

identified in this notice. Parties to the investigation, interested government agencies, and any other interested parties are encouraged to file written submissions on the issues of remedy, the public interest and bonding. Such submissions should address the recommended determination on remedy, the public interest and bonding issued on August 29, 2014, by the ALJ. Complainant is also requested to submit proposed remedial orders for the Commission's consideration and to provide identification information for all importers of the subject articles. Complainant is further requested to provide the expiration dates of the '616, '049, and '331 patents and state the HTSUS numbers under which the accused articles are imported. The written submissions and proposed remedial orders must be filed no later than the close of business on November 20, 2014. Reply submissions must be filed no later than the close of business on December 1, 2014. No further submissions on these issues will be permitted unless otherwise ordered by the Commission. Party submissions should not exceed 50 pages for the main submissions and 25 pages for the reply submissions.

Persons filing written submissions must file the original document electronically on or before the deadlines stated above and submit 8 true paper copies to the Office of the Secretary by noon the next day pursuant to section 210.4(f) of the Commission's Rules of Practice and Procedure (19 CFR 210.4(f)). Submissions should refer to the investigation number ("Inv. No. 337-TA-888") in a prominent place on the cover page and/or the first page. (See Handbook for Electronic Filing Procedures, [http://www.usitc.gov/secretary/fed\\_reg\\_notices/rules/handbook\\_on\\_electronic\\_filing.pdf](http://www.usitc.gov/secretary/fed_reg_notices/rules/handbook_on_electronic_filing.pdf)). Persons with questions regarding filing should contact the Secretary (202-205-2000).

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. See 19 CFR 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. A redacted non-confidential version of the document must also be filed simultaneously with the confidential filing. All non-confidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in Part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission.

Issued: November 06, 2014.

**Lisa R. Barton,**

*Secretary for the Commission.*

[FR Doc. 2014-26804 Filed 11-12-14; 8:45 am]

**BILLING CODE 7020-02-P**

## DEPARTMENT OF JUSTICE

### Notice of Lodging of Proposed Consent Decree Under the Clean Air Act

On November 6, 2014, the Department of Justice lodged a proposed consent decree with the United States District Court for the Middle District of Louisiana in the lawsuit entitled *United States and the Louisiana Department of Environmental Quality v. PCS Nitrogen Fertilizer, L.P., AA Sulfuric, Inc., and White Springs Agricultural Chemicals, Inc.*, Civil Action No. 3:14-cv-00707.

The United States and Louisiana Department of Environmental Quality filed this lawsuit under the Clean Air Act and Louisiana Environmental Quality Act. The complaint seeks injunctive relief and civil penalties for violations of the Clean Air Act's Prevention of Significant Deterioration requirements and related state requirements at sulfuric acid manufacturing plants owned and operated by the defendants, PCS Nitrogen Fertilizer, L.P., AA Sulfuric, Inc., and White Springs Agricultural Chemicals, Inc., in Geismar, Louisiana and White Springs, Florida. The consent decree requires the defendants to perform injunctive relief, pay a \$ 1,300,000 civil penalty, and perform a Supplemental Environmental Project at a nitric acid manufacturing facility owned and operated by PCS Nitrogen Fertilizer, Inc. in Geismar, Louisiana. The consent decree also requires PCS Phosphate Company, Inc. to perform injunctive relief at the sulfuric acid manufacturing facility that it owns and operates in Aurora, North Carolina.

The publication of this notice opens a period for public comment on the proposed consent decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and should refer to *United States and the Louisiana Department of Environmental Quality v. PCS Nitrogen Fertilizer, L.P. et al.*, D.J.

Ref. No. 90-7-1-08209/1. All comments must be submitted no later than thirty (30) days after the publication date of this notice. Comments may be submitted either by email or by mail:

<i>To submit comments:</i>	<i>Send them to:</i>
By e-mail .....	<a href="mailto:pubcomment-ees.enrd@usdoj.gov">pubcomment-ees.enrd@usdoj.gov</a> .
By mail .....	Assistant Attorney General U.S. DOJ—ENRD P.O. Box 7611 Washington, D.C. 20044–7611.

During the public comment period, the proposed consent decree may be examined and downloaded at this Justice Department Web site: <http://www.usdoj.gov/enrd/ConsentDecrees.html>. We will provide a paper copy of the proposed consent decree upon written request and payment of reproduction costs. Please mail your request and payment to: Consent Decree Library, U.S. DOJ—ENRD, P.O. Box 7611, Washington, DC 20044-7611.

Please enclose a check or money order for \$43.50 (25 cents per page reproduction cost) payable to the United States Treasury. For a paper copy without the exhibits and signature pages, the cost is \$ 17.00.

**Maureen M. Katz,**

*Assistant Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.*

[FR Doc. 2014-26847 Filed 11-12-14; 8:45 am]

**BILLING CODE 4410-15-P**

## DEPARTMENT OF JUSTICE

### Antitrust Division

#### United States v. Media General, Inc. and Lin Media LLC; Proposed Final Judgment and Competitive Impact Statement

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. 16(b)–(h), that a proposed Final Judgment, Asset Preservation Stipulation, and Competitive Impact Statement have been filed with the United States District Court for the District of Columbia in *United States of America v. Media General, Inc. and LIN Media LLC*, Civil Action No. CV-14-01823. On October 30, 2014, the United States filed a Complaint alleging that the proposed acquisition by Media General, Inc. of LIN Media LLC would likely substantially lessen competition for broadcast television spot advertising in certain Designated Market Areas (DMAs) in the United States, in

violation of Section 7 of the Clayton Act, 15 U.S.C. 18. The proposed Final Judgment, filed on the same day as the Complaint, resolves the case by requiring Media General to divest WVTM-TV(NBC), located in the Birmingham, Alabama DMA; WJCL (ABC) and WTGS (FOX), both located in the Savannah, Georgia DMA; WALA-TV (FOX), located in the Mobile, Alabama/Pensacola, Florida DMA; WJAR (NBC), located in the Providence, Rhode Island/New Bedford, Massachusetts DMA; and WLUK-TV(FOX) and WCWF (CW), both located in the Green Bay/Appleton, Wisconsin DMA. A Competitive Impact Statement filed by the United States describes the Complaint, the proposed Final Judgment, and the industry.

Copies of the Complaint, proposed Final Judgment, and Competitive Impact Statement are available for inspection at the Department of Justice, Antitrust Division, Antitrust Documents Group, 450 Fifth Street NW., Suite 1010, Washington, DC 20530 (telephone: 202-514-2481), on the Department of Justice's Web site at <http://www.usdoj.gov/atr>, and at the Office of the Clerk of the United States District Court for the District of Columbia. Copies of these materials may be obtained from the Antitrust Division upon request and payment of the copying fee set by Department of Justice regulations.

Public comment is invited within 60 days of the date of this notice. Such comments, including the name of the submitter, and responses thereto, will be posted on the U.S. Department of Justice, Antitrust Division's internet Web site, filed with the Court and, under certain circumstances, published in the **Federal Register** and filed with the Court. Comments should be directed to David Kully, Chief, Litigation III, Antitrust Division, Department of Justice, Washington, DC 20530, (telephone: 202-305-9969).

**Patricia A. Brink,**  
*Director of Civil Enforcement.*

#### UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

*United States of America, Department of Justice, Antitrust Division, 450 Fifth Street NW., Suite 4000, Washington, DC 20530, Plaintiff, v. Media General, Inc., 333 E. Franklin Street, Richmond, VA 23219 and LIN Media LLC, 701 Brazos Street, Suite 800, Austin, TX 78701, Defendants.*

Case No. 1:14-cv-01823  
Judge: Hon. Emmet G. Sullivan  
Filed: 10/30/2014

### Complaint

The United States of America, acting under the direction of the Attorney General of the United States brings this civil action to enjoin the proposed acquisition by Media General, Inc. ("Media General") of LIN Media LLC ("LIN") (collectively, "Defendants") and to obtain other equitable relief. The proposed acquisition likely would substantially lessen competition in the sale of broadcast television spot advertising in the following Designated Market Areas ("DMAs"): Mobile, Alabama/Pensacola, Florida; Birmingham, Alabama; Savannah, Georgia; Providence, Rhode Island/New Bedford, Massachusetts; and Green Bay/Appleton, Wisconsin (collectively "the DMA Markets"), in violation of Section 7 of the Clayton Act, 15 U.S.C. 18. Plaintiff alleges as follows:

#### I. Nature of the Action

1. Pursuant to a Purchase Agreement dated March 21, 2014, Media General agreed to purchase LIN whereby LIN shareholders would receive aggregate consideration valued at approximately \$1.5 billion in a combination of stock and cash.

2. Media General and LIN both own and operate broadcast television stations in each of the DMA Markets. Media General's and LIN's broadcast television stations compete head-to-head for the business of local and national companies that advertise on broadcast television stations in each of the DMA Markets.

3. If consummated, the proposed acquisition would eliminate the head-to-head competition between Media General and LIN in each of the DMA Markets. Unless enjoined, the acquisition is likely to lead to higher prices and will substantially lessen competition for broadcast television spot advertising in each of the DMA Markets in violation of Section 7 of the Clayton Act, 15 U.S.C. 18.

#### II. Jurisdiction and Venue

4. The United States brings this action pursuant to Section 15 of the Clayton Act, as amended, 15 U.S.C. 25, to prevent and restrain Defendants from violating Section 7 of the Clayton Act, 15 U.S.C. 18.

5. Defendants sell broadcast television spot advertising, a commercial activity that substantially affects, and is in the flow of, interstate commerce. The Court has subject-matter jurisdiction over this action pursuant to Section 15 of the Clayton Act, 15 U.S.C. 25, and 28 U.S.C. 1331, 1337(a), and 1345.

6. Defendants transact business and are found in the District of Columbia,

and are subject to the personal jurisdiction of this Court. Defendants have consented to venue and personal jurisdiction in this District. Therefore, venue is proper in this District under Section 12 of the Clayton Act, 15 U.S.C. 22, and 28 U.S.C. 1391(c).

