newscast that is tailor-made for WTXX by WVIT. This WTXX local news programming is possible due to the economies of scale inherent in an LMA, particularly here, where WVIT, as an NBC affiliate, airs its own local news and has the personnel, experience and equipment available to produce a show for WTXX. Further, the WTXX 10 p.m. newscast is the sole source of direct competition with the only other 10 p.m. newscast airing in the market.

Additionally, prior to the LMA, WTXX aired only one 30-minute weekly educational and informational children's program. Under the LMA, WVIT has aired at least one hour of educational children's programming each week and as many as 4 hours of such programming in September 1993, 4.5 hours in March 1994, and 5.5 hours in February 1997—all well in advance of the effective date of the Commission's quantifiable standards.

#### Miami and West Palm-Fort Pierce

- (1) Brokering station: WBFS, Channel 33, Miami, FL, licensed to Viacom Broadcasting of Miami Inc.  
Brokered station: WTVX, Channel 34, Fort Pierce, FL, to be licensed to C-34 FCC Licensee Subsidiary, LLC

The LMA was approved by the Commission on June 13, 1997 in connection with the assignment of license of WTVX, from Whitehead Media of Florida, Inc. ("Whitehead Media") to C-34 FCC Licensee Subsidiary, LLC. See File No. BALCT-970331IA. Consummation of that transaction is scheduled to occur on July 31, 1997, at which time the LMA will be executed and the initial term of the LMA will commence.

- (2) WBFS: Miami-Fort Lauderdale DMA (ranked # 16).  
WTVX: West Palm Beach-Fort Pierce DMA (ranked #44).
- (3) Brokering and brokered station have no overlapping city grade contours. The stations' Grade A and Grade B contours overlap, but only the degree of Grade A overlap is known. The Grade A overlap constitutes 2% of the geographic area of the Grade-A contour of WTVX and 2.1% of the population located within the Grade A contour of WTVX and 2.7% of the geographic area of the Grade-A contour of WBFS and 0.6% of the population located within the Grade A contour of WBFS.

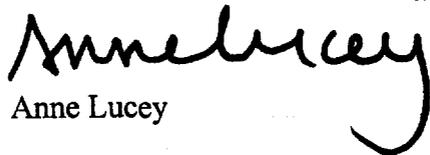
- (4) The parties agreed to enter into the LMA on March 31, 1997.
- (5) The initial term of the LMA is for ten years, scheduled to commence on July 31, 1997 and to end on July 30, 2007. The LMA may be renewed for an additional five years at the option of the station.
- (6) Nearly all of the brokered station's broadcast hours will be brokered by the brokering station.
- (7) The brokering station, WBFS, is ultimately owned by Viacom, which is 50% owner of the UPN network.
- (8) The Nielsen 9 AM - midnight audience shares for the last three most recent rating periods are as follow:  
  
Brokering station (WBFS): May 1997 - 4; Feb 1997 - 4; Nov 1996 - 4  
  
Brokered station (WTVX): May 1997 - 1.1; Feb 1997 - 1.2; Nov 1996 - 1.3
- (9) The brokered station, WTVX, was in bankruptcy in 1994. It was purchased at a bankruptcy auction by the current licensee of WTVX, Whitehead Media. Since that purchase, Whitehead Media has operated WTVX pursuant to an LMA with WPBF, a Paxson Communications station which is affiliated with ABC and which is located in the same DMA as WTVX. The LMA between the new licensee of WTVX and Viacom's WBFS, which is located in the separate DMA of Miami-Fort Lauderdale, will result in an out-of-market LMA, that is, one in which the brokering and brokered stations are located in separate markets.

As noted in Item #8, above, the audience share for WTVX has steadily declined since November 1996. Although WTVX has been affiliated with UPN and, secondarily, with WB, the new licensee will affiliate WTVX with only UPN. In this way, the station can compete as a more viable network affiliate in the West Palm Beach-Fort Pierce market, with a network prime-time line-up and high quality non-network programming that is strong enough to keep lead-in audiences for the UPN programming. High quality programming is obtainable for broadcast on WTVX with the aid of a group broadcast television owner, such as Viacom. At the same time, the station will offer local public affairs programming that is relevant to the Fort Pierce community. And given the history of Viacom's active participation in community affairs, WTVX and, ultimately, the public, will benefit from Viacom's group-wide public affairs campaigns, such as "Education is Paramount," "Voting is Paramount," and "Kids are Paramount," as well as PSAs and short-segment public affairs programs.

Further, the new licensee of WTVX and Viacom are committed to making WTVX a station serving viewers with uninterrupted service and a higher quality picture. This will be done by upgrading the technical facility of WTVX so that the station will not be forced to go dark due to poor equipment. In sum, this LMA arrangement—entered into by stations in two separate and distinct markets and with *de minimis* Grade A overlap— will permit WTVX to be a robust competitor and a new voice in the West Palm Beach market.

Should you have any questions pertaining to the above or should you need additional information, do not hesitate to call the undersigned, at (212) 846-7965.

Sincerely,



Anne Lucey