

Transaction Compliance Report

MB Docket No. 10-56

NBCUniversal Non-Profit News Partnerships

for the period of January 29, 2014 through July 28, 2014



July 28, 2014

This report provides the information required by Condition XI.5.f of Appendix A (the “Condition”) to the *Transaction Order*¹ regarding NBCUniversal’s non-profit news partnership arrangements during the six month period that began on January 29, 2014 and ended on July 28, 2014 (the “Reporting Period”).²

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Online Copy

A copy of this report is available on the websites maintained by each of the stations that comprise the NBC Owned Television Stations division (e.g. <http://www.nbcnewyork.com>).

¹ In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) [as amended by an Erratum released on March 9, 2011] (Transaction Order).]

² Some of the stories described in this report aired during the last weeks of the reporting period that ended on January 2014 but were not included in the previous report.

Background

As required by the Condition, and as previously reported, four of the 10 stations in the NBC Owned Television Stations (“NBCOTS”) division established and maintain cooperative arrangements with locally-focused, non-profit news organizations: NBC 4 New York and ProPublica; NBC 5 Chicago and *The Chicago Reporter*; NBC10 Philadelphia and WHYI; and NBC4 Southern California and KPCC Southern California Public Radio. These continuing agreements, plus the ongoing relationship between NBC 7 San Diego and Voice of San Diego, mean that half of the stations in the NBCOTS division have news partnership agreements in place.

In addition, these stations and other NBC-owned stations have been collaborating with other non-profit news organizations. For example, NBC Bay Area recently established a relationship with the Center for Investigative Reporting. In addition, NBC10 Philadelphia and NBC 5 Chicago have been working with additional non-profit news organizations in their markets.³

Collaborations between the stations and non-profit partners – which involve sharing data, research, and investigative resources, as well as production assistance – have resulted in more than 50 investigations since the launch of the partnerships in late 2011, and have generated scores of on-air and online news reports for the stations, as well as on the partners’ radio stations and websites. Key collaborations during the Reporting Period are described below.

NBC 4 New York / WNBC and ProPublica

NBC 4’s partnership with ProPublica has matured into an organic, collaborative relationship. Investigative teams on both sides frequently exchange investigative leads and story ideas outside of their regularly scheduled meetings. In fact, I-Team investigative reporter Chris Glorioso frequently acts as a facilitator between ProPublica and other NBC-owned stations that are interested in pursuing an investigative collaboration. NBC 4 has worked especially well with ProPublica on health care policy stories and it is now quite common for Mr. Glorioso to work on multiple stories at once with ProPublica health care reporter Charles Ornstein.

Collaboration in Practice

Post-Traumatic Stress Disorder Treatment. The NBC 4 I-Team partnered with ProPublica’s Lois Beckett to investigate New York-area trauma centers and their lack of resources to diagnose and treat Post-Traumatic Stress Disorder (PTSD). High-crime urban areas, like military theaters, have populations exposed to high rates of violence and traumatic injuries. Yet urban trauma centers almost never screen violent crime victims for PTSD. An investigation conducted by NBC 4 and ProPublica exposed the lack of PTSD resources in local hospitals and interviewed trauma surgeons who are advocating for more funding dedicated to this cause. This story was featured on the NBC

³ The compliance report filed on January 28, 2014 described the collaboration between NBC 6 South Florida and the Florida Center for Investigative Reporting (FCIR). NBC 6 did not renew its partnership with FCIR for 2014, deciding instead to focus on strengthening its investigative unit through the addition of full-time investigative journalists, including the co-founder of FCIR.

4 March 5, 2014 5 p.m. newscast as well as on NBCNewYork.com.⁴

Troubled Addiction Clinic Closed. New York State moved to close a Brooklyn addiction clinic following a joint investigation by NBC 4 and ProPublica. NBC 4 had uncovered an alleged scheme whereby the addiction clinic, New York Service Network (NYSN), improperly scheduled patients for more treatment sessions than they needed. According to complaints exposed by the I-Team / ProPublica collaboration, recovering addicts were threatened with eviction from their “sober houses” unless they attended unnecessary NYSN appointments – all at taxpayer expense. This follow-up story aired on NBC 4 on May 1, 2014 during the 5 p.m. newscast and was featured on the station’s website.⁵