#### III. The Defendants

7. Media General is incorporated in the Commonwealth of Virginia, with its headquarters in Richmond, Virginia. Media General reported operating revenues of over \$270 million in 2013. Media General owns and operates 31 broadcast television stations in 29 metropolitan areas. It owns and operates broadcast television stations in each of the DMA Markets.

8. LIN is a Delaware corporation, with its headquarters in Austin, Texas. LIN owns and operates, or provides programming, operating, or sales services to more than 50 stations in 23 metropolitan areas. It also owns and operates, or provides programming, operating, or sales services to broadcast television stations in each of the DMA Markets.

#### IV. Trade and Commerce

##### *A. Broadcast Television Spot Advertising Is a Relevant Product Market*

9. Broadcast television stations attract viewers through their programming, which is delivered for free over the air or retransmitted to viewers, mainly through wired cable or other terrestrial television systems and through satellite television systems. Broadcast television stations then sell advertising time to businesses that want to advertise their products to television viewers. Broadcast television "spot" advertising, which comprises the majority of a television station's revenues, is sold directly by the station itself or through its national representative on a localized basis and is purchased by advertisers who want to target potential customers in specific geographic areas. Spot advertising differs from network and syndicated television advertising, which are sold by television networks and producers of syndicated programs on a nationwide basis and broadcast in every market where the network or syndicated program is aired.

10. Broadcast television spot advertising possesses a unique combination of attributes that set it apart from advertising using other types of media. Television combines sight, sound, and motion, thereby creating a more memorable advertisement. Moreover, of all media, broadcast television spot advertising generally

reaches the largest percentage of all potential customers in a particular target geographic area and is therefore especially effective in introducing, establishing, and maintaining the image of a product. For a significant number of advertisers, broadcast television spot advertising, because of its unique combination of attributes, is an advertising medium for which there is no close substitute. Other media, such as radio, newspapers, or outdoor billboards, are not desirable substitutes for broadcast television advertising. None of these media can provide the important combination of sight, sound, and motion that makes television unique and impactful as a medium for advertising.

11. Like broadcast television, subscription television channels, such as those carried over cable or satellite television, combine elements of sight, sound, and motion, but they are not a desirable substitute for broadcast television spot advertising for two important reasons. First, satellite, cable, and other subscription content delivery systems do not have the “reach” of broadcast television. Typically, broadcast television can reach well-over 90% of homes in a DMA, while cable television often reaches many fewer homes. Even when several subscription television companies within a DMA jointly offer cable television spot advertising through a consortium called an interconnect, cable spot advertising does not match the reach of broadcast television spot advertising. As a result, an advertiser can achieve greater audience penetration through broadcast television spot advertising than through advertising on a subscription television channel. Second, because subscription services may offer more than 100 channels, they fragment the audience into small demographic segments. Because broadcast television programming typically has higher rating points than subscription television programming, broadcast television provides a much easier and more efficient means for an advertiser to reach a high proportion of its target demographic. Media buyers often buy time on subscription television channels not so much as a substitute for broadcast television, but rather to supplement a broadcast television message, to reach a narrow demographic (e.g., 18–24 year olds) with greater frequency, or to target narrow geographic areas within a DMA. A small but significant price increase by broadcast television spot advertising providers would not be made unprofitable by advertisers switching to

advertising on subscription television channels.

12. Internet-based media is not currently a substitute for broadcast television spot advertising. Although Online Video Distributors (“OVDs”) such as Netflix and Hulu are important sources of video programming, as with cable television advertising, the local video advertising of OVDs lacks the reach of broadcast television spot advertising. Non-video internet advertising, e.g., Web site banner advertising, lacks the important combination of sight, sound, and motion that gives television its impact. Consequently, local media buyers currently purchase internet-based advertising primarily as a supplement to broadcast television spot advertising, and a small but significant price increase by broadcast television spot advertising providers would not be made unprofitable by advertisers switching to internet-based advertising.

13. Broadcast television stations generally can identify advertisers with strong preferences for using broadcast television advertising. Broadcast television stations negotiate prices individually with advertisers and consequently can charge different advertisers different prices. During the individualized negotiations on price and available advertising slots that commonly occur between advertisers and broadcast television stations, advertisers provide stations with information about their advertising needs, including their target audience. Broadcast television stations could profitably raise prices to those advertisers who view broadcast television as a necessary advertising medium, either as their sole means of advertising or as a necessary part of a total advertising plan.

14. Accordingly, the sale of broadcast television spot advertising is a line of commerce under Section 7 of the Clayton Act and a relevant product market for purposes of analyzing the proposed acquisition under Section 7 of the Clayton Act.

#### *B. Each of the Divestiture Markets Is a Relevant Geographic Market*

15. DMAs are geographic units defined by the A.C. Nielsen Company, a firm that surveys television viewers and furnishes broadcast television stations, advertisers, and advertising agencies in a particular area with data to aid in evaluating audience size and composition. DMAs are ranked according to the number of households they contain. Signals from broadcast television stations located in a DMA Market reach viewers located

throughout the DMA, but signals from broadcast television stations located outside the DMA reach few viewers within the DMA. DMAs are used to analyze revenues and shares of broadcast television stations in the *Investing in Television BIA Market Report 2014* (1st edition), a standard industry reference.

16. Advertisers use broadcast television stations within each of the DMA Markets to reach the largest possible number of viewers across the DMA. Some of these advertisers are located in each of the DMA Markets and need to reach customers there; others are regional or national businesses that want to target consumers across each of the DMA Markets. Advertising on television stations outside each of the DMA Markets is not an alternative for these advertisers because such stations cannot be viewed by a significant number of potential customers within each of the DMAs. Thus, if there were a small but significant increase in broadcast television spot advertising prices within a specific DMA Market, an insufficient number of advertisers would switch advertising purchases to television stations outside that DMA to render the price increase unprofitable.

17. Accordingly, each of the DMA Markets is a section of the country under Section 7 of the Clayton Act and a relevant geographic market for the sale of broadcast television spot advertising for purposes of analyzing the proposed acquisition under Section 7 of the Clayton Act.

#### *C. The Proposed Acquisition Would Harm Competition in Each of the DMA Markets*

18. Broadcast television stations compete for advertisers through programming that attracts viewers to their stations. In developing their own programming and in considering the programming of the networks with which they may be affiliated, broadcast television stations try to select programs that appeal to the greatest number of viewers and to differentiate their stations from others in the same DMA by appealing to specific demographic groups. Advertisers, in turn, are interested in using broadcast television spot advertising to reach both a large audience and a high proportion of the type of viewers that are most likely to buy their products.

19. Broadcast station ownership in each of the DMA Markets is already significantly concentrated. In each of these markets, four stations, each affiliated with a major network, had more than 90 percent of gross advertising revenues in 2013. In the

Mobile, Alabama/Pensacola, Florida DMA, the three stations that Media General and LIN operate have approximately 54 percent of all television station gross advertising revenues in that DMA. In the Birmingham, Alabama DMA, the two stations that Media General and LIN operate have approximately 34 percent of all television station gross advertising revenues in that DMA. In the Savannah, Georgia DMA, the three stations that Media General and LIN operate have approximately 55 percent of all television station gross advertising revenues in that DMA. In the Providence, Rhode Island/New Bedford, Massachusetts DMA, the three stations that Media General and LIN operate have approximately 83 percent of all television station gross advertising revenues in that DMA. In the Green Bay/Appleton, Wisconsin DMA, the three stations that Media General and LIN operate have approximately 59 percent of all television station gross advertising revenues in that DMA.

20. Using the Herfindahl-Hirschman Index (“HHI”), a standard measure of market concentration (defined and explained in Appendix A), a combination of Media General’s and LIN’s broadcast television stations in each of the DMA markets would result in both a large change in concentration and a highly concentrated market. The post-acquisition HHI in each of the DMA Markets would be over 2500 with an increase in the HHI of more than 500 points. Under the Horizontal Merger Guidelines issued by the Department of Justice and the Federal Trade Commission, mergers resulting in highly concentrated markets (with an HHI in excess of 2500) and with an increase in the HHI of more than 200 points are presumed to be likely to enhance market power.

21. In addition to increasing concentration in the DMA Markets, the proposed transaction combines stations that are close substitutes and vigorous competitors in markets with limited alternatives. In each of the DMA Markets, Defendants have broadcast stations that are affiliated with the major national television networks, ABC, CBS, NBC, and FOX. Their respective affiliations with those networks, and their local news operations, provide Defendants’ stations with a variety of competing programming options that are often each other’s next-best or second-best substitutes for many viewers and advertisers.

22. Advertisers benefit from Defendants’ head-to-head competition in the sale of broadcast television spot advertising in each of the DMA Markets.

Advertisers purposefully spread their advertising dollars across numerous spot advertising suppliers to reach their marketing goals most efficiently. After the proposed acquisition, advertisers in each of the DMA Markets would likely find it more difficult to “buy around” the Defendants’ combined stations in response to higher advertising rates, than to “buy around” Media General’s stations or LIN’s stations, as separate entities, as they could have done before the proposed acquisition. Because a significant number of advertisers would likely be unable to reach their desired audiences as effectively unless they advertise on at least one station that Media General would control after the proposed acquisition, those advertisers’ bargaining positions would be weaker, and the advertising rates they pay would likely increase.

23. Accordingly, the proposed acquisition is likely to substantially reduce competition and will restrain trade in the sale of broadcast television spot advertising in each of the DMA Markets.

#### *D. Lack of Countervailing Factors*

##### *1. Entry and Expansion Are Unlikely*

24. De novo entry into each of the DMA Markets is unlikely. The FCC regulates entry through the issuance of broadcast television licenses, which are difficult to obtain because the availability of spectrum is limited and the regulatory process associated with obtaining a license is lengthy. Even if a new signal became available, commercial success would come, at best, over a period of many years. In each of the DMA Markets, all of the major broadcast networks (CBS, NBC, ABC, FOX) are already affiliated with a licensee, the contracts last for many years, and the broadcast networks rarely switch licensees when the contracts expire. Thus, entry into each DMA Market’s broadcast television spot advertising market would not be timely, likely, or sufficient to deter Media General from engaging in anticompetitive price increases or other anticompetitive conduct after the proposed acquisition occurs.

