

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Applications for Consent to Assignment	)	MB Docket No. 13-190
of Broadcast Station Licenses from	)	BTCCDT-20130715AGP
Local TV, LLC to Dreamcatcher	)	BTCCDT-20130715AGQ
Broadcasting, LLC	)	BTCCDT-2010715AGR
To: Chief, Media Bureau		

**Opposition to Petition to Deny**

Dreamcatcher Broadcasting, LLC (“Dreamcatcher”), by counsel, hereby opposes the above-referenced Petition to Deny (“Petition”) three applications for Commission consent to the transfer of control of licensee subsidiaries of Local TV, LLC to Dreamcatcher.<sup>1</sup> The Petitioners, Free Press and Put People First PA (“PPFP”), with a remarkable absence of focus on specific details of the proposed transaction or citation to authority, argue that the acquisition of the licensees of three television stations by Dreamcatcher – a company wholly owned and controlled by Ed Wilson, an experienced broadcaster without attributable interests in any other media property – would violate the newspaper-broadcast cross-ownership rule, 47 CFR § 73.3555(d), because the stations are located in communities in which the Tribune Company, from subsidiaries of which Dreamcatcher will acquire certain non-attributable services, owns newspapers. The short answer is that the proposed transfers of control would not violate that

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<sup>1</sup> The stations are WNEP-TV, Scranton, Pennsylvania, licensed to Local TV Pennsylvania License, LLC; WTKR(TV), Norfolk, Virginia; and WGNT(TV), Portsmouth, Virginia, both licensed to Local TV Virginia License, LLC (collectively, the “Stations”). This Opposition is timely filed pursuant to the Commission’s July 31, 2013 *Public Notice*.

rule or present any other non-routine question for the Commission's consideration. The Petition, therefore, should be denied.

### **Background**

Dreamcatcher is a limited liability company owned entirely by Ed Wilson.<sup>2</sup> Mr. Wilson is long-time broadcaster with more than 30 years of experience in the television business. Mr. Wilson was President of Tribune Broadcasting Company from 2008 to 2010 and was also Chief Revenue Officer for the Tribune Company during part of that time. He previously served as President of the FOX Television Network, President of NBC Enterprises, and Chief Executive Officer and subsequently Chief Operating Officer of CBS Enterprises. Since the beginning of 2011, Mr. Wilson has consulted with various media groups and financial entities interested in investing in media properties and formed entities to invest in media properties. He worked with Katie Couric to develop her syndicated interview program. His clients have included Guggenheim Partners and Yahoo! His clients, however, have *not* included Tribune Company or its subsidiaries or affiliates.

As the applications reflect, Tribune Company or subsidiaries of Tribune entered into asset and securities purchase agreements with Local TV, LLC ("Local") and Oak Hill Capital Partners II, L.P., under which Tribune agreed to purchase Local as an entity. Dreamcatcher and its immediate parent, Dreamcatcher Media, LLC,<sup>3</sup> were formed by Mr. Wilson. Local, Tribune and Dreamcatcher agreed that the right to acquire the limited liability companies that are the licensees of the Stations would be assigned from Tribune to Dreamcatcher. Under the Asset

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<sup>2</sup> Factual statements in this Opposition are supported by a Declaration of Ed Wilson, attached hereto.

<sup>3</sup> As set forth in the applications, all of the ownership interests in Dreamcatcher are held by Dreamcatcher Media, LLC, and the ownership interests in Dreamcatcher Media, LLC are 100 percent held by Mr. Wilson.

Purchase Agreement, the licensee subsidiaries and related assets of the Stations will be assigned to Dreamcatcher simultaneously with the closing of the Local-Tribune transaction, and the licenses will never be held, owned or controlled by Tribune.

