

Before the
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, DC 20554

In the Matter of)	
)	
Shareholders of Tribune Company, Transferors)	MB Docket No. 07-119
)	
and)	
)	
Sam Zell, <i>et al.</i> Transferees)	
)	
For Consent to the Transfer of Control of The Tribune Company)	
)	
and)	
)	
Applications for the Renewal of License of KTLA(TV), Los Angeles, California, <i>et al.</i>)	File Nos. BRCT-20060811ASH, <i>et al.</i>
)	

SUPPLEMENT TO PETITION FOR RECONSIDERATION

The Office of Communication of the United Church of Christ, Inc. (“UCC”), Media Alliance (“MA”) and Charles Benton (collectively “Petitioners”), by their attorneys, the Institute for Public Representation and the Media Access Project, respectfully submit this supplement to their December 31, 2007 *Petition for Reconsideration* for the purpose of reporting an important factual development.¹

Attachment A hereto is a press release issued on May 12, 2008 announcing the proposed sale of *Newsday* to Cablevision Systems Corporation (“Cablevision”). According to Tribune’s own newspaper, there was a spirited bidding war for *Newsday*, and Cablevision prevailed by submitting a bid which substantially exceeded that of News Corporation, and Mortimer Zuckerman, owner of

¹Petitioners have separately requested leave to submit this supplement pursuant to 47 CFR §1.106(f).

the *New York Daily News*.²

The sale of *Newsday* to an entity which does not operate over-the-air television stations materially advances the objective of the Commission's old and new newspaper/broadcast cross-ownership rules by diversifying ownership of the mass media.³

At pages 21-25 of their June 11, 2007 *Petition to Deny*, UCC and MA argued that Tribune had failed to justify its request for a waiver because, *inter alia*, it did

not even attempt to...argue that it was somehow forced to sell itself in the manner it has chosen to do so. Indeed, Tribune has had numerous opportunities to enter into transactions which would have advanced Commission diversification goals.

Id., p. 23. UCC and MA pointed to reports that there were several potential bidders for Tribune's properties, including at least one other possible purchaser of *Newsday*. *Id.*, p. 25.

The fact that *Newsday* was easily sold at what appears to be a premium price provides further evidence of UCC and MA's allegation that grant of the transfer applications in this case was contrary to the public interest, and the Commission should take it into account in analysis of the pending *Petition for Reconsideration*.

²See "Cablevision Chief Says Deal Will 'Bolster' *Newsday*," *Newsday*, May 13, 2008, p.1.

³This is not to say that the proposed sale is entirely salutary from a media concentration or an anti-trust perspective.

CONCLUSION

Wherefore, the Commission should grant the June 11, 2007 *Petition for Reconsideration* and grant all such other relief as may be just and proper.

Respectfully submitted,

/s/

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May 19, 2008

ATTACHMENT A

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Cablevision to Acquire 97% Stake in Newsday Media Group Through Partnership with Tribune Company in a \$650 Million Transaction

Returns *Newsday* to Long Island-based Ownership After Nearly 40 Years

Addition of Complementary Print and Online Assets Provides Unique Opportunities to Grow Cablevision's Advertising, Subscription and Content-Based Businesses

BETHPAGE, N.Y. & CHICAGO--(BUSINESS WIRE)--Cablevision Systems Corporation (NYSE: CVC) and Tribune Company today announced a definitive agreement to form a new partnership through which Cablevision will acquire approximately 97% of Newsday Media Group ("Newsday"). Newsday was valued at \$632 million in the transaction, and Tribune Company will also receive \$18 million at closing as prepaid rent under certain leases of property used in the business, bringing the total transaction value to \$650 million. The partnership will add a complementary print and online media group with diverse, quality local content to Cablevision that generates substantial operating cash flow and that creates opportunities to grow Cablevision's advertising, subscription and content-based businesses.

Newsday is one of the nation's largest daily newspapers, serving Long Island and New York City. In addition to the newspaper and Newsday.com, Newsday Media Group includes *amNewYork*, the fast-growing free daily in New York City with an average weekday circulation of 335,000, plus the Star Community Publishing Group of weekly shoppers and Island Publications' portfolio of lifestyle magazines.

Cablevision Chairman Charles F. Dolan said: "*Newsday* is one of the great names in the history of American journalism and it is both an honor and privilege to return *Newsday* back to Long Island-based ownership after nearly 40 years. We admire *Newsday*'s strong editorial voice and reputation for quality as well as its leadership in print and online journalism. We are committed to maintaining *Newsday*'s journalistic integrity and important position in the marketplace."

Tribune Chairman and CEO Sam Zell said "This agreement enables us to maximize the value of *Newsday* and still retain an interest in this valuable asset. The newspaper has a unique circulation base and a

tremendously strong local brand—I expect them to grow and flourish as a result of this new partnership.”

Cablevision President and CEO James L. Dolan continued: “Both Cablevision and *Newsday* are in the content, customer relationship and advertising business and we see this as a wonderful fit. Adding Newsday Media Group’s superb assets to Cablevision’s portfolio presents a multitude of opportunities: to provide consumers with additional quality content on multiple platforms; expand advertising opportunities for both entities; and attract a larger audience than either company could on its own. We strongly believe Newsday Media Group and Cablevision share the same consumer-focused values, and we look forward to building on our mutual history in the New York area with these wonderful assets under the same umbrella.”