25. Other broadcast television stations in each of the DMA Markets could not readily increase their advertising capacity or change their programming sufficiently in response to a price increase by Defendants. The number of 30-second spots in a DMA is largely fixed by programming and time constraints. This fact makes the pricing of spots very responsive to changes in demand. During so-called political years, for example, political

advertisements crowd out commercial advertising and make the spots available for commercial advertisers more expensive than they would be in nonpolitical years. Adjusting programming in response to a pricing change is risky, difficult, and time-consuming. Network affiliates are often committed to the programming provided by the network with which they are affiliated, and it often takes years for a station to build its audience. Programming schedules are complex and carefully constructed, taking many factors into account, such as audience flow, station identity, and program popularity. In addition, stations typically have multi-year contractual commitments for individual shows. Accordingly, a television station is unlikely to change its programming sufficiently or with sufficient rapidity to overcome a small but significant price increase imposed by Defendants.

##### *2. The Alleged Efficiencies Do Not Offset the Harm*

26. Although Defendants assert that the proposed acquisition would produce efficiencies, they cannot demonstrate acquisition-specific and cognizable efficiencies that would be sufficient to offset the proposed acquisition’s anticompetitive effects.

#### **V. Violations Alleged**

27. Plaintiff hereby repeats and realleges the allegations of paragraphs 1 through 26 as if fully set forth herein.

28. The proposed acquisition likely would lessen competition substantially in interstate trade and commerce, in violation of Section 7 of the Clayton Act, 15 U.S.C. 18. The proposed acquisition likely would have the following effects, among others:

a. Competition in the sale of broadcast television spot advertising in each of the DMA Markets would be lessened substantially;

b. competition among Media General and LIN in the sale of broadcast television spot advertising in each of the DMA Markets would be eliminated; and

c. the prices for spot advertising time on broadcast television stations in each of the DMA Markets would likely increase.

29. Unless restrained, the proposed acquisition would violate Section 7 of the Clayton Act, 15 U.S.C. 18.

#### **VI. Request for Relief**

30. Plaintiff requests:

d. That the Court adjudge the proposed merger to violate Section 7 of the Clayton Act, 15 U.S.C. 18;

e. that the Court permanently enjoin and restrain Defendants from carrying

out the transaction, or entering into any other agreement, understanding, or plan by which Media General would acquire LIN, unless Defendants divest the broadcast television stations in accordance with the proposed Final Judgment and Hold Separate Stipulation and Order filed concurrently with this Complaint;

f. that the proposed Final Judgment giving effect to the divestitures be entered by the Court after compliance with the Antitrust Procedures and Penalties Act, 15 U.S.C. 16;

g. that the Court award Plaintiff the costs of this action; and

h. that the Court award such other relief to Plaintiff as the Court may deem just and proper.

Respectfully submitted,  
For Plaintiff United States:

/s/  
William J. Baer (D.C. Bar #324723)  
Assistant Attorney General

/s/  
David I. Gelfand (D.C. Bar #416596)  
Deputy Assistant Attorney General

/s/  
Patricia A. Brink  
Director of Civil Enforcement

/s/  
David C. Kully  
Chief, Litigation III Section  
Mark A. Merva\* (D.C. Bar #451743)  
Anupama Sawkar  
Trial Attorneys, United States Department of Justice, Antitrust Division, Litigation III Section, 450 Fifth Street NW., Suite 4000, Washington, DC 20530, Phone: 202-616-1398, Facsimile: 202-514-7308  
Email: Mark.Merva@usdoj.gov

\*Attorney of Record

Dated: October 30, 2014

## Appendix A—Herfindahl-Hirschman Index

The term “HHI” means the Herfindahl-Hirschman Index, a commonly accepted measure of market concentration. The HHI is calculated by squaring the market share of each firm competing in the market and then summing the resulting numbers. For example, for a market consisting of four firms with shares of 30, 30, 20, and 20 percent, the HHI is 2,600 ( $30^2 + 30^2 + 20^2 + 20^2 = 2,600$ ). The HHI takes into account the relative size distribution of the firms in a market. It approaches zero when a market is occupied by a large number of firms of relatively equal size and reaches its maximum of 10,000 points when a market is controlled by a single firm. The HHI increases both as the number of firms in the market decreases and as the disparity in size between those firms increases. Markets in which the HHI is between 1,500 and 2,500 points are considered to be moderately concentrated, and markets in which the HHI is in excess of 2,500 points are considered to be highly concentrated. See U.S. Department of Justice & FTC, *Horizontal Merger Guidelines* § 5.3

(2010). Transactions that increase the HHI by more than 200 points in highly concentrated markets presumptively raise antitrust concerns under the *Horizontal Merger Guidelines* issued by the Department of Justice and the Federal Trade Commission. See *id.*

## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

*United States of America, Plaintiff, v. Media General, Inc., and LIN Media LLC, Defendants.*

Case No. 1:14-cv-01823

Judge: Hon. Emmet G. Sullivan

Filed: 10/30/2014

## Competitive Impact Statement

Pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act (“APPA” or “Tunney Act”), 15 U.S.C. 16(b)-(h), plaintiff United States of America (“United States”) files this Competitive Impact Statement relating to the proposed Final Judgment submitted for entry in this civil antitrust proceeding.

## I. Nature and Purpose of the Proceeding

Defendants Media General, Inc. (“Media General”) and LIN Media LLC (“LIN”) entered into a Purchase Agreement, dated March 21, 2014, pursuant to which Media General would acquire LIN. Under the Purchase Agreement, LIN shareholders would receive approximately \$1.5 billion in a combination of stock and cash. Defendants compete head-to-head in the sale of broadcast television spot advertising in the following Designated Market Areas (“DMAs”): Mobile, Alabama/Pensacola, Florida; Birmingham, Alabama; Savannah, Georgia; Providence, Rhode Island/New Bedford, Massachusetts; and Green Bay/Appleton, Wisconsin (collectively “the DMA Markets”).

The United States filed a civil antitrust Complaint on October 30, 2014, seeking to enjoin the proposed acquisition. The Complaint alleges that the likely effect of the acquisition would be to lessen competition substantially and increase broadcast television spot advertising prices in each of the DMA Markets in violation of Section 7 of the Clayton Act, 15 U.S.C. 18.

At the same time the Complaint was filed, the United States also filed a Hold Separate Stipulation and Order (“Hold Separate”) and proposed Final Judgment, which are designed to eliminate the anticompetitive effects of the proposed acquisition. Under the proposed Final Judgment, which is explained more fully below, Defendants are required to divest the Divestiture Assets (collectively, the “Divestiture

Stations”) to Acquirers approved by the United States in a manner that preserves competition in each of the DMA Markets: WVTM-TV, located in the Birmingham, Alabama DMA; WJCL and WTGS, both located in the Savannah, Georgia DMA; WALA-TV, located in the Mobile, Alabama/Pensacola, Florida DMA; WJAR, located in the Providence, Rhode Island/New Bedford, Massachusetts DMA; and WLUK-TV and WCWF, both located in the Green Bay/Appleton, Wisconsin DMA. The Hold Separate requires Defendants to take certain steps to ensure that the Divestiture Stations are operated as competitively independent, economically viable, and ongoing businesses that will remain independent and uninfluenced by the consummation of the acquisition that competition is maintained during the pendency of the ordered divestitures.

The United States and Defendants have stipulated that the proposed Final Judgment may be entered after compliance with the APPA. Entry of the proposed Final Judgment would terminate this action, except that the Court would retain jurisdiction to construe, modify, or enforce the provisions of the proposed Final Judgment and to punish violations thereof.

## II. Description of the Events Giving Rise to the Alleged Violation

### A. The Defendants and the Proposed Acquisition

Media General is incorporated in the Commonwealth of Virginia, with its headquarters in Richmond, Virginia. Media General owns and operates 31 broadcast television stations in 29 metropolitan areas. It owns and operates broadcast television stations in each of the DMA Markets.

LIN is a Delaware corporation, with its headquarters in Austin, Texas. LIN owns and operates, or provides programming, operating, or sales services to more than 50 stations in 23 metropolitan areas. It also owns and operates, or provides programming, operating, or sales services to broadcast television stations in each of the DMA Markets.

The proposed acquisition would lessen competition substantially in the sale of broadcast television spot advertising in each of the DMA Markets. This acquisition is the subject of the Complaint and proposed Final Judgment filed by the United States on October 30, 2014.

## *B. Anticompetitive Consequences of the Transaction*

### 1. The Relevant Product

The Complaint alleges that the sale of broadcast television spot advertising constitutes a relevant product market for analyzing this acquisition under Section 7 of the Clayton Act. Television stations attract viewers through their programming and then sell advertising time to businesses wanting to advertise their products to those television viewers. Advertisers purchase broadcast television spot advertising to target potential customers in specific DMAs. Spot advertising differs from network and syndicated television advertising, which are sold on a nationwide basis by major television networks and by producers of syndicated programs and are broadcast in every market area in which the network or syndicated program is aired.

Broadcast television spot advertising possesses a unique combination of attributes that sets it apart from advertising using other types of media. Television combines sight, sound, and motion, thereby creating a more memorable advertisement. Broadcast television spot advertising generally reaches the largest percentage of potential customers in a targeted geographic area and is therefore especially effective in introducing, establishing, and maintaining a product's image.

Because of this unique combination of attributes, broadcast television spot advertising has no close substitute for a significant number of advertisers. Spot advertising on subscription television channels and internet-based video advertising lack the same reach; radio spots lack the visual impact; and newspaper and billboard ads lack sound and motion, as do many internet search engine and Web site banner ads. Through information provided during individualized price negotiations, stations can readily identify advertisers with strong preferences for using broadcast television spot advertising and ultimately can charge different advertisers different prices. Consequently, a small but significant price increase in broadcast television spot advertising is unlikely to cause enough advertising customers to switch advertising purchases to other media to make the price increase unprofitable.