To facilitate these transactions, Dreamcatcher and Tribune Company entered into a series of agreements under which Tribune or its subsidiaries will assist Dreamcatcher in obtaining financing and will provide specified services to Dreamcatcher. These agreements are similar in form and substance to numerous agreements under which other television stations have obtained similar services, agreements that the Commission has routinely approved and that it has determined do not result in the service providers obtaining an attributable interest in the stations obtaining services. Notably, unlike many of these previously approved agreements, Tribune will not provide sales services to Dreamcatcher. Instead, Dreamcatcher's own employees will be responsible for all advertising sales on the stations.<sup>4</sup>

### **Argument**

#### **The Petition Should Be Dismissed With Respect to WNEP-TV**

Section 309(d)(1) of the Communications Act, 47 USC § 309(d)(1), “provides that a party filing a petition to deny must demonstrate that he or she is a ‘party in interest.’” *Paxson Management Corp.*, 22 FCC Rcd 22224, 22225 n.2 (Med. Bur. 2007). The facts demonstrating that the petitioner has standing shall “be supported by affidavit of a person or persons with personal knowledge thereof.” 47 USC § 309(d)(1).

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<sup>4</sup> The Petition (p. 2) attempts to cast doubt on Dreamcatcher's *bona fides* by referring to it as a “shell corporation.” The Securities and Exchange Commission defines a “shell company” as one with “no or nominal operations,” and “no or nominal assets.” 17 CFR § 230.405. Dreamcatcher will acquire the licenses and related assets of the Stations and will operate them as ongoing businesses, including managing all advertising sales. Thus, it is anything but a “shell.”

The Petition claims standing for the petitioners as organizations representing viewers in the areas served by the stations to be acquired by Dreamcatcher. Only one declaration was attached to the Petition, however, and that declaration was from a member of Free Press who claims to be a viewer of the two Virginia stations.<sup>5</sup> No declaration was submitted by any member of PPFPP or by a viewer of WNEP-TV. Thus, the Petition does not meet the initial requirement that it establish standing to oppose the transfer of control the of the WNEP-TV licensee subsidiary to Dreamcatcher and it should be dismissed with respect to that application.<sup>6</sup>

### **Tribune Will Not Have an Attributable Interest in the Stations**

Stripped of its overblown rhetoric, the gravamen of the Petition is that the Commission should view Tribune, not Dreamcatcher, as the proposed licensee of the Stations; and having made that leap, should conclude that grant of these applications would violate the newspaper-broadcast cross-ownership rule. The Petition, however, falls far short of making its case.

The Commission has made clear that petitioners alleging unauthorized control of broadcast stations must present specific evidence of that control, or their petition will be denied.<sup>7</sup>

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<sup>5</sup> See Declaration of Kelly V. Place. Free Press does not claim to have standing to oppose the WNEP-TV application.

<sup>6</sup> While the Commission often treats defective petitions to deny as informal objections, it should not do so in this instance. PPFPP and Free Press are represented by experienced counsel who are fully familiar with the requirement to establish standing by declaration or affidavit. The fact that PPFPP has not done so leaves the Commission with no basis on which to conclude that PPFPP has members in the Scranton-Wilkes-Barre market, that viewers in the area have any concerns about this transaction, or that PPFPP as an organization has formally adopted any views on the Commission's ownership rules or their application to the Dreamcatcher application. For all the Commission knows, therefore, the only objection to the WNEP-TV application may be from Washington counsel, and that is not an appropriate basis on which to rest an objection.

<sup>7</sup> See *By Direction Letter Regarding Control of CBS, Inc.*, 2 FCC Rcd 2274 (1987); *Kola, Inc.*, 11 FCC Rcd 14297, 14305 (1996); *Piedmont Television of Springfield License LLC*, 22 FCC Rcd 13910, 13912 n.16 (Med. Bur. 2007), *app. for review pending*.

Mere generic allegations that a person or entity will exercise control are insufficient. The Petition fails to meet this standard.<sup>8</sup>

The Commission has approved numerous assignments of license or transfers of control where the new licensee proposes to obtain specified services from another entity, often another television station operating in the same market. In these cases, the Commission found that the relationship between the licensee and the service provider preserved the licensee's control over the affected station; it has steadily and consistently rejected contentions that the proposed service provider should be deemed to be in control of the station or have that station attributed to it for purposes of the Commission's broadcast ownership rules.<sup>9</sup>