Doctor Visit “Up-coding”. In collaboration with ProPublica, NBC 4 investigated physicians with billing practices that are costing taxpayers millions. Investigators analyzed Medicare payment records to identify doctors who always bill for the most expensive (“Level-5”) type of consultation. For example, in 2012, Dr. Alan Uliss, a Queens ophthalmologist, billed for the most expensive code for 100 percent of his Medicare patients’ exams, which represents 22 percent of all Level-5 ophthalmology visits in the state of New York. The story aired on NBC 4 on May 20, 2014 during the 5 p.m. newscast and was also made available on the station’s website.⁶

Ambulance Hustle. Working with ProPublica, NBC 4 exposed allegations of fraud and bribery in the New Jersey private ambulance industry. Using Medicare payment data, NBC 4 and ProPublica found that some New Jersey ambulance companies were paying for ambulance rides to dialysis appointments at a rate more than three times the national average. The investigation revealed that these ambulance companies usher all of their patients in basic life support ambulances, a costly and unnecessary expense for patients that can reach the clinics on their own. The story aired on NBC 4’s 5 p.m. newscast on June 12, 2014.⁷

⁴ Ann Givins & Chris Glorioso, I-Team: Few Trauma Centers Screen for PTSD, Despite Urging of Doctors (Mar. 5, 2014), <http://www.nbcnewyork.com/investigations/PTSD-Screenings-Traumatic-Injuries-I-Team-248419811.html>.

⁵ Chris Glorioso, NY Seeks to Close Troubled Addiction Clinic after I-Team Report (May 1, 2014), <http://www.nbcnewyork.com/investigations/Brooklyn-Addiction-Clinic-New-York-Service-Network--257553681.html>.

⁶ Chris Glorioso, I-Team: Some Doctors Always Charge Medicare for the Most Expensive Office Visit (May 20, 2014), <http://www.nbcnewyork.com/investigations/Medicare-Billing-Code-Expensive-Office-Visit-ProPublica-259555431.html>.

⁷ Chris Glorioso, I-Team: New Jersey Ranks No. 1 in Ambulance Transports for Dialysis Patients (June 12, 2014), <http://www.nbcnewyork.com/investigations/Dialysis-Medicare-Ambulances-New-Jersey-262925841.html>.

NBC 5 Chicago / WMAQ and *The Chicago Reporter*

The Chicago Reporter continues to take advantage of NBC 5's online presence to expand the number of collaborative stories, particularly the online companion pieces to the magazine's investigative reports. NBC 5 also takes advantage of the NBCOTS division's partnership with ProPublica to prepare stories based on ProPublica data and investigations. Separately, NBC 5 has continued to collaborate with the Better Government Association, a non-profit watchdog that investigates allegations of waste, fraud, and corruption in local and state government.

The *Chicago Reporter* recently hired a new editor and publisher and a managing editor. The new editors are placing a higher priority on the magazine's online presence. As a result of the editorial transition, the magazine did not publish its regularly scheduled January and March 2014 print editions. NBC 5 plans to increase its web-based partnership stories to complement *The Reporter's* renewed interest in web-based publishing.

Collaboration in Practice

Local Temporary Staffing Agencies. The first investigation *The Reporter* published after its re-launch focused on local temporary-staffing agencies. These agencies are often retained by large industries in the Chicago area to supply and transport workers to suburban factories and warehouses. *The Chicago Reporter's* Maria Ines Zamudio found that some temp agencies take advantage of low paid workers who are often undocumented or ex-convicts, with little education or work skills, and who have few other options to find work. Zamudio spent two months examining lawsuits and wage claims filed with the state and talking with labor advocates and workers, who told stories of long hours on the job, unpaid work, and lack of support from the state on their claims for unpaid wages. NBC5 Investigates reporter Tammy Leitner interviewed Zamudio about her findings, as did Alba Mendiola from sister station Telemundo Chicago. The story ran on NBC 5's 5 p.m. newscast on April 9, 2014⁸ and on Telemundo Chicago.⁹ Both stories linked back to Zamudio's more extensive coverage of her investigation in *The Chicago Reporter*.¹⁰

Additional News Partnerships

Emergency Room Wait Times. NBC 5 was able to localize the results of ProPublica's "ER Wait Watcher" tool to report on the average emergency room wait times in Chicago-area hospitals. The story ran on NBC 5's 10 p.m. news on January 8, 2014, and included an online article with a link to ProPublica's national investigation.¹¹

⁸ *The Chicago Reporter*, Temp Workers Claim Unfair Treatment, File Lawsuits (Apr 9, 2014), <http://www.nbcchicago.com/investigations/Temp-Workers-Claim-Unfair-Treatment-File-Lawsuits-254626971.html>.