### 2. The Relevant Markets

The Complaint alleges that each of the DMA Markets constitutes a relevant geographic market for purposes of analyzing this acquisition under Section 7 of the Clayton Act. A.C. Nielsen

Company defines DMAs as specific geographic units for advertising purposes. Signals from full-powered television stations in each of the DMA Markets reach viewers throughout that DMA, so advertisers can use television stations in each of the DMA Markets to target the largest possible number of viewers within each of those markets. Some of these advertisers are located in each of the DMA Markets and are trying to reach consumers that live in that specific market; others are regional or national businesses wanting to target consumers in a specific area. Advertising on television stations outside each of the DMA Markets is not an alternative for either local, regional, or national advertisers, because signals from television stations outside each of the DMA Markets reach relatively few viewers within each of those DMAs. Thus, advertising on those stations outside a DMA does not reach a significant number of potential customers within the DMA.

### 3. Harm to Competition in Each of the DMA Markets

The Complaint alleges that the proposed acquisition likely would lessen competition substantially in interstate trade and commerce, in violation of Section 7 of the Clayton Act, 15 U.S.C. 18, and likely would have the following effects, among others:

- (a) Competition in the sale of broadcast television spot advertising in each of the DMA Markets would be lessened substantially;
- (b) competition between Media General broadcast television stations and LIN broadcast television stations in the sale of broadcast television spot advertising in each of the DMA Markets would be eliminated; and
- (c) the prices for spot advertising time on broadcast television stations in each of the DMA Markets likely would increase.

Both Defendants own and operate network-affiliated broadcast television stations in each of the DMA Markets. The acquisition, by eliminating LIN as a separate competitor and combining its operations with Media General, would allow the combined entity to increase its market share of the broadcast television spot advertising and revenues in each of the DMA Markets. In the Mobile, Alabama/Pensacola, Florida DMA, combining the three stations that Defendants operate would give Media General approximately 54 percent of all television station gross advertising revenues in that DMA. In the Birmingham, Alabama DMA, combining the two stations that Defendants operate would give Media General

approximately 34 percent of all television station gross advertising revenues in that DMA. In the Savannah, Georgia DMA, combining the three stations that Defendants operate would give Media General approximately 55 percent of all television station gross advertising revenues in that DMA. In the Providence, Rhode Island/New Bedford, Massachusetts DMA, combining the three stations that Defendants operate would give Media General approximately 83 percent of all television station gross advertising revenues in that DMA. Finally, in the Green Bay/Appleton, Wisconsin DMA, combining the three stations that Defendants operate would give Media General approximately 59 percent of all television station gross advertising revenues in that DMA. In addition to increasing Media General's share of broadcast television spot advertising revenue in each of the DMA Markets, the proposed acquisition would increase substantially its concentration in each of the DMA Markets.

Using the Herfindahl-Hirschman Index ("HHI"), a standard measure of market concentration (defined and explained in Appendix A to the Complaint), the post-acquisition HHI in each of the DMA Markets would be over 2500 with an increase in the HHI of more than 500 points in each of those markets. Under the Horizontal Merger Guidelines issued by the Department of Justice and Federal Trade Commission, mergers resulting in highly concentrated markets (with an HHI in excess of 2500) with an increase in the HHI of more than 200 points are presumed to be likely to enhance market power.

The transaction also combines stations that are close substitutes and vigorous competitors in a product market with limited alternatives. In each of the DMA Markets, Defendants have broadcast stations that are affiliated with the major national television networks, ABC, CBS, NBC, and FOX. Their respective affiliations with those networks, and their local news operations, provide Defendants' stations with a variety of competing programming options that are often each other's next-best or second-best substitutes for viewers and advertisers.

Currently, Defendants' stations that overlap in the same DMA Market compete for the business of local, regional, and national firms seeking to advertise on broadcast television stations. Advertisers benefit from this competition. Thus, the proposed acquisition is likely to eliminate this head-to-head competition and therefore, could enable Defendants to raise prices for broadcast spot advertising.

#### 4. Lack of Countervailing Factors

The Complaint alleges that entry or expansion in each of the DMA Markets' television spot advertising market would not be timely, likely, or sufficient to prevent any anticompetitive effects. New entry is unlikely since any new station would require an FCC license, which is difficult to obtain. Even if a new station became operational, commercial success would come over a period of many years. The number of 30-second spots available at a station is generally fixed, and additional slots cannot be created. Adjusting programming in response to a pricing change is difficult and time-consuming. Programming schedules are complex and carefully constructed, and television stations often have multi-year contractual commitments for individual shows or are otherwise committed to programming provided by their affiliated network. Accordingly, other television stations in each of the DMA Markets could not readily increase their advertising capacity or change their programming in response to a small but significant price increase by Media General.

### III. Explanation of the Proposed Final Judgment

The divestiture requirement of the proposed Final Judgment will eliminate the anticompetitive effects of the transaction in each of the DMA Markets by maintaining the Divestiture Stations as independent, economically viable competitors.<sup>1</sup> The proposed Final Judgment requires Defendants to make the following divestitures: To Hearst Television: WVTM-TV, located in Birmingham, Alabama and WJCL, located in Savannah, Georgia; to Meredith Corporation: WALA-TV, located in Mobile, Alabama; and to

Sinclair Broadcast Group: WJAR, located in Providence, Rhode Island, WLUK-TV and WCWF, both located in Green Bay, Wisconsin, and WTGS, located in Savannah, Georgia.<sup>2</sup> The United States has approved each of these divestitures in order to provide greater certainty and efficiency in the divestiture process. Defendants must take all reasonable steps necessary to accomplish the divestiture quickly. If Defendants do not sell the assets to the approved buyers, they shall cooperate with prospective purchasers to accomplish the divestiture expeditiously to other Acquirers in such a way as to satisfy the United States in its sole discretion that the Divestiture Stations can and will be operated by a purchaser as a viable, ongoing business that can compete effectively in the relevant market.

The "Divestiture Assets" are defined in Paragraph II.O of the proposed Final Judgment to include all assets principally devoted to and necessary for the operation of the Divestiture Stations. These Divestiture Assets are essentially the same assets that Defendants would have operated under the Asset Purchase Agreement. The assets include real property, equipment, FCC licenses, contracts, intellectual property rights, programming materials, and customer lists maintained by Media General or LIN in connection with each of the Divestiture Stations. These do not include assets that are not principally devoted to or necessary for the operation of each of the Divestiture Stations, but are used to support multiple stations. Thus, Media General will be able to retain back-office systems or other assets and contracts used to support multiple broadcast television stations, and which an Acquirer with experience operating broadcast television stations can supply for itself.

To ensure that each of the Divestiture Stations is operated as an independent, economically viable competitor after the divestitures, Section XI of the proposed Final Judgment prohibit Defendants from entering into any agreements during the term of the Final Judgment that create a long-term relationship with any of the Acquirers of the Divestiture Stations after the divestitures are completed. Examples of prohibited agreements include options to repurchase or assign interests in any of the Divestiture Stations; agreements to

provide financing or guarantees for financing; local marketing agreements, joint sales agreements, or any other cooperative selling arrangements; shared services agreements; and agreements to jointly conduct any business negotiations with the Acquirers with respect to any of the Divestiture Stations. This shared services prohibition does not preclude agreements limited to helicopter sharing and stock video pooling in the forms that are customary in the industry. It also does not preclude other non-sales-related agreements approved in advance by the United States in its sole discretion. These limited exceptions do not permit Defendants to enter into broad news-sharing agreements with respect to any of the Divestiture Stations. The United States in its sole discretion may approve in writing of any transition services agreement that may be necessary to facilitate the continuous operations of the Divestiture Assets until the Acquirers can provide such capabilities independently. The terms and conditions of any such transition services agreement shall be subject to the approval of the United States, in its sole discretion. These transition services agreements will allow each of the Divestiture Stations to continue its operations as an independent, ongoing, economically viable, and active competitor in the broadcast television spot advertising business.

Defendants are required to take all steps reasonably necessary to accomplish the divestitures quickly and to cooperate with prospective purchasers. Because transferring the broadcast license for each of the Divestiture Stations requires FCC approval, Defendants are specifically required to use their best efforts to obtain all necessary FCC approvals as expeditiously as possible. The divestiture of each of the Divestiture Stations must occur within ninety (90) calendar days after the filing of the Hold Separate in this matter or five (5) calendar days after notice that the Court has entered the Final Judgment, whichever is later, subject to Defendants' receipt of any necessary FCC order pertaining to the divestiture. The United States, in its sole discretion, may agree to one or more extensions of this time period not to exceed sixty (60) calendar days in total, and shall notify the Court in such circumstances. If FCC applications to assign or transfer licenses to the Acquirers of the Divestiture Stations have been filed within the period permitted for divestiture, but an order or other

<sup>1</sup> The United States' evaluation of the merger of Media General and LIN concerned the likely competitive effects of the merger, and did not consider whether pre-existing agreements among participants in the DMA Markets might restrain competition. For instance, the United States is aware that, before Defendants entered their agreement to merge, LIN had a pre-existing local marketing agreement (LMA) in Providence with the owner of the Fox affiliate. Following the divestitures required under the proposed Final Judgment, Media General will replace LIN under the LMA. Because the United States has not investigated the competitive effects of these agreements as part of its evaluation of the merger, the proposed Final Judgment does not address them. We understand, however, that LMAs or other agreements in these markets may be subject to the requirements established in the Federal Communications Commission's Report and Order in its *2014 Quadrennial Regulatory Review—Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, MB Docket No. 14–50, FCC 14–28 (Apr. 15, 2014).

<sup>2</sup> Vaughan Acquisition LLC owns certain equity interests in WTGS, and Defendant LIN holds an option to purchase Vaughan's equity interests in WTGS. LIN and Vaughan have entered into an Option Exercise Agreement pursuant to which LIN will exercise its option for Sinclair's benefit upon consummation of Media General's merger with LIN.

dispositive action by FCC on such applications has not been issued before the end of the period permitted for divestiture, the period shall be extended with respect to divestiture of the Divestiture Stations for which no FCC order has issued until five (5) days after such order is issued.

If the divestitures do not occur within the prescribed timeframe in Section VI (A) of the proposed Final Judgment, the proposed Final Judgment provides that the Court, upon application of the United States, will appoint a Divestiture Trustee selected by the United States to sell any of the Divestiture Stations that have not been divested. The Defendants will pay all costs and expenses of the Divestiture Trustee. The Divestiture Trustee's commission will be structured to provide an incentive for the Divestiture Trustee based on the price obtained and the speed with which the divestiture is accomplished. The Divestiture Trustee would file monthly reports with the Court and the United States describing efforts to divest the remaining stations. If the divestiture has not been accomplished after six (6) months, the Divestiture Trustee and the United States will make recommendations to the Court, which shall enter such orders as appropriate, to carry out the purpose of the trust.

