

JUSTICE NEWS

Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

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Justice Department Reaches Settlement With Nexstar Media Group Inc. in Ongoing Television Broadcaster Information Exchange Investigation

Proposed Settlement Preserves Competition in Broadcast Television Advertising Markets Across the United States

The Department of Justice announced today that it has reached a settlement with Nexstar Media Group Inc., one of the largest owners of television stations in the country, as part of its ongoing investigation into exchanges of competitively sensitive information in the broadcast television industry.

The Department filed an amended complaint today in the case *United States v. Sinclair Broadcast Group, Inc., et al.*, adding Nexstar Media Group Inc. as a defendant. At the same time, the Department filed a proposed settlement with Nexstar that, if approved by the court, would resolve the competitive harm alleged in the complaint. The Department filed its original complaint in the case on Nov. 13, 2018, along with proposed settlements with six other television broadcasting companies.

“The Antitrust Division continues its efforts to stop the unlawful exchange of competitively sensitive information in the television broadcast industry,” said Assistant Attorney General Makan Delrahim of the Department of Justice’s Antitrust Division. “Robust competition among broadcast stations allows American businesses to obtain competitive advertising rates. The unlawful sharing of information reduced that competition and harmed businesses and the consumers they serve.”

According to the amended complaint, Nexstar agreed with other entities in many metropolitan areas across the United States to exchange revenue pacing information, and also engaged in the exchange of other forms of non-public sales information in certain metropolitan areas. Pacing compares a broadcast station’s revenues booked for a

certain time period to the revenues booked in the same point in the previous year. Pacing indicates how each station is performing versus the rest of the market and provides insight into each station's remaining spot advertising for the period.

By exchanging pacing information, Nexstar and other broadcasters were better able to anticipate whether their competitors were likely to raise, maintain, or lower spot advertising prices, which in turn helped inform their stations' own pricing strategies and negotiations with advertisers. As a result, the information exchanges harmed the competitive price-setting process.

The proposed settlement prohibits the direct or indirect sharing of such competitively sensitive information. The Department has determined that prohibiting this conduct would resolve the antitrust concerns raised as a result of Nexstar's conduct. The proposed settlement further requires Nexstar to cooperate in the Department's ongoing investigation and to adopt rigorous antitrust compliance and reporting measures to prevent similar anticompetitive conduct in the future. The settlement has a seven year term, and it will continue to apply to stations currently owned by Nexstar, even if those stations are acquired by another company.

Nexstar Media Group Inc. is a Delaware corporation with headquarters in Irving, Texas. It owns or operates 105 television stations across 93 markets and had revenues in excess of \$1.2 billion in 2017.

As required by the Tunney Act, the proposed settlement, along with the Department's competitive impact statement, will be published in the *Federal Register*. Any person may submit written comments concerning the proposed settlement within 60 days of its publication to Owen Kendler, Chief, Media, Entertainment, and Professional Services Section, Antitrust Division, U.S. Department of Justice, 450 Fifth Street, N.W., Suite 4000, Washington, D.C. 20530. At the conclusion of the 60-day comment period, the court may enter the final judgment upon a finding that it serves the public interest.

Attachment(s):

[Download Amended Complaint](#)

[Download Proposed Final Judgment](#)

[Download Stipulation and Order](#)

[Download Additional Explanation of Consent Decree Procedures](#)

[Download Competitive Impact Statement](#)

Topic(s):

Antitrust

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