The Petition does not allege, as it could not, that the proposed Shared Services Agreements between Dreamcatcher and Tribune do not comply with the standards established by the Bureau in these cases.<sup>10</sup> Dreamcatcher remains entirely responsible for maintaining a main

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<sup>8</sup> To the extent that the Petition (pp. 4-5) can be read as suggesting that the Commission is required to make a particularized determination of whether a proposed transaction advances the public interest if that transaction meets the standards set out in the Commission's application forms and rules, it is incorrect. *See Committee to Save WEAM v. FCC*, 808 F.2d 113, 118 (D.C. Cir. 1988). The Commission need only go further if a petition to deny presents a "substantial and material question of fact as to whether the application would serve the public interest." *Astroline Communications Co., Ltd. Partnership v. FCC*, 857 F.2d 1556, 1561 (D.C. Cir. 1988). No such question of fact is presented by the Petition.

<sup>9</sup> *See, e.g., Malara Broadcast Group*, 19 FCC Rcd 24070 (Med. Bur. 2004), *pet. for recon. pending*; *Piedmont Television of Springfield License LLC*, 22 FCC Rcd 13910 (Med. Bur. 2007), *app. for review pending*; *Nexstar Broadcasting, Inc.*, 23 FCC Rcd 3528 (Med. Bur. 2008); *Sagamore Hill of Corpus Christi Licenses, LLC*, 25 FCC Rcd 2809 (Med. Bur. 2010). The Commission recognized the existence and approval of these type of arrangements in the *2010 Quadrennial Regulatory Review of the Commission's Broadcast Ownership Rules*, 26 FCC Rcd 17489, 17564-70 (2011).

<sup>10</sup> To the extent that the Petition (pp. 4-5, 9-10) instead asks the Commission to overrule those decisions and apply a different attribution standard, that issue has been raised by the Commission in the *2010 Quadrennial Review*. *Id.* Rejecting similar requests, the Commission has agreed that claims of broad application, particularly where numerous entities have relied on the Commission's existing rule, should be addressed in rulemaking, not in adjudication. *See Community Television of Southern California v. Gottfried*, 459 U.S. 499, 511 (1983); *ACME*

studio for the Stations,<sup>11</sup> for meeting the Stations' financial obligations,<sup>12</sup> and for determining the programming to be aired on the Stations.<sup>13</sup> Tribune has no right "to control the policies, operations, management or any other matter relating to" the Stations.<sup>14</sup> Indeed, unlike many of the arrangements approved by the Commission, Tribune will have no role in the sale of advertising time on the Stations.<sup>15</sup>

The Petition cites the fact that Tribune may provide programming for up to 15 percent of the Stations' broadcast week as a reason for the Commission to conclude that Tribune will control the Stations. It fails, however, to acknowledge both that programming provided to the Stations is subject to Dreamcatcher's review and approval,<sup>16</sup> and the Commission's longstanding rule that an entity providing 15 percent or less of a station's programming will not have that station attributed to it for ownership rule purposes.<sup>17</sup>

The Petition alludes to three reasons why Tribune should nonetheless be viewed as in control of the Dreamcatcher Stations. None withstands scrutiny.

*First*, the Petition (pp. 5-6) points out that Dreamcatcher was recently formed. That in itself proves nothing. As the Commission is aware, entities are often created for the purpose of

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*Television, Inc.*, 26 FCC Rcd 5189, 5191-92 (Med. Bur. 2011); *Great Empire Broadcasting, Inc.*, 14 FCC Rcd 11145, 11148 (1999); *Pine Bluff Radio, Inc.*, 14 FCC Rcd 6594, 6599 (1999). The Commission should, therefore, apply its existing standards to the Dreamcatcher applications – standards that the applications clearly meet.

<sup>11</sup> Shared Services Agreement §§ 3.1-2.

<sup>12</sup> *Id.* § 3.2.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.* § 2.

<sup>15</sup> *Id.* § 3.3.

<sup>16</sup> *Id.* § 6.5 ("All Delivered Programming shall be in conformity in all material respects with standards established by the Station Licensee. . .").