#### IV. Remedies Available to Potential Private Litigants

Section 4 of the Clayton Act, 15 U.S.C. 15, provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover three times the damages the person has suffered, as well as costs and reasonable attorneys' fees. Entry of the proposed Final Judgment will neither impair nor assist the bringing of any private antitrust damage action. Under the provisions of Section 5(a) of the Clayton Act, 15 U.S.C. 16(a), the proposed Final Judgment has no prima facie effect in any subsequent private lawsuit that may be brought against Defendants.

#### V. Procedures Available for Modification of the Proposed Final Judgment

The United States and Defendants have stipulated that the proposed Final Judgment may be entered by the Court after compliance with the provisions of the APPA, provided that the United States has not withdrawn its consent. The APPA conditions entry upon the Court's determination that the proposed Final Judgment is in the public interest.

The APPA provides a period of at least sixty (60) days preceding the effective date of the proposed Final

Judgment within which any person may submit to the United States written comments regarding the proposed Final Judgment. Any person who wishes to comment should do so within sixty (60) days of the date of publication of this Competitive Impact Statement in the **Federal Register**, or the last date of publication in a newspaper of the summary of this Competitive Impact Statement, whichever is later. All comments received during this period will be considered by the U.S. Department of Justice, which remains free to withdraw its consent to the proposed Final Judgment at any time prior to the Court's entry of judgment. The comments and the response of the United States will be filed with the Court. In addition, comments will be posted on the United States Department of Justice, Antitrust Division's internet Web site and, under certain circumstances, published in the **Federal Register**.

Written comments should be submitted to: David C. Kully, Chief, Litigation III Section, Antitrust Division, United States Department of Justice, 450 5th Street NW., Suite 4000, Washington, DC 20530. The proposed Final Judgment provides that the Court retains jurisdiction over this action, and Defendants may apply to the Court for any order necessary or appropriate for the modification, interpretation, or enforcement of the Final Judgment.

#### VI. Alternatives to the Proposed Final Judgment

The United States considered, as an alternative to the proposed Final Judgment, a full trial on the merits against Defendants. The United States could have continued the litigation and sought preliminary and permanent injunctions against Media General's acquisition of LIN. The United States is satisfied, however, that the divestiture of assets described in the proposed Final Judgment will preserve competition for the sale of broadcast television spot advertising in each of the DMA Markets. Thus, the proposed Final Judgment would achieve all or substantially all of the relief the United States would have obtained through litigation, but avoids the time, expense, and uncertainty of a full trial on the merits of the Complaint.

#### VII. Standard of Review Under the APPA for the Proposed Final Judgment

The Clayton Act, as amended by the APPA, requires that proposed consent judgments in antitrust cases brought by the United States be subject to a sixty-day comment period, after which the court shall determine whether entry of

the proposed Final Judgment "is in the public interest." 15 U.S.C. 16(e)(1). In making that determination, the court, in accordance with the statute as amended in 2004, is required to consider:

(A) The competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration of relief sought, anticipated effects of alternative remedies actually considered, whether its terms are ambiguous, and any other competitive considerations bearing upon the adequacy of such judgment that the court deems necessary to a determination of whether the consent judgment is in the public interest; and

(B) the impact of entry of such judgment upon competition in the relevant market or markets, upon the public generally and individuals alleging specific injury from the violations set forth in the complaint including consideration of the public benefit, if any, to be derived from a determination of the issues at trial.

15 U.S.C. 16(e)(1)(A) & (B). In considering these statutory factors, the court's inquiry is necessarily a limited one as the government is entitled to "broad discretion to settle with the defendant within the reaches of the public interest." *United States v. Microsoft Corp.*, 56 F.3d 1448, 1461 (D.C. Cir. 1995); *see generally United States v. SBC Commc'ns, Inc.*, 489 F. Supp. 2d 1 (D.D.C. 2007) (assessing public interest standard under the Tunney Act); *United States v. InBev N.V./S.A.*, 2009–2 Trade Cas. (CCH) ¶ 76,736, 2009 U.S. Dist. LEXIS 84787, No. 08–1965 (JR), at \*3, *InBev N.V./S.A.*, 2009–2 Trade Cas. (CCH) ¶ 76,736, 2009 U.S. Dist. LEXIS 84787, No. 08–1965 (JR), at \*3, (D.D.C. Aug. 11, 2009) (noting that the court's review of a consent judgment is limited and only inquires "into whether the government's determination that the proposed remedies will cure the antitrust violations alleged in the complaint was reasonable, and whether the mechanism to enforce the final judgment are clear and manageable." ).<sup>3</sup>

As the United States Court of Appeals for the District of Columbia Circuit has held, under the APPA a court considers, among other things, the relationship between the remedy secured and the specific allegations set forth in the government's complaint, whether the decree is sufficiently clear, whether the enforcement mechanisms are sufficient,

<sup>3</sup> The 2004 amendments substituted "shall" for "may" in directing relevant factors for court to consider and amended the list of factors to focus on competitive considerations and to address potentially ambiguous judgment terms. *Compare* 15 U.S.C. 16(e) (2004) *with* 15 U.S.C. 16(e)(1) (2006); *see also SBC Commc'ns*, 489 F. Supp. 2d at 11 (concluding that the 2004 amendments "effected minimal changes" to Tunney Act review).

and whether the decree may positively harm third parties. *See Microsoft*, 56 F.3d at 1458–62. With respect to the adequacy of the relief secured by the decree, a court may not “engage in an unrestricted evaluation of what relief would best serve the public.” *United States v. BNS, Inc.*, 858 F.2d 456, 462 (9th Cir. 1988) (quoting *United States v. Bechtel Corp.*, 648 F.2d 660, 666 (9th Cir. 1981)); *see also Microsoft*, 56 F.3d at 1460–62; *United States v. Alcoa, Inc.*, 152 F. Supp. 2d 37, 40 (D.D.C. 2001); *InBev*, 2009 U.S. Dist. LEXIS 84787, at \*3. Courts have held that:

[t]he balancing of competing social and political interests affected by a proposed antitrust consent decree must be left, in the first instance, to the discretion of the Attorney General. The court’s role in protecting the public interest is one of insuring that the government has not breached its duty to the public in consenting to the decree. The court is required to determine not whether a particular decree is the one that will best serve society, but whether the settlement is “within the reaches of the public interest.” More elaborate requirements might undermine the effectiveness of antitrust enforcement by consent decree.

*Bechtel*, 648 F.2d at 666 (emphasis added) (citations omitted).<sup>4</sup> In determining whether a proposed settlement is in the public interest, a district court “must accord deference to the government’s predictions about the efficacy of its remedies, and may not require that the remedies perfectly match the alleged violations.” *SBC Commc’ns*, 489 F. Supp. 2d at 17; *see also U.S. Airways*, 2014 U.S. Dist. LEXIS 57801, at \*16 (noting that a court should not reject the proposed remedies because it believes others are preferable); *Microsoft*, 56 F.3d at 1461 (noting the need for courts to be “deferential to the government’s predictions as to the effect of the proposed remedies”); *United States v. Archer-Daniels-Midland Co.*, 272 F. Supp. 2d 1, 6 (D.D.C. 2003) (noting that the court should grant due respect to the United States’ prediction as to the effect of proposed remedies, its perception of the market structure, and its views of the nature of the case).

Courts have greater flexibility in approving proposed consent decrees

than in crafting their own decrees following a finding of liability in a litigated matter. “[A] proposed decree must be approved even if it falls short of the remedy the court would impose on its own, as long as it falls within the range of acceptability or is ‘within the reaches of public interest.’” *United States v. Am. Tel. & Tel. Co.*, 552 F. Supp. 131, 151 (D.D.C. 1982) (citations omitted) (quoting *United States v. Gillette Co.*, 406 F. Supp. 713, 716 (D. Mass. 1975)), *aff’d sub nom. Maryland v. United States*, 460 U.S. 1001 (1983); *see also U.S. Airways*, 2014 U.S. Dist. LEXIS 57801, at \*8 (noting that room must be made for the government to grant concessions in the negotiation process for settlements (citing *Microsoft*, 56 F.3d at 1461); *United States v. Alcan Aluminum Ltd.*, 605 F. Supp. 619, 622 (W.D. Ky. 1985) (approving the consent decree even though the court would have imposed a greater remedy). To meet this standard, the United States “need only provide a factual basis for concluding that the settlements are reasonably adequate remedies for the alleged harms.” *SBC Commc’ns*, 489 F. Supp. 2d at 17.

Moreover, the court’s role under the APPA is limited to reviewing the remedy in relationship to the violations that the United States has alleged in its Complaint, and does not authorize the court to “construct [its] own hypothetical case and then evaluate the decree against that case.” *Microsoft*, 56 F.3d at 1459; *see also U.S. Airways*, 2014 U.S. Dist. LEXIS 57801, at \*9 (noting that the court must simply determine whether there is a factual foundation for the government’s decisions such that its conclusions regarding the proposed settlements are reasonable; *InBev*, 2009 U.S. Dist. LEXIS 84787, at \*20 (“the ‘public interest’ is not to be measured by comparing the violations alleged in the complaint against those the court believes could have, or even should have, been alleged”). Because the “court’s authority to review the decree depends entirely on the government’s exercising its prosecutorial discretion by bringing a case in the first place,” it follows that “the court is only authorized to review the decree itself,” and not to “effectively redraft the complaint” to inquire into other matters that the United States did not pursue. *Microsoft*, 56 F.3d at 1459–60. As this Court recently confirmed in *SBC Communications*, courts “cannot look beyond the complaint in making the public interest determination unless the complaint is drafted so narrowly as to make a mockery of judicial power.” *SBC Commc’ns*, 489 F. Supp. 2d at 15.