⁹ Telemundo Chicago, Demandas por Supuestas Injusticias (Apr. 4, 2014), <http://www.telemundochicago.com/noticias/Demandas-por-supuestas-injusticias--254649021.html>.

¹⁰ Maria Ines Zamudio, Reclaiming Wages a Tough Road for Temp Workers (Apr 9, 2014), <https://www.chicagoreporter.com/reclaiming-wages-tough-road-temp-workers>.

¹¹ Chris Coffey, Tool Helps Determine Emergency Room Wait Times (Jan. 9, 2014), <http://www.nbcchicago.com/investigations/Tool-Helps-Determine-Emergency-Room-Wait-Times-239363691.html>.

Blood Alcohol Levels for Emergency Responders. In 2013, NBC 5 did a series of investigations with the Better Government Association (BGA) examining the permissible blood-alcohol levels for emergency responders in towns throughout the Chicago area. As a direct result of these reports, Illinois instituted a consistent (and minimal) limit on alcohol consumption for police and fire agencies throughout the state. NBC 5 Investigates' Phil Rogers reported these new policies in a story that aired on the 10 p.m. news on January 15, 2014.¹²

Embezzlement in Dixon, Illinois. Working with BGA, NBC 5 Investigates looked at the small town of Dixon, Illinois, which was at the center of an embezzlement scandal nearly two years ago. Back then, the town comptroller pled guilty to taking \$53 million out of the city coffers over the course of two decades. Almost two years later, the city has recouped much of those funds. NBC 5's Phil Rogers reported this story on the 10 p.m. news on February 3, 2014.¹³

Illinois Department of Natural Resources. NBC 5 teamed with the BGA to investigate an official with the Illinois Department of Natural Resources who was travelling around the country to compete in fishing tournaments even though he was on paid medical leave from his state job. That story aired on the 10 p.m. news on February 12, 2014 – again with Phil Rogers as the reporter.¹⁴

Fire Chief's Retirement Deal. NBC 5 Investigates' Dick Johnson worked with the BGA to reveal a controversial retirement deal given to the chief of a suburban fire district. The story followed up a year-long investigation by the BGA into questionable spending by the district. The story aired on March 3, 2014 on NBC 5's 10 p.m. news and was also posted online.¹⁵

NBC10 Philadelphia / WCAU and WHYY

NBC10 and WHYY continue to focus their partnership on cross-promoting content. Over the course of a month, as many as 40 articles from WHYY's Newsworks.org website are showcased on NBC10.com, while a dozen or so WHYY stories are promoted on-air during NBC10's afternoon programs. That promotion includes a description of each WHYY piece with explanation that the story is presented by NBC10's "partners at Newsworks.org"

¹² Phil Rogers, Agency Seeks Policy Regulating BAC Levels for Cops (Jan. 15, 2014), <http://www.nbcchicago.com/investigations/Agency-Seeks-Policy-Regulating-BAC-Levels-for-Cops-240398341.html>.

¹³ Phil Rogers & Better Government Association, Looted City Recoups Most of Stolen Cash (Feb. 5, 2014), <http://www.nbcchicago.com/investigations/Looted-City-Recoups-Most-of-Stolen-Cash-243887111.html>.

¹⁴ Phil Rogers, Patrick McGraney & Courtney Copenhagen, Fired DNR Official Says Doctor Ordered Him to Go Fishing (Feb. 12, 2014), <http://www.nbcchicago.com/investigations/Fired-DNR-Official-Says-Doctor-Ordered-Him-to-Go-Fishing-245313081.html>.

¹⁵ Dick Johnson & Katie Drews, Fire Chief Resigns with Controversial Retirement Deal (Mar. 4, 2014), <http://www.nbcchicago.com/investigations/Fire-Chief-Resigns-With-Controversial-Retirement-Deal--248311961.html>.

