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Durbin warns FCC of Sinclair's plan for Tribune mega-merger

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CHICAGO – U.S. Senator Dick Durbin (D-IL) today warned Federal Communications Commission (FCC) Chairman Ajit Pai about the amended proposal filed yesterday by Sinclair Broadcast Group for its proposed $3.9 billion merger with Tribune Media Company. In their amended proposal, Sinclair disclosed its plan to divest from Tribune's WGN-TV Chicago, WPIX-TV New York, and KSWB-TV San Diego stations in order for the merger to comply with the FCC's 39 percent national media ownership cap. However, despite having the appearance of complying with the cap, the proposal also discloses that Sinclair already has purchase agreements with buyers for WGN and WPIX , which would allow Sinclair to avoid violating the FCC's media ownership limits while retaining the ability to remotely operate the stations.

"While remotely operated stations would not count towards local or national FCC media ownership limits, Sinclair could still dictate content on these stations, including mandating Sinclair-produced segments. Sinclair also could be involved in decisions that result in firing local reporters. In fact, Sinclair has a concerning history of doing just that," Durbin wrote in a letter to Chairman Pai. "Sinclair's amended proposal has fallen far short of its obligation to comply with existing FCC media ownership limits and fails to protect the Congressionally identified public benefit gained from a competitive broadcast landscape that serves the diverse and unique interests of local audiences. I urge you to give the proposed merger careful consideration."

In January, Durbin and nine other Democratic senators urged the U.S. Department of Justice (DOJ) Antitrust Division and the FCC to closely scrutinize media mergers that fall within their jurisdictions, particularly, the proposed Sinclair Broadcasting-Tribune Media merger.

In November, Durbin joined 13 of his Senate colleagues to request the inspector general of the FCC to open an investigation into the objectivity and impartiality of the FCC's review of the proposed merger of Sinclair Broadcasting and Tribune Media. In their letter to the inspector general, the senators point out 16 actions and events that suggest a disturbing pattern of a three way quid-pro-quo involving Sinclair, the Trump Administration, and Chairman Ajit Pai. Durbin also spoke out against the FCC's efforts to rollback media ownership rules that prevent one company from owning or controlling multiple broadcast stations within a single local media market.

Full text of Durbin's letter is available below:

February 22, 2018

Dear Chairman Pai:

I write today with concerns about the amended proposal filed yesterday by Sinclair Broadcast Group for its proposed $3.9 billion merger with Tribune Media Company. Sinclair's amended proposal falls far short of making meaningful divestments. Instead, it exploits loopholes to skirt the Federal Communications Commission's (FCC) media ownership limits and enables Sinclair to continue to dictate content to divested stations, threatening the interests of local audiences and harming competition.

In their amended proposal, Sinclair disclosed its plan to divest from Tribune's WPIX-TV New York, WGN-TV Chicago, and KSWB-TV San Diego stations in order for the merger to comply with the FCC's 39 percent national media ownership cap. However, despite having the appearance of complying with the cap, the proposal also discloses that Sinclair already has purchase agreements with buyers for WPIX and WGN, which would allow Sinclair to avoid violating the FCC's media ownership limits while retaining the ability to remotely operate the stations.

While remotely operated stations would not count towards local or national FCC media ownership limits, Sinclair could still dictate content on these stations, including mandating Sinclair-produced segments. Sinclair also could be involved in decisions that result in firing local reporters. In fact, Sinclair has a concerning history of doing just that.

Sinclair's amended proposal has fallen far short of its obligation to comply with existing FCC media ownership limits and fails to protect the Congressionally identified public benefit gained from a competitive broadcast landscape that serves the diverse and unique interests of local audiences. I urge you to give the proposed merger careful consideration.

Sincerely,