In its 2004 amendments, Congress made clear its intent to preserve the practical benefits of utilizing consent decrees in antitrust enforcement, adding the unambiguous instruction that “[n]othing in this section shall be construed to require the court to conduct an evidentiary hearing or to require the court to permit anyone to intervene.” 15 U.S.C. 16(e)(2); *see also U.S. Airways*, 2014 U.S. Dist. LEXIS 57801, at \*9 (indicating that a court is not required to hold an evidentiary hearing or to permit intervenors as part of its review under the Tunney Act). The language wrote into the statute what Congress intended when it enacted the Tunney Act in 1974, as Senator Tunney explained: “[t]he court is nowhere compelled to go to trial or to engage in extended proceedings which might have the effect of vitiating the benefits of prompt and less costly settlement through the consent decree process.” 119 Cong. Rec. 24,598 (1973) (statement of Sen. Tunney). Rather, the procedure for the public interest determination is left to the discretion of the court, with the recognition that the court’s “scope of review remains sharply proscribed by precedent and the nature of Tunney Act proceedings.” *SBC Commc’ns*, 489 F. Supp. 2d at 11.<sup>5</sup> A court can make its public interest determination based on the competitive impact statement and response to public comments alone. *U.S. Airways*, 2014 U.S. Dist. LEXIS 57801, at \*9.

#### VIII. Determinative Documents

There are no determinative materials or documents within the meaning of the APPA that were considered by the United States in formulating the proposed Final Judgment.  
Dated: October 30, 2014  
Respectfully submitted,  
/s/

Mark A. Merva \* (D.C. Bar #451743)  
Anupama Sawkar, *Trial Attorneys*,  
United States Department of Justice,  
Antitrust Division, Litigation III Section,

<sup>5</sup> *See United States v. Enova Corp.*, 107 F. Supp. 2d 10, 17 (D.D.C. 2000) (noting that the “Tunney Act expressly allows the court to make its public interest determination on the basis of the competitive impact statement and response to comments alone”); *United States v. Mid-Am. Dairymen, Inc.*, 1977–1 Trade Cas. (CCH) ¶ 61,508, at 71,980 (W.D. Mo. 1977) (“Absent a showing of corrupt failure of the government to discharge its duty, the Court, in making its public interest finding, should . . . carefully consider the explanations of the government in the competitive impact statement and its responses to comments in order to determine whether those explanations are reasonable under the circumstances.”); S. Rep. No. 93–298, 93d Cong., 1st Sess., at 6 (1973) (“Where the public interest can be meaningfully evaluated simply on the basis of briefs and oral arguments, that is the approach that should be utilized.”).

<sup>4</sup> *Cf. BNS*, 858 F.2d at 464 (holding that the court’s “ultimate authority under the [APPA] is limited to approving or disapproving the consent decree”); *United States v. Gillette Co.*, 406 F. Supp. 713, 716 (D. Mass. 1975) (noting that, in this way, the court is constrained to “look at the overall picture not hypercritically, nor with a microscope, but with an artist’s reducing glass”). *See generally Microsoft*, 56 F.3d at 1461 (discussing whether “the remedies [obtained in the decree are] so inconsonant with the allegations charged as to fall outside of the ‘reaches of the public interest’”).

450 Fifth Street NW., Suite 4000,  
Washington, DC 20530, Phone: 202-  
616-1398, Facsimile: 202-514-7308, E-  
mail: Mark.Merva@usdoj.gov

\* Attorney of Record

## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

*United States of America*, Plaintiff, v.  
*Media General, Inc.*, and *LIN Media  
LLC*, Defendants.

Case No. 1:14-cv-01823

Judge: Hon. Emmet G. Sullivan

Filed: 10/30/2014

### Certificate of Service

I, Mark A. Merva, hereby certify that on October 30, 2014, I caused copies of the Complaint, Competitive Impact Statement, Hold Separate Stipulation and Order, Proposed Final Judgment, and Plaintiff's Explanation of Consent Decree Procedures to be served upon Defendants Media General, Inc. and LIN Media LLC. by mailing the documents electronically to the duly authorized legal representatives of Defendants as follows: Counsel for Defendant Media General, Inc.: Richard C. Park (D.C. Bar #458426), Fried, Frank, Harris, Shriver & Jacobson LLP, 801 17th Street NW., Washington, DC 20006, Telephone: 202-639-7064, Facsimile: 202-639-7003, Email: richard.park@friedfrank.com.

Counsel for LIN Media LLC: Deborah A. Garza (D.C. Bar #359259), Covington & Burling LLP, 1201 Pennsylvania Avenue NW., Washington, DC 20004, Telephone: 202-662-5146, Facsimile: 202-778-5146, Email: dgarza@cov.com. Respectfully submitted,  
Mark A. Merva \* (D.C. Bar #451743),  
*Trial Attorney, United States  
Department of Justice, Antitrust  
Division, Litigation III Section, 450 Fifth  
Street NW., Suite 4000, Washington, DC  
20530, Phone: 202-616-1398, Facsimile:  
202-514-7308, E-mail: Mark.Merva@  
usdoj.gov*

\* Attorney of Record

## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

*United States of America*, Plaintiff, v.  
*Media General, Inc.*, and *LIN Media  
LLC*, Defendants.

Case No. 1:14-cv-01823

Judge: Hon. Emmet G. Sullivan

Filed: 10/30/2014

### Proposed Final Judgment

WHEREAS, plaintiff, the United States of America filed its Complaint on October 30, 2014, and Defendant Media General, Inc. ("Media General") and Defendant LIN Media LLC ("LIN"), by

their respective attorneys, have consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law, and without this Final Judgment constituting any evidence against or admission by any party regarding any issue of fact;

AND WHEREAS, Defendants agree to be bound by the provisions of this Final Judgment pending its approval by the Court;

AND WHEREAS, the essence of this Final Judgment is the prompt and certain divestiture of certain rights or assets by the Defendants to assure that competition is not substantially lessened;

AND WHEREAS, the United States requires Defendants to make certain divestitures for the purpose of remedying the loss of competition alleged in the Complaint;

AND WHEREAS, Defendants have represented to the United States that the divestitures required below can and will be made and that Defendants will later raise no claim of hardship or difficulty as grounds for asking the Court to modify any of the divestiture provisions contained below;

NOW THEREFORE, before any testimony is taken, without trial or adjudication of any issue of fact or law, and upon consent of the parties, it is ORDERED, ADJUDGED, AND DECREED:

### I. Jurisdiction

This Court has jurisdiction over each of the parties hereto and over the subject matter of this action. The Complaint states a claim upon which relief may be granted against Defendants under Section 7 of the Clayton Act, as amended, 15 U.S.C. 18.

### II. Definitions

As used in this Final Judgment:

A. "Media General" means Defendant Media General, Inc., a Virginia corporation headquartered in Richmond, Virginia, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

B. "LIN" means Defendant LIN Media LLC, a Delaware corporation headquartered in Austin, Texas, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

C. "Acquirer" means Hearst Television Inc., Meredith Corporation, Sinclair Broadcast Group, Inc., or another entity to whom Defendants divest any of the Divestiture Assets.

D. "Hearst" means Hearst Television Inc., a Delaware corporation headquartered in New York, NY, its successor and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

E. "Meredith" means Meredith Corporation, an Iowa corporation headquartered in Des Moines, IA, its successor and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

F. "Sinclair" means Sinclair Broadcast Group, Inc., a Maryland corporation headquartered in Hunt Valley, Maryland, its successor and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

G. "DMA" means Designated Market Area as defined by A.C. Nielsen Company based upon viewing patterns and used by the *Investing in Television BIA Market Report 2014* (1st edition). DMAs are ranked according to the number of households therein and are used by broadcasters, advertisers, and advertising agencies to aid in evaluating television audience size and composition.

H. "WVTM-TV" means the NBC-affiliated broadcast television station located in the Birmingham, Alabama DMA owned by Defendant Media General.

I. "WJCL" means the ABC-affiliated broadcast television station located in the Savannah, Georgia DMA owned by Defendant LIN.

J. "WALA-TV" means the Fox-affiliated broadcast television station located in the Mobile, Alabama/Pensacola, Florida DMA owned by Defendant LIN.

K. "WJAR" means the NBC-affiliated broadcast television station located in the Providence, Rhode Island/New Bedford, Massachusetts DMA owned by Defendant Media General.

L. "WLUK-TV" means the Fox-affiliated broadcast television station located in the Green Bay/Appleton, Wisconsin DMA owned by Defendant LIN.

M. "WCWF" means the CW-affiliated broadcast television station located in the Green Bay/Appleton, Wisconsin DMA owned by Defendant LIN.

N. "WTGS" means the Fox-affiliated broadcast television station located in the Savannah, Georgia DMA.

O. "Divestiture Assets" means all assets, tangible or intangible, principally devoted to and necessary for the

operations of WVTM-TV, WJCL, WALA-TV, WJAR, WLUK-TV, WCWF, and WTGS as viable, ongoing commercial broadcast television stations, including, but not limited to, all real property (owned or leased) principally devoted to and necessary for the operation of the stations, all broadcast equipment, office equipment, office furniture, fixtures, materials, supplies, and other tangible property principally devoted to and necessary for the operation of the stations; all licenses, permits, authorizations, and applications therefore issued by the Federal Communications Commission ("FCC") and other government agencies related to the stations; all contracts (including programming contracts and rights), agreements, network affiliation agreements, leases, and commitments and understandings of Defendants principally devoted to and necessary for the operation of the stations; all trademarks, service marks, trade names, copyrights, patents, slogans, programming materials, and promotional materials relating to the stations; all customer lists, contracts, accounts, and credit records; and all logs and other records maintained by Defendants in connection with the stations.

### III. Applicability

A. This Final Judgment applies to Defendants, and all other persons in active concert or participation with any of them who receive actual notice of this Final Judgment by personal service or otherwise.

B. If, prior to complying with Sections IV and V of this Final Judgment, Defendants sell or otherwise dispose of all or substantially all of their assets or of lesser business units that include the Defendants' Divestiture Assets, they shall require the purchaser to be bound by the provisions of this Final Judgment. Defendants need not obtain such an agreement from the Acquirers of the assets divested pursuant to this Final Judgment.

