

## MEDIA INSTITUTE GALA – REMARKS

Thank you very much and good evening. First of all, I would like to acknowledge the main reason we are all here tonight, and that is to support the ongoing work of the Media Institute. The Media Institute exists to foster three goals, freedom of speech, excellence in journalism and a competitive media and communications industry. These are worth initiatives and deserve our continued support long after this evening's event has concluded.

Secondly, I am both honored and humbled to be on the same dais as Commissioner Pai. I have called on the Commissioner for several years and have developed tremendous respect for both his intellect and his professional decorum. I have also come to know him as a friend. What you may not know is that the Commissioner's parents are residents of Southwestern MO and viewers of our television stations in Joplin.

So the Commissioner has the ability to get real time feedback on the state of small market television in middle America, and on the benefits of JSA/SSA arrangements serving those markets. And when you hear the stories about the radar that provided warnings that saved lives during an F-5 tornado in Joplin several years back, that was our radar, and those were our stations and our people, of which to this day I could not be more proud.

I am here tonight to make a pitch for local television, and the essential service and value we provide to the local communities we serve. I founded Nexstar a little over 20 years ago with one local TV station in Scranton, PA. Today we stand at the precipice of completing our transformative acquisition of Media General, which will make us the second largest local television broadcasting company in the United States.

Pro-forma for our required divestitures, Nexstar will own or operate 171 television stations in 100 markets serving 38.9% of all USTV HH. To put it another way, better than one in three households in America will be able to get their news from a Nexstar television station. We are very proud of that fact and everyone in the organization, from our board to our employees, takes the obligation to serve our communities very seriously.

The new Nexstar will be unique in that we will have reached the national ownership cap without owning stations in the Nation's largest markets. We are at scale with a group that serves markets like Joplin, and Syracuse, Harrisburg and Birmingham and 96 others. We will produce as a group over 3,400 hours a week of local news serving those medium and small markets and will employ almost 10,000 people.

Our increased scale will allow us to create news bureaus in more state capitals than any other broadcaster. We will be able to increase the support and staffing of our Washington DC news bureau and provide more coverage and particularly the local effect of events transpiring in this city.

Many have heard me describe our business as a simple local service business. We make our living providing services to our local communities. What are our services? First we are in the business of creating and distributing relevant local content, primarily local news, local talk and lifestyle shows, local sports, local promotional events and the like.

In our sized markets typically there are a handful or less of creators of local news content. We will have on average two or three local television news competitors, a local newspaper that may or may not publish seven days a week and in some cases, a local news/talk radio station. While there are many aggregators of local content, the creators of professional produced local editorial content are a relative few.

The second thing we do is help local businesses grow. We facilitate distribution of and oftentimes create business to consumer advertising messages and solutions, commonly called commercials. In short, we help businesses sell stuff. Whether using over the air, on line, a D-1, D-2 or set top box, through mobile, social or the other local media assets in which we have invested, these are all tools in our toolbox to provide our basic services of relevant local editorial content and local advertiser solutions for the markets we serve.

And like every other service business we have to invest back into our local communities if we want the communities to spend both time and money with us.

There is a third service we provide, which is to distribute locally, content which we do not own, namely national network and syndicated programming. Our partnerships with the networks and these franchise or affiliation agreements are wonderful things to have. The combination of our unique local content married with the network's marquee national content is an unbeatable value proposition to our local viewers and local advertisers. When we close on our acquisition of Media General, we will be the largest CBS affiliate group, the number two NBC affiliate group and number three for ABC, FOX and CW in terms of national reach.

While network programming is only a part of what we do, it is certainly the aspect of our business that we spend the most time talking about. There is a lot of what I will call "noise" certainly here in DC in the trade and business press, and at both industry and investor gatherings around Hulu, Netflix, over the top, digital migration, Hulu, Netflix, measurement, delayed viewing and did I mention Hulu and Netflix?

Now, I don't want to dismiss these issues as just national issues, although they certainly affect national cable networks more than local broadcast stations, and they are issues we all need to contend with in some way shape or form. However, I believe if we/Nexstar spend our time focused on the basics of what we do, namely serving our local viewers and advertisers, we will not become unnecessarily distracted by the "noise."

And if we maintain that local focus, we will survive and dare I say, we will prosper. The local media business is the only business Nexstar is in and we believe the local business is the best part of the media business to be in. Our \$4.6 billion acquisition of Media General shows that we are willing to put our money where our mouth is. Once the FCC signs off, we are excited and ready to go.

So, on behalf of the soon to be 10,000 employees of the Nexstar Nation, when you honor me you are honoring the work they do each day in their communities. Thank you very much for this award.