



Press Release
May 30, 2014

NABOB CONTINUES TO SUPPORT NEW FCC JSA RULE

On March 31, 2014, the National Association of Black Owned Broadcasters announced its support of the Federal Communications Commission's new rule, which treats Joint Sales Agreements ("JSAs") as attributable. NABOB reiterates its support for that rule today.

In a statement issued yesterday, the two Commissioners who dissented to the adoption of the rule cited the decision by Sinclair Television Group to turn in three television station licenses as evidence that the new JSA rule is injuring the television industry. Jim Winston, Executive Director of NABOB stated, "The unique circumstances in which Sinclair finds itself do not support any conclusion regarding the overall important benefits of the new JSA rule."

Winston continued, "The Sinclair decision, as described in Sinclair's letter to the Commission yesterday, indicates that the decision to turn in the licenses was driven primarily by Sinclair's desire to conclude its \$985 million acquisition of Allbritton Communications, which has a closing deadline that is coming up soon."

Winston continued, "In addition, although Sinclair provides no additional details on its decision to turn in the licenses, at least two possibilities may have influenced Sinclair's decision. Sinclair may have concluded that it can obtain a tax deduction from turning in the licenses greater than the value that an independent buyer would be willing to pay for the licenses. Alternatively, Sinclair may have determined that the elimination of competition in the markets resulting from turning in the licenses is more valuable than the purchase prices it could obtain for the licenses."

Winston concluded, "Therefore, while Sinclair may have unique business reasons for turning in the licenses, it is clear that this single instance does not refute the potential benefit that can result from other broadcasters who may choose over the next two years:

(1) to seek a waiver of the JSA rule, by joining with a minority owner to develop a truly independent station operation, or (2) to sell stations outright to minority purchasers.”

PRESS CONTACT

James L. Winston

Executive Director and General Counsel

National Association of Black Owned

Broadcasters, Inc.

1201 Connecticut Avenue, N.W.

Suite 200

Washington DC 20036

PHONE: (202) 463-8970

FAX: (202) 429-0657

EMAIL: jwinston@nabob.org

NABOB: www.nabob.org