

ONE HUNDRED FIFTEENTH CONGRESS
Congress of the United States
House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

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WASHINGTON, DC 20515-6115

Majority (202) 225-2927
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August 7, 2018

The Honorable Ajit V. Pai
Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Pai:

Recent press reports raise questions as to whether Sinclair Broadcast Group, Inc. (Sinclair) illegally exercised control over the advertising activities of Tribune Media Company (Tribune).¹ Coordination of this type may constitute a violation of the Communications Act² as well as Antitrust Law.³

We write to urge you to investigate whether Sinclair violated Section 310(d) or other provisions of the Communications Act.⁴ Section 310(d) prohibits the *de facto* transfer or control of a broadcast television license without Federal Communications Commission (FCC) consent.⁵ An FCC investigation is warranted in light of recent reports that the Department of Justice (DOJ) is investigating whether the sales teams of Sinclair and Tribune were improperly coordinating

¹ *Justice Department Investigates TV Station Owners Over Advertising Sales*, Wall Street Journal (July 26, 2018).

² *See* 47 U.S.C. § 310(d).

³ *See* 15 U.S.C. § 18a; *see also* 15 U.S.C. § 1.

⁴ 47 U.S.C. § 310(d) (“No construction permit or station license, or any rights thereunder, shall be transferred, assigned, or disposed of in any manner, voluntarily or involuntarily, directly or indirectly . . . except upon application to the Commission.”).

⁵ *See e.g., Edwards*, Memorandum Opinion and Order and Notice of Apparent Liability, FCC 01-336 (Rel. Dec. 10, 2001).

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regarding their advertising sales performance, resulting in higher rates.⁶ Moreover, Sinclair has a history of improperly exercising *de facto* control over stations it did not own, further supporting the need for review.⁷

This investigation should be conducted separate and apart from the questions recently designated for a hearing by the Commission as they are distinct issues and legal questions.⁸ Additionally, should the DOJ or FCC find that either Sinclair or Tribune engaged in illegal conduct during the pendency of their proposed transaction, such conduct may have a bearing on their ability to satisfy the FCC's character requirements for broadcast licensees.⁹

We appreciate your attention to this important matter. Please provide an update regarding any and all FCC activity related to this request by August 28, 2018. Should you have any questions, please contact Gerald Leverich of the Democratic Committee staff at (202) 225-3641.

Sincerely,



Frank Pallone, Jr.
Ranking Member



Mike Doyle
Ranking Member
Subcommittee on Communications
and Technology

⁶ *Justice Department Investigates TV Station Owners Over Advertising Sales*, Wall Street Journal (July 26, 2018).

⁷ *See e.g.*, note 5.

⁸ *Applications of Tribune Media*, Hearing Designation Order, MB Docket No. 17-179, FCC 18-100 (Rel. July 19, 2018).

⁹ *See* 47 U.S.C. § 308.