<sup>17</sup> See *Commission's Regulations Governing Attribution of Broadcast and Cable/MDS Interests*, 14 FCC Rcd 12559, 12597 (1999); 47 CFR § 73.3555, Note 1(j.2).

holding Commission licenses, and whether a specific entity was formed for the purpose of effectuating a transaction or has been in existence for years does not indicate who controls that entity. And the Petition does not contest the fact that all ownership interests in Dreamcatcher are held by Mr. Wilson, and none by Tribune.

*Second*, the Petition (p. 6) points out that Mr. Wilson was previously employed by Tribune. While it acknowledges that his employment ended in 2010, its statement that he “has since served in a consultant capacity,” is apparently meant to imply a continuing relationship with Tribune. As set forth above, however, that suggestion is false. Since leaving Tribune in 2010, Mr. Wilson has not been employed, paid by or provided services to Tribune or its television stations. The mere fact that a proposed licensee previously was employed by another company does not make the station attributable to his or her previous employer.<sup>18</sup>

*Third*, the Petition (p. 6) suggests that since Dreamcatcher’s rights to acquire the Stations’ licensees were assigned to it by Tribune, rather than acquired directly from Local, Tribune will control the Stations. Which entity Dreamcatcher might be required to sue if it has a claim under the Asset Purchase Agreement has absolutely nothing to do with control of the Stations after closing, and the Petition does not explain on what basis the Commission could conclude that the particulars of these corporate arrangements give Tribune control over the Dreamcatcher stations.<sup>19</sup>

Under the Commission’s established standards, therefore, Tribune will not have an attributable interest in the Stations controlled by Dreamcatcher and cannot be deemed to own or control them.

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<sup>18</sup> See *Paxson Management Corp.*, 22 FCC Rcd 22224, 22232-33 (Med. Bur. 2007); *BBC License Subsidiary, L.P. (WLUK-TV)*, 10 FCC Rcd 7926, 7933 (1995).

<sup>19</sup> If anything, the fact that any claims Dreamcatcher has would have to be pursued against Tribune shows that Dreamcatcher and Tribune are independent entities.

### **Since the Stations Are Not Attributable to Tribune, No Question is Presented Under the Newspaper-Broadcast Cross-Ownership Rule**

The Commission's broadcast attribution rules and standards are applicable to all of its ownership rules; there are not separate general attribution standards for the local TV rule, the local radio rule, or the radio-television cross-ownership rule.<sup>20</sup> In particular, the Petition does not claim that the Commission has established a different attribution standard for the newspaper-broadcast cross-ownership rule or why the public interest would require such a different attribution rule. In the decisions discussed above, the Commission found that a provider of specified and limited services to a station would not have that station attributed to it. Nothing about those decisions, which in each case determined that the service provider would not exercise control over the stations in question, was limited to a particular ownership rule.<sup>21</sup>

Under these standards, Tribune will not have an attributable interest in or be deemed to control the Stations. Instead, they will be controlled by Dreamcatcher, an entity which has no other attributable media interests.<sup>22</sup> Ownership of the Stations by Dreamcatcher does not, therefore, present any question under the newspaper-broadcast cross-ownership rule, regardless of whether Dreamcatcher obtains certain non-attributable services from Tribune.

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<sup>20</sup> *Commission's Regulations Governing Attribution of Broadcast and Cable/MDS Interests*, 16 FCC Rcd 1097, 1100 (2001) ("The function of our attribution rules is to define which interests will be counted in applying our ownership *rules*")(emphasis added).

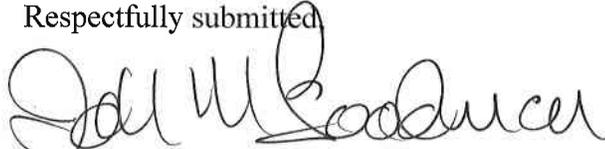
<sup>21</sup> Therefore, the Petition does not raise any issue that requires referral of these applications for decision by the full Commission. Since the applications meet established standards, the Bureau may grant them under its normal delegated authority.