NBC10.com also promotes Newsworks.org content on the station's Twitter and Facebook feeds. In both cases, the intention is to drive social media users to the content and to raise awareness of Newsworks.org. To better leverage the size of NBC10.com's social media audience, editors from NBC10.com and Newsworks.org consult on which pieces of Newsworks content should be promoted to drive the maximum audience to their product. In addition, Newsworks.org continues to receive free marketing on NBC10.com in the form of ads that appear across the entire site and in NBC10.com email newsletters.

Additional News Partnerships

In the first quarter of 2014, NBC10.com also featured and promoted content from AxisPhilly.org, a non-profit news and information organization funded in part through a grant from the William Penn Foundation.

In addition, NBC10.com recently started featuring content from ProPublica, and continues to work to establish partnerships with Planphilly.com, philadelphianeighborhoods.com and other non-profit journalism organizations.

NBC4 Southern California / KNBC and KPCC

NBC4 continues to benefit from KPCC's ability to gather and analyze data to supplement its investigations, while KPCC continues augment its live coverage of breaking news by featuring NBC4 reporters during live reports, interviews or talk-backs for KPCC's listeners.

Collaboration in Practice

Driving with a Suspended License. NBC4 helped its partner KPCC track down the driving record of an official from the Central Water Basin District who was allegedly permitted to drive a government-owned vehicle despite the fact that his driver's license was suspended years ago. NBC4 provided information that was critical to the KPCC story.¹⁶

Calderon Arrest and Indictment. NBC4 and KPCC collaborated on the coverage of the arrest and indictment of State Senator Ron Calderon and his brother Tom, a longtime political figure. The two news organizations traded information throughout the day of the arrest, improving the coverage for both stations. The Calderon story received heavy play for several days, including at least eight online stories.¹⁷

¹⁶ Karen Foshay & Paul Clickman, Central Basin Water Board Censures Art Chacon, Keeps General Manager (Mar. 13, 2014), <http://www.scpr.org/news/2014/03/13/42786/central-basin-board-censures-art-chacon-keeps-gene/>.

¹⁷ Sean Fitz-Gerald, California Sen. Ron Calderon Accused of Accepting \$100,000 in Cash Bribes (Feb. 21, 2014) <http://www.nbctv.com/news/local/246570291.html>; Kim Baldonado, Troy McLaurin & Sergio Lelevier, CA Sen Ron Calderon Indicted in Corruption Scandal (Feb. 21, 2014), <http://www.nbctv.com/on-air/as-seen-on/CA-Senator-Ron-Calderon-Indicted-in-Corruption-Scandal-Los-Angeles-246635501.html>; Andrew Lopez, California Sen. Ron Calderon Pleads Not Guilty To Corruption, Bribery Charges (Feb. 25, 2014), <http://www.nbctv.com/news/local/California-Sen-Ron-Calderon-Expected-to-Surrender-to-Federal-Authorities-246880131.html>; Frank Stoltze, KPCC, 2014 Election: The Trouble With Being A Calderon These Days (Updated) (Jun. 5, 2014), <http://www.scpr.org/issues/calderon>.

Worker's Compensation Fraud. NBC4 and KPCC collaborated on coverage of the indictment of an Inland Empire businessman, several doctors, pharmacists, and others in a massive scheme to defraud the California Worker's Compensation fund. The defendants are accused of creating a purported medicinal cream that was prescribed to those injured on the job. The cream was inexpensive to make, but billed at astronomically high rates. In addition, the defendants' product was cited as the cause of death of an infant who came into contact with it.¹⁸

In addition to collaborating on stories and investigations, NBC4 also provides resources to KPCC. For example, NBC4 reporter Whit Johnson provided commentary for KPCC from the Sochi Winter Olympic Games.¹⁹ KPCC also had NBC4's Joel Grover on its AirTalk show in February 2014 to promote his tour bus safety investigation piece and talk about the policy changes the federal government is taking in response to his investigation.²⁰

NBC Bay Area / KNTV and Center for Investigative Reporting

Last year, NBC Bay Area entered into a partnership with the Center for Investigative Reporting (CIR), a non-profit journalism organization with numerous news outlet partners that feature its reporting on their platforms. KNTV and the CIR have established good communication between their reporters, producers and management, including a weekly call to discuss story progress and ideas.

