

## [Start Planning Broadcast Transactions Around The License Renewal Processing Periods - Or Expect Closing Delays](#)

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With only four and a half months until the start of the first radio license renewal cycle, broadcasters need to start to consider the processing time for license renewal applications and its implications - particularly if they are considering the **purchase or sale of the station with a license renewal due in the near future**. The FCC has a processing policy that, in most cases, **will forbid the closing of the sale of a broadcast station once the license renewal for that station has been filed - delaying any closing until the renewal has been granted**. Given that routine processing of a license renewal will take an absolute minimum of 90 days, and the processing can take much longer if there is a protest or other problem, closing of a contract for the sale of a broadcast station which is signed too close to the license renewal filing may be significantly delayed by the license renewal process. Parties need to plan for such delays.

As [we wrote several months ago](#), the first set of license renewals are to be filed on or before June 1 of this year - for radio stations in **Virginia, West Virginia, Maryland and the District of Columbia**. Owners planning a station sale in those states should be looking to finalize any deal have any plans to sell their station in the very near future to allow for the processing time necessary to get an FCC application approved and the transaction closed before the renewal is filed. For instance, if a seller is thinking of selling his or her station in one of these states, and is in the process of negotiating a contract right now, the process contract would need to be completed very soon, and processing would need to run without a hitch, for a closing after "finality" of the FCC approval of the transaction to be possible before the renewal is granted. Otherwise, the parties will need to be willing to wait until at least September to close. To demonstrate, here is the likely timeline for an application for the sale of a station if the contract was signed by February 1, and an FCC application was filed by February 4. The application would likely be on an FCC public notice late in the second week of February, triggering the required 30 day public comment period. The end of the public comment period would be in mid-March, most likely putting an FCC grant in late March - if the application was uncontested, non-controversial and otherwise processed quickly by the FCC. That would put finality (40 days after the public notice of the initial staff grant of the application, assuming no petitions for reconsideration of the grant, other appeals, or decisions by the FCC Commissioners to review the application) in mid-May.

The time frame set out above is a best case scenario. Any issues that come up with the sale, and the processing times will be longer. So if you are looking at a transaction involving stations in these states - move now or be expecting a delay of more than 90 days in the time from contract to

closing. And that 90 day delay is also a best possible case - one that is never achieved as it would assume that the FCC could check for petitions to deny a license renewal application (due on the 90th day after the end of the filing period), determine on the day that such petitions are due that nothing was filed, and grant the renewal that same day - something that will never happen. Normally, the FCC is looking to grant an uncontested renewal, with no other issues outstanding, and no questions raised by the FCC's own review of the application, in 120 days.

So consider these timing issues now. And, if you are contemplating acquisitions in other states, be aware of the upcoming renewal dates in those states to avoid similar issues. In the past, there have been some limited exceptions to this policy (mostly in cases involving the sale of large station groups with stations in many states), don't count on such an exception where all or most of the stations are in states subject to the renewal application. Plan ahead now to avoid delays later.

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