<sup>22</sup> For the same reason, the contentions in the Petition (p. 8) about the national television ownership rule are, at a minimum, misplaced. Dreamcatcher will only own stations in two television markets, and since no other entity will have an attributable interest in its stations, they will not be counted towards any other entity's ownership limits. Thus, even if the Commission changes its UHF discount rule, the Dreamcatcher stations will not approach the national cap.

## Conclusion

The entire premise of the Petition is that, because it will provide certain services to the Stations, Tribune will control them. As Dreamcatcher has shown however, nothing about Dreamcatcher or its routine agreements to obtain specified services from Tribune gives Tribune the right to control the Stations or make them attributable to Tribune; and the Petition fails to meet the burden of demonstrating specific facts that would show otherwise. Therefore, the Petition should be dismissed with respect to WNEP-TV for lack of standing and otherwise denied.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jack N. Goodman". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Jack N. Goodman

Law Offices of Jack N Goodman  
1200 New Hampshire Ave., NW, Suite 800  
Washington, D.C. 20036  
202-776-2045

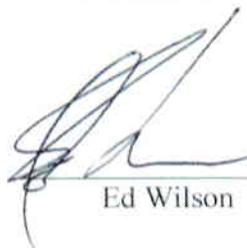
*Counsel for Dreamcatcher Broadcasting, LLC*

September 4, 2013

## Declaration of Ed Wilson

Ed Wilson declares as follows:

1. I am the Manager of Dreamcatcher Broadcasting, LLC, and the sole member of Dreamcatcher Media, LLC, which is in turn the sole member of Dreamcatcher Broadcasting, LLC.
2. I have been involved in the television business for more than 30 years. I was President of the FOX Television Network, President of NBC Enterprises and Chief Executive Officer and later Chief Operating Officer of CBS Enterprises.
3. In February 2008, I became the President of Tribune Broadcasting, responsible for Tribune's television stations, its radio station and its cable channel, WGN America. Subsequently, I added to my duties and served as Chief Revenue Officer for Tribune Company. I served in those capacities until June 2010.
4. Since January 2011, I have been a consultant to various media groups and financial entities interested in the television business. My clients have included Guggenheim Partners and Yahoo!, and I helped develop the Katie Couric syndicated program.
5. I have not in that time served as a consultant to Tribune or any of its subsidiaries. Since leaving Tribune in 2010, I have not had any professional relationship with Tribune. I have also not received any compensation from Tribune after 2010.
6. I have read the Dreamcatcher Opposition to Petition to Deny, and, to the best of my knowledge and belief, the factual statements contained in the Opposition are true and correct.
7. I declare under penalty of perjury that the above statements are true and correct.



Ed Wilson

September 4, 2013

### Certificate of Service

I, Jack N. Goodman, hereby certify that I have, on this 4<sup>th</sup> day of September 2013, caused to be sent by mail, first-class postage prepaid, copies of the foregoing "Opposition to Petition to Deny" to the following:

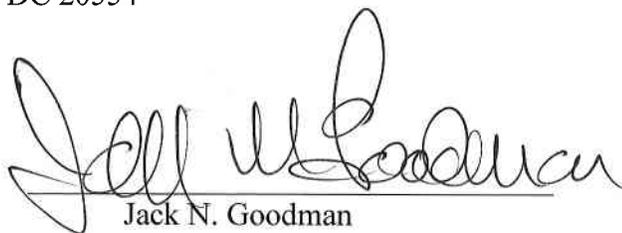
Lauren M. Wilson, Esq.  
Matthew F. Wood, Esq.  
Free Press  
1025 Connecticut Avenue, NW  
Suite 1110  
Washington, DC 20036

Andrew Jay Schwartzman  
2000 Pennsylvania Avenue, NW  
Suite 4300  
Washington, DC 20006

Mace J. Rosenstein, Esq.  
Covington & Burling LLP  
1201 Pennsylvania Avenue, NW  
Washington, DC 20004\*

Michael D. Basile, Esq.  
Dow Lohnes PLLC  
1200 New Hampshire Avenue, NW  
Washington, DC 20036\*

William Lake, Esq.  
Barbara Kreisman, Esq.  
David Roberts, Esq.  
Media Bureau  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554\*

  
Jack N. Goodman

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\* By electronic mail.