For Cablevision, the Newsday partnership adds a complementary print and online media group with diverse, quality local content in the New York area. The combined company will gain significant opportunities in its advertising-based businesses and subscription-based businesses, while also adding to its content portfolio and enhancing its commitment to the local community. These opportunities include:

- Marketing *Newsday* more effectively with the ability to reach directly hundreds of thousands of Long Island households currently served by Cablevision – the majority of whom do not currently subscribe to *Newsday*
- Providing enhanced news gathering resources and expertise to better serve the New York metro area
- Offering Cablevision’s 2.3 million Optimum Online high-speed Internet subscribers new interactive and homepage opportunities
- Promoting Cablevision’s live sports and entertainment assets through *Newsday*’s publications, particularly *amNewYork*, with its New York City circulation of more than 300,000
- Offering advertisers a selection among various media outlets that enables each advertiser to most efficiently and effectively target its audience
- Using *Newsday*’s expertise in developing innovative solutions for advertisers with its newspapers, magazines and Web sites to ensure the best approach to promoting ad insertions on Cablevision’s 70 most popular cable channels
- Increasing classified advertising reach through *Newsday*, Cablevision’s Optimum Homes and Optimum Autos interactive television classified services, and *Newsday*’s *Star* (181 shopper editions with a weekly circulation of 2.6 million)

Under the terms of the transaction, Cablevision will have approximately 97% and Tribune will have approximately 3% of the equity in a partnership that owns *Newsday*. To form the new partnership, Tribune

will contribute the Newsday assets, and Cablevision will contribute newly issued parent company bonds with a fair market value of \$650 million on the contribution date. Bank of America has provided a firm commitment to provide \$650 million of senior debt financing, guaranteed by CSC Holdings, Inc., to the new partnership. Of that amount, Tribune will receive \$612 million in cash, an equity stake in the partnership valued at \$20 million and another \$18 million in prepaid rent under leases for certain facilities used in the business. In addition, Cablevision will provide additional funds to pay certain transaction costs.

Cablevision Chief Executive James Dolan indicated that the Newsday businesses will report to Cablevision Chief Operating Officer Thomas Rutledge.

Bank of America Securities LLC acted as lead financial advisor to Cablevision, and Merrill Lynch & Co. also provided financial advisory services on the transaction. Both Hughes Hubbard & Reed LLP and Sullivan & Cromwell LLP acted as legal counsel to Cablevision. Citi acted as the financial advisor to Tribune, and McDermott Will & Emery, Sidley Austin and Paul Hastings acted as legal counsel to Tribune.

The completion of this transaction is subject to certain customary closing conditions, including regulatory approval.

The Newsday Media Group Assets

- *Newsday* - provides award-winning news and information, reaching 1.5 million Long Island adults each week
- *amNewYork* - launched in 2003, has quickly become the largest free daily newspaper in NYC with an average weekday circulation of 335,000
- Newsday Interactive - includes Newsday.com and other local information sites such as ExploreLI.com and Newsday.com/NZone, the popular high school sports destination. In March 2008, Newsday.com reached 3.2 million monthly unique visitors and delivered over 66 million page views
- Star Community Publishing -- the Northeast's largest weekly shopper group with 181 editions and circulation of more than 2.6 million
- Island Publications -- produces targeted lifestyle magazines including *Distinction*, *Wellness*, *Parents & Children*, *LI Weddings* and *This Month on Long Island*

Cablevision Systems Corporation

Cablevision Systems Corporation is one of the nation's leading entertainment and telecommunications companies. Its cable television operations serve 3 million households in the New York metropolitan area. The company's advanced telecommunications offerings include its iO: Interactive Optimum digital television, Optimum Online high-speed

Internet, Optimum Voice digital voice-over-cable, and its Optimum Lightpath integrated business communications services. Cablevision's Rainbow Media Holdings LLC operates several successful programming businesses, including AMC, IFC, WE tv and other national and regional networks. In addition to its telecommunications and programming businesses, Cablevision owns Madison Square Garden and its sports teams, the New York Knicks, Rangers and Liberty. The company also operates Radio City Music Hall, the Beacon Theatre, and the Chicago Theatre and owns and operates Clearview Cinemas.

Tribune Company

Tribune is America's largest employee-owned media company, operating businesses in publishing, interactive and broadcasting. In publishing, Tribune's leading daily newspapers include the *Los Angeles Times*, *Chicago Tribune*, *Newsday* (Long Island, N.Y.), *The Sun* (Baltimore), *South Florida Sun-Sentinel*, *Orlando Sentinel*, *Hartford Courant*, *Morning Call* and *Daily Press*. The company's broadcasting group operates 23 television stations, Superstation WGN on national cable, Chicago's WGN-AM and the Chicago Cubs baseball team. Popular news and information websites complement Tribune's print and broadcast properties and extend the company's nationwide audience. At Tribune we take what we do seriously and with a great deal of pride. We also value the creative spirit and are nurturing a corporate culture that doesn't take itself too seriously.

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Certificate of Service

I, Andrew Jay Schwartzman, hereby certify that on this 19th day of May 2008, a copy of the foregoing *Supplement to Petition for Reconsideration* was served by first-class mail, postage prepaid, upon the following:

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