



March 11, 2019

Marlene H. Dortch, Esq.
Secretary
Federal Communications Commission
445 12th Street SW
Washington DC 20554

Re: Notice of Ex Parte Communication, MB Docket No. 18-214, GN Docket No.12-268,
and MB Docket 17-318

Dear Ms. Dortch:

On March 4, 2019, Michael Gravino, both as the Director of the LPTV Spectrum Rights Coalition, LLC (Coalition), and as Managing Broker for Airwaves USA, Inc. (Airwaves), met with FCC Chairman Ajit Pai, and Acting Media Advisor, Alexander Sanjenis to discuss:

- 1) Updates and impacts from the incentive auction channel displacement process
From the perspective of the Coalition the fact that more LPTV and TV Translator Stations were not displaced than displaced is good; and, of the 2100 which applied for new channel construction permits, about 500 have been rejected, and may file again when the filing freeze is lifted, and still may qualify for funding. They will however be competing with about 1800 or more displaced by the auction or repack construction permits. What this all means is that the pool which is eligible for relocation funding could be as high as 2000 which would want to split the \$150 million from Congress. It will depend on how many do not meet the 2nd Congressional test of being on air 7 of the 12 months before the auction. This 2nd test could eliminate 20-40% of those which received new construction permits. So the high could be lowered from 1600 to 1200 which would compete for the funding. Also discussed was that the original Phase Zero LPTV and TV translator stations, mostly displaced in the summer and fall of 2017, will have paid for their moves more than two years before getting potentially reimbursed.

2) Concerns about the proposed changes of the national ownership cap

From the Coalition perspective, it is silly to use any of the UHF discount models at all, and just recognize spectrum for its real value. Unlease the broadcast industry so that it can scale and compete in the 5G bit transport world. The mobile carriers are 10X in size to the big publicly traded broadcasters, and the techco are 10X bigger than the mobile carriers. So it makes no sense to use the guise of the UHF discount or any discount and just let broadcasters scale. Although it is curious that the managers and investors in TV stations licenses with primary rights, have not and almost refuse to consider Class A spectrum, let alone LPTV spectrum. The current national ownership model does nothing to help LPTV, so busting it up would do no harm, as we are disadvantaged by it. We further discussed how the post auction TV license M&A activity has also included Class A's and LPTV, but that the demand to sell far outstrips the demand to purchase.

3) The LPTV next gen rules and their impacts on current business planning

We discussed how for almost two years now the next gen TV rules have allowed for LPTV to flash cut to 3.0, and multiple business plans are being implemented by companies planning to use this early adopter advantage. And that any waivers issued for primary stations to forgo the simulcast 1.0 and 3.0 requirement need to show cause why they can not find a qualified primary teaming partner. And that maybe a solution is to allow LPTV to be the 3.0 partner, although this would just be for OTA and not MVPD 3.0 carriage, unless locally agreed to. And that the Class A's also need relief regarding the simulcast requirement, much more so than a full power primary, in that a Class A should be able to work with an LPTV to fulfill any simulcast requirement.

4) Concerns about the T-Band auction and its' impact on the LPTV M&A market

We discussed the looming T-Band auction which is suppose to take place within a couple of years, and that until such time that Congress cancels or amends the law, the auction is happening. And we talked about how having such a big external factor which has little clarity, how it can affect valuations and investments. We also discussed how would the current full power primary stations would feel about potentially dozens of new competitors for TV licenses in the top markets. We also discussed how crazy it was that new licenses get must carry and LPTV can not. The Coalition discussed a plan to use the T-Band (UHF 14-21 in 11 major and potentially dozens of other markets) auction to clear the 500 MHz band, from UHF 36 down to say 32.

5) Update on LPTV industry efforts to work with the TV White Space companies

In both 2017 and 2018 we shared with the FCC that the LPTV industry, in various ways and through multiple contacts, was attempting to positively interact with the TV white space industry, its trade organizations, businesses, and with Microsoft, Google, and others. Our Coalition shared that its own research has shown that having access to TV white space devices and services will be essential in future next gen TV operations in many smaller communities. And that ATSC 3.0 already has an approved, although not yet fully adopted, nor implemented, “return path”. And that this capability, along with unlicensed and TVWS products and services, will describe the new next gen TV broadcaster.

6) Concerns about the diversity initiative and not engaging LPTV

The Coalition expressed its concerns about any diversity initiative which does not fully engaged LPTV will have flaws in it. LPTV is the gateway to learning about TV station ownership, and the industry has numerous women owners, co-owners, and family business owners. The FCC would be wise to seek out LPTV and Class A owners which could benefit from its diversity initiatives.

We concluded by sharing with the Chairman, and the Acting Media Adviser, a confidential (redacted) competitive analysis of the spectrum ownership of the major LPTV groups vs the top primary TV station groups.

Respectfully submitted,

Michael Gravino
Director, LPTV Spectrum Rights Coalition
Managing Broker, Airwaves USA

cc: Chairman Pai
Acting Media Adviser Sanjenis