### IV. Divestitures

A. Defendants are ordered and directed, within ninety (90) calendar days after the filing of the Hold Separate Stipulation and Order in this matter or five (5) calendar days after notice of the entry of this Final Judgment by the Court, whichever is later, to divest the Divestiture Assets to one or more Acquirers acceptable to the United States, in its sole discretion. The United States, in its sole discretion, may agree to one or more extensions of this time period not to exceed sixty (60) calendar days in total, and shall notify the Court

in such circumstances. With respect to divestiture of the Divestiture Assets by Defendants or a Divestiture Trustee appointed pursuant to Section V of this Final Judgment, if applications have been filed with the FCC within the period permitted for divestiture seeking approval to assign or transfer licenses to the Acquirers of the Divestiture Assets, but an order or other dispositive action by the FCC on such applications has not been issued before the end of the period permitted for divestiture, the period shall be extended with respect to divestiture of the Divestiture Assets for which no FCC order has issued until five (5) days after such order is issued. Defendants agree to use their best efforts to divest the Divestiture Assets as expeditiously as possible, including using their best efforts to obtain all necessary FCC approvals as expeditiously as possible. This Final Judgment does not limit the FCC's exercise of its regulatory powers and process with respect to the Divestiture Assets. Authorization by the FCC to conduct the divestiture of a Divestiture Asset in a particular manner will not modify any of the requirements of this Final Judgment.

B. The United States in its sole discretion may approve in writing of any transition services agreement that may be necessary to facilitate the continuous operations of the Divestiture Assets until the Acquirers can provide such capabilities independently. The terms and conditions of any such transition services agreement shall be subject to the approval of the United States, in its sole discretion.

C. In the event that Defendants are attempting to divest assets related to WVTM-TV and WJCL to an Acquirer other than Hearst, assets related to WALA-TV to an Acquirer other than Meredith, or assets related to WJAR, WLUK-TV, WCWF, and WTGS to an Acquirer other than Sinclair:

(1) Defendants, in accomplishing the divestitures ordered by this Final Judgment, promptly shall make known, by usual and customary means, the availability of the Divestiture Assets not yet divested;

(2) Defendants shall inform any person making inquiry regarding a possible purchase of the applicable Divestiture Assets that they are being divested pursuant to this Final Judgment and provide that person with a copy of this Final Judgment;

(3) Defendants shall offer to furnish to all prospective Acquirers, subject to customary confidentiality assurances, all information and documents relating to the applicable Divestiture Assets customarily provided in a due diligence

process except such information or documents subject to the attorney-client privilege or work-product doctrine; and (4) Defendants shall make available such information to the United States at the same time that such information is made available to any other person.

D. Defendants shall provide the Acquirers and the United States information relating to the personnel involved in the operation and management of the applicable Divestiture Assets to enable the Acquirers to make offers of employment. Defendants shall not interfere with any negotiations by the Acquirers to employ or contract with any employee of any Defendant whose primary responsibility relates to the operation or management of the applicable Divestiture Assets being sold by the Acquirers.

E. Defendants shall permit the Acquirers of the Divestiture Assets to have reasonable access to personnel and to make inspections of the physical facilities of the applicable stations; access to any and all environmental, zoning, and other permit documents and information; and access to any and all financial, operational, or other documents and information customarily provided as part of a due diligence process.

F. Defendants shall warrant to the Acquirers that each Divestiture Asset will be operational on the date of sale.

G. Defendants shall not take any action that will impede in any way the permitting, operation, or divestiture of the Divestiture Assets.

H. Defendants shall warrant to the Acquirers that there are no material defects in the environmental, zoning, or other permits pertaining to the operation of each asset, and that, following the sale of the Divestiture Assets, Defendants will not undertake, directly or indirectly, any challenges to the environmental, zoning, or other permits relating to the operation of the Divestiture Assets.

I. Unless the United States otherwise consents in writing, the divestitures pursuant to Section IV, or by trustee appointed pursuant to Section V of this Final Judgment, shall include the entire Divestiture Assets and be accomplished in such a way as to satisfy the United States, in its sole discretion, that the Divestiture Assets can and will be used by the Acquirers as part of a viable, ongoing commercial television broadcasting business. Divestiture of the Divestiture Assets may be made to one or more Acquirers, provided that in each instance it is demonstrated to the sole satisfaction of the United States that the Divestiture Assets will remain

viable, and the divestiture of such assets will achieve the purposes of this Final Judgment and remedy the competitive harm alleged in the Complaint. The divestitures, whether pursuant to Section IV or Section V of this Final Judgment:

(1) Shall be made to Acquirers that, in the United States' sole judgment, have the intent and capability (including the necessary managerial, operational, technical, and financial capability) of competing effectively in the commercial television broadcasting business; and

(2) shall be accomplished so as to satisfy the United States, in its sole discretion, that none of the terms of any agreement between Acquirers and Defendants gives Defendants the ability unreasonably to raise any of the Acquirers' costs, to lower any of the Acquirers' efficiency, or otherwise to interfere in the ability of any of the Acquirers to compete effectively.

#### **V. Appointment of Trustee**

A. If Defendants have not divested the Divestiture Assets within the time period specified in Section IV(A), Defendants shall notify the United States of that fact in writing, specifically identifying the Divestiture Assets that have not been divested. Upon application of the United States, the Court shall appoint a Divestiture Trustee selected by the United States and approved by the Court to effect the divestiture of the Divestiture Assets that have not yet been divested.

B. After the appointment of a Divestiture Trustee becomes effective, only the Divestiture Trustee shall have the right to sell the applicable Divestiture Assets. The Divestiture Trustee shall have the power and authority to accomplish the divestiture to an Acquirer acceptable to the United States at such price and on such terms as are then obtainable upon reasonable effort by the trustee, subject to the provisions of Sections IV, V, and VI of this Final Judgment, and shall have such other powers as this Court deems appropriate. Subject to Section V(D) of this Final Judgment, the Divestiture Trustee may hire at the cost and expense of Defendants any investment bankers, attorneys, or other agents, who shall be solely accountable to the trustee, reasonably necessary in the trustee's judgment to assist in the divestiture. Any such investment bankers, attorneys, or other agents shall serve on such terms and conditions as the United States approves, including confidentiality requirements and conflict of interest certifications.

C. Defendants shall not object to a sale by the trustee on any ground other than

the trustee's malfeasance. Any such objections by Defendants must be conveyed in writing to the United States and the Divestiture Trustee within ten (10) calendar days after the trustee has provided the notice required under Section VI.

D. The Divestiture Trustee shall serve at the cost and expense of Defendants pursuant to a written agreement, on such terms and conditions as the United States approves, including confidentiality requirements and conflict of interest certifications. The trustee shall account for all monies derived from the sale of the applicable Divestiture Assets and all costs and expenses so incurred. After approval by the Court of the trustee's accounting, including fees for its services yet unpaid and those of any professionals and agents retained by the trustee, all remaining money shall be paid to Defendants and the trust shall then be terminated. The compensation of the Divestiture Trustee and any professionals and agents retained by the trustee shall be reasonable in light of the value of the Divestiture Assets subject to sale by the Divestiture Trustee and based on a fee arrangement providing the trustee with an incentive based on the price and terms of the divestiture and the speed with which it is accomplished, but timeliness is paramount. If the Divestiture Trustee and Defendants are unable to reach agreement on the trustee's or any agents' or consultants' compensation or other terms and conditions of engagement within 14 calendar days of appointment of the trustee, the United States may, in its sole discretion, take appropriate action, including making a recommendation to the Court. The Divestiture Trustee shall, within three (3) business days of hiring any other professionals or agents, provide written notice of such hiring and the rate of compensation to Defendants and the United States.

E. Defendants shall use their best efforts to assist the Divestiture Trustee in accomplishing the required divestiture. The Divestiture Trustee and any consultants, accountants, attorneys, and other agents retained by the trustee shall have full and complete access to the personnel, books, records, and facilities of the business to be divested, and Defendants shall develop financial and other information relevant to such business as the trustee may reasonably request, subject to reasonable protection for trade secret or other confidential research, development, or commercial information or any applicable privileges. Defendants shall take no action to interfere with or to impede the

Divestiture Trustee's accomplishment of the divestiture.

F. After its appointment, the Divestiture Trustee shall file monthly reports with the United States and, as appropriate, the Court setting forth the trustee's efforts to accomplish the applicable divestiture ordered under this Final Judgment. To the extent such reports contain information that the Divestiture Trustee deems confidential, such report shall not be filed in the public docket of the Court. Such report shall include the name, address, and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person. The Divestiture Trustee shall maintain full records of all efforts made to divest the applicable Divestiture Assets.

G. If the Divestiture Trustee has not accomplished any applicable divestiture ordered under this Final Judgment within six (6) months after its appointment, the trustee shall promptly file with the Court a report setting forth (1) the trustee's efforts to accomplish the required divestiture, (2) the reasons, in the trustee's judgment, why the required divestiture has not been accomplished, and (3) the trustee's recommendations. To the extent such report contains information that the Divestiture Trustee deems confidential, such report shall not be filed in the public docket of the Court. The Divestiture Trustee shall at the same time furnish such report to the United States which shall have the right to make additional recommendations consistent with the purpose of the trust. The Court thereafter shall enter such orders as it shall deem appropriate to carry out the purpose of the Final Judgment, which may, if necessary, include extending the trust and the term of the Divestiture Trustee's appointment by a period requested by the United States.

H. If the United States determines that the Divestiture Trustee has ceased to act or failed to act diligently or in a reasonably cost-effective manner, it may recommend the Court appoint a substitute Divestiture Trustee.

#### **VI. Notice of Proposed Divestiture**

A. Within two (2) business days following execution of a definitive divestiture agreement, Defendants or the Divestiture Trustee, whichever is then responsible for effecting the divestitures required herein, shall notify the United States of any proposed divestiture

required by Section IV or V of this Final Judgment. If the Divestiture Trustee is responsible, it shall similarly notify Defendants. The notice shall set forth the details of the proposed divestiture and list the name, address, and telephone number of each person not previously identified who offered or expressed an interest in or desire to acquire any ownership interest in the Divestiture Assets, together with full details of the same.

B. Within fifteen (15) calendar days of receipt by the United States of such notice, the United States may request from Defendants, the proposed Acquirer, any other third party, or the Divestiture Trustee, if applicable, additional information concerning the proposed divestiture, the proposed Acquirer, and any other potential Acquirers. Defendants and the Divestiture Trustee shall furnish any additional information requested within fifteen (15) calendar days of the receipt of the request, unless the parties shall otherwise agree.

C. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after the United States has been provided the additional information requested from Defendants, the proposed Acquirer, any third party, and the Divestiture Trustee, whichever is later, the United States shall provide written notice to Defendants and the Divestiture Trustee, if there is one, stating whether or not it objects to the proposed divestiture. If the United States provides written notice that it does not object, the divestiture may be consummated, subject only to Defendants' limited right to object to the sale under Section V(C) of this Final Judgment. Absent written notice that the United States does not object to the proposed Acquirer or upon objection by the United States, a divestiture proposed under Section IV or Section V shall not be consummated. Upon objection by Defendants under Section V(C), a divestiture proposed under Section V shall not be consummated unless approved by the Court.

#### **VII. Financing**

Defendants shall not finance all or any part of any purchase made pursuant to Section IV or V of this Final Judgment.

#### **VIII. Hold Separate**

Until the divestitures required by this Final Judgment has been accomplished, Defendants shall take all steps necessary to comply with the Hold Separate Stipulation and Order entered by this Court. Defendants shall take no action

that would jeopardize the divestiture ordered by this Court.

#### **IX. Affidavits**

A. Within twenty (20) calendar days of the filing of the Complaint in this matter, and every thirty (30) calendar days thereafter until the divestiture has been completed under Section IV or V of this Final Judgment, Defendants shall deliver to the United States an affidavit as to the fact and manner of their compliance with Section IV or V of this Final Judgment. Each such affidavit shall include the name, address, and telephone number of each person who, during the preceding thirty (30) calendar days, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a description of the efforts Defendants have taken to solicit buyers for and complete the sale of the Divestiture Assets, including efforts to secure FCC or other regulatory approvals, and to provide required information to prospective Acquirers, including the limitations, if any, on such information. Assuming the information set forth in the affidavit is true and complete, any objection by the United States to information provided by Defendants, including limitations on information, shall be made within fourteen (14) calendar days of receipt of such affidavit.

B. Within twenty (20) calendar days of the filing of the Complaint in this matter, Defendants shall deliver to the United States an affidavit that describes in reasonable detail all actions Defendants have taken and all steps Defendants have implemented on an ongoing basis to comply with Section VIII of this Final Judgment. Each such affidavit shall also include a description of the efforts Defendants have taken to complete the sale of the Divestiture Assets, including efforts to secure FCC or other regulatory approvals. Defendants shall deliver to the United States an affidavit describing any changes to the efforts and actions outlined in Defendants' earlier affidavits filed pursuant to this section within fifteen (15) calendar days after the change is implemented.

C. Defendants shall keep all records of all efforts made to preserve and divest the Divestiture Assets until one year after such divestiture has been completed.

#### **X. Compliance Inspection**

A. For the purposes of determining or securing compliance with this Final Judgment, or of any related orders such as any Hold Separate Stipulation and Order, or of determining whether the Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time authorized representatives of the United States Department of Justice, including consultants and other persons retained by the United States, shall, upon written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to Defendants, be permitted:

(1) Access during Defendants' office hours to inspect and copy, or at the option of the United States, to require Defendants to provide hard copies or electronic copy of, all books, ledgers, accounts, records, data, and documents in the possession, custody, or control of Defendants, relating to any matters contained in this Final Judgment; and

(2) to interview, either informally or on the record, Defendants' officers, employees, or agents, who may have their individual counsel present, regarding such matters. The interviews shall be subject to the reasonable convenience of the interviewee and without restraint or interference by Defendants.

B. Upon the written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, Defendants shall submit written reports or responses to written interrogatories, under oath if requested, relating to any of the matters contained in this Final Judgment as may be requested.

C. No information or documents obtained by the means provided in this section shall be divulged by the United States to any person other than an authorized representative of the executive branch of the United States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by Defendants to the United States, Defendants represent and identify in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(1)(g) of the Federal Rules of Civil Procedure, and Defendants mark each pertinent page of such material, "Subject to claim of protection under

Rule 26(c)(1)(G) of the Federal Rules of Civil Procedure,” then the United States shall give Defendants ten (10) calendar days notice prior to divulging such material in any legal proceeding (other than a grand jury proceeding).

#### **XI. No Reacquisition or Other Prohibited Activities**

Defendants may not (1) reacquire any part of the Divestiture Assets, (2) acquire any option to reacquire any part of the Divestiture Assets or to assign the Divestiture Assets to any other person, (3) enter into any local marketing agreement, joint sales agreement, other cooperative selling arrangement, or shared services agreement, or conduct other business negotiations jointly with the Acquirers with respect to the Divestiture Assets, or (4) provide financing or guarantees of financing with respect to the Divestiture Assets, during the term of this Final Judgment. The shared services prohibition does not preclude Defendants from continuing or entering into agreements in a form customarily used in the industry to (1) share news helicopters or (2) pool generic video footage that does not include recording a reporter or other on-air talent, and does not preclude Defendants from entering into any non-sales-related shared services agreement or transition services agreement that is approved in advance by the United States in its sole discretion.

#### **XII. Retention of Jurisdiction**

This Court retains jurisdiction to enable any party to this Final Judgment to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify any of its provisions, to enforce compliance, and to punish violations of its provisions.

#### **XIII. Expiration of Final Judgment**

Unless this Court grants an extension, this Final Judgment shall expire ten years from the date of its entry.

#### **XIV. Public Interest Determination**

Entry of this Final Judgment is in the public interest. The parties have complied with the requirements of the Antitrust Procedures and Penalties Act, 15 U.S.C. 16, including making copies available to the public of this Final Judgment, the Competitive Impact Statement, and any comments thereon, and the United States' responses to comments. Based upon the record before the Court, which includes the Competitive Impact Statement and any comments and response to comments

filed with the Court, entry of this Final Judgment is in the public interest.

Date:

Court approval subject to procedures of Antitrust Procedures and Penalties Act, 15 U.S.C. § 16

United States District Judge

[FR Doc. 2014-26886 Filed 11-12-14; 8:45 am]

**BILLING CODE P**

### **DEPARTMENT OF LABOR**

#### **Efforts by Certain Foreign Countries To Eliminate the Worst Forms of Child Labor**

**AGENCY:** The Bureau of International Labor Affairs, United States Department of Labor.

**ACTION:** Notice: Request for information and invitation to comment.

**SUMMARY:** This notice is a request for information and/or comment on the 2013 Findings on the Worst Forms of Child Labor report (TDA report) issued by the Bureau of International Labor Affairs (ILAB) on October 7, 2014, regarding child labor in certain foreign countries. The recently published TDA report assessed efforts by more than 140 countries to reduce the worst forms of child labor and reported whether countries made significant, moderate, minimal, or no advancement. It also suggested actions foreign countries can take to eliminate the worst forms of child labor through legislation, enforcement, coordination, policies and social programs. This year's report introduced a new streamlined format for country profiles to make it more user-friendly and a better policy tool for engagement. Relevant information will be used by the Department of Labor (DOL) in preparation of its ongoing reporting mandated under the Trade and Development Act of 2000. In addition, ILAB will use relevant information to conduct assessments of each country's advancement toward eliminating the worst forms of child labor during the current calendar year compared to previous years.

**DATES:** Submitters of information are requested to provide their submission to the Office of Child Labor, Forced Labor, and Human Trafficking (OCFT) at the email or physical address below by 5 p.m. January 15, 2015.

**To Submit Information:** Information submitted to DOL should be submitted directly to OCFT, Bureau of International Labor Affairs, U.S. Department of Labor, at (202) 693-4843 (this is not a toll free number).

Comments, identified as “Docket No. DOL-2014-0009”, may be submitted by any of the following methods:

Federal eRulemaking Portal: <http://www.regulations.gov>.

The portal includes instructions for submitting comments. Parties submitting responses electronically are encouraged not to submit paper copies.

**Facsimile (fax):** OCFT at 202-693-4830.

**Mail, Express Delivery, Hand Delivery, and Messenger Service (1 copy):** Chanda Uluca and Charita Castro at U.S.

Department of Labor, OCFT, Bureau of International Labor Affairs, 200 Constitution Avenue NW., Room S-5317, Washington, DC 20210.

**Email:** Email submissions should be addressed to both Chanda Uluca ([Uluca.Chanda@dol.gov](mailto:Uluca.Chanda@dol.gov)) and Charita Castro ([Castro.Charita.L@dol.gov](mailto:Castro.Charita.L@dol.gov)).

**FOR FURTHER INFORMATION CONTACT:** Chanda Uluca and Charita Castro (see contact information above).

#### **SUPPLEMENTARY INFORMATION:**

The Trade and Development Act of 2000 (TDA), Public Law 106-200 (2000), established a new eligibility criterion for receipt of trade benefits under the Generalized System of Preferences (GSP), Caribbean Basin Trade and Partnership Act (CBTPA), and Africa Growth and Opportunity Act (AGOA) and the Andean Trade Preference Act/Andean Trade Promotion and Drug Eradication Act (ATPA/ATPDEA).

The TDA amended the GSP reporting requirements of Section 504 of the Trade Act of 1974, 19 U.S.C. 2464, to require that the President's annual report on the status of internationally recognized worker rights include “findings by the Secretary of Labor with respect to the beneficiary country's implementation of its international commitments to eliminate the worst forms of child labor.” Title II of the TDA and the TDA Conference Report, Joint Explanatory Statement of the Committee of Conference, 106th Cong. 2d Sess. (2000), indicate that the same criterion applies for the receipt of benefits under CBTPA and AGOA, respectively. In addition, the Andean Trade Preference Act, as amended and expanded by the Andean Trade Promotion and Drug Eradication Act, Public Law 107-210, Title XXXI (2002), includes as a criterion for receiving benefits “[w]hether the country has implemented its commitments to eliminate the worst forms of child labor as defined in section 507(6) of the Trade Act of 1974.”

DOL fulfills these reporting mandates through annual publication of the U.S. Department of Labor's Findings on the