Collaboration in Practice

Inspection and Complaint Information Regarding Day Care Facilities. NBC Bay Area and CIR investigated California's lack of public access to inspection and complaint reports filed against the nearly 48,000 state-licensed day care, preschool, and afterschool programs. The story initially aired on January 30, 2014 on NBC Bay Area's 11 p.m. newscast and was posted on the station's website.²¹ A follow up story on proposed legislation to give parents access to inspection and complaint records on daycare facilities aired on April 1, 2014.²² The stories also ran on CIR's website.²³

¹⁸ Tena Ezzeddine, Keith Esparros & Jason Kandel, Major Donor to Obama's Re-Election Campaign Facing Criminal Charges (Jun. 22, 2014), <http://www.nbclosangeles.com/investigations/Major-Donor-to-Obamas-Re-Election-Campaign-Indicted-264183311.html>; Karen Foshay, Baby's Death Linked to Alleged Massive Worker's Comp Scheme (Jun. 23, 2014), <http://www.scpr.org/news/2014/06/23/44919/baby-s-death-linked-to-alleged-massive-workers-com/>.

¹⁹ Shirley Jahad, Sochi Winter Olympics: Southern California Athletes Complete; Local Skater Disappoints (Feb. 8, 2014), <http://www.scpr.org/news/2014/02/08/42083/sochi-winter-olympics-southern-california-athletes/>.

²⁰ Air Talk, Tour Bus Safety, A Year after the Deadly Crash in San Bernardino (Feb. 4, 2014), <http://www.scpr.org/programs/airtalk/2014/02/04/35876/tour-bus-safety-a-year-after-the-deadly-crash-in-s/>.

²¹ Katharine Mieszkowski, California Lags Behind in Childcare Oversight (Jan. 31, 2014), <http://www.nbcbayarea.com/investigations/Californias-lack-of-online-child-care-records.html>.

²² Stephen Stock, Julie Putnam & Felipe Escamilla, California Lawmakers Push to Put Daycare Inspections Online (Apr. 3, 2014), <http://www.nbcbayarea.com/investigations/CA-Lawmakers-Push-to-Put-Daycare-Inspections-Online-253249361.html>.

US Navy Site on Treasure Island. Following up on a CIR investigation, the investigative team at NBC Bay Area reported that land slated for development on a former Navy base on Treasure Island contains elevated concentrations of cesium-137, a by-product of nuclear fission that has been associated with an increased risk of cancer. These findings came after the Navy initially denied the presence of radiation at the Treasure Island site. This story initially aired on March 24, 2014 on NBC Bay Area's 11 p.m. newscast²⁴ and was covered on the CIR's website.²⁵ A follow up story ran on NBC Bay Area's website on April 12, 2014.²⁶

Superfund Site at Moffett Field. NBC Bay Area partnered with CIR following up on ongoing investigations of problems with a superfund site at NASA's Moffett Field and the Mountain View community.²⁷ The most recent report ran on NBC Bay Area on the station's 11 p.m. newscast and was posted to its website on February 18, 2014.²⁸

²³ Katharine Mieszkowski & Jennifer LaFleur, CIR Puts Child Care Center Records for 2 Bay Area Counties Online (May 20, 2014), <http://cironline.org/blog/post/cir-puts-child-care-center-records-2-bay-area-counties-online-6372>; Katharine Mieszkowski, California's lack of online child care records leave parents in dark (Jan. 30, 2014), <http://cironline.org/reports/california%E2%80%99s-lack-online-child-care-records-leaves-parents-dark-5819>.

²⁴ Vicky Nguyen, Liz Wagner & Jeremy Carroll, Navy to Test All Treasure Island Homes for Radiation (Mar 25, 2014), <http://www.nbcbayarea.com/news/local/Navy-to-Survey-All-Treasure-Island-Homes-for-Radiation--252080811.html>; Matt Smith & Katharine Mieszkowski, In Reversal, Navy to Survey Treasure Island Residences for Radiation (Mar. 24, 2014), <http://cironline.org/blog/post/reversal-navy-survey-treasure-island-residences-radiation-6194>.

²⁵ Nguyen et al., *supra* note 24, at <http://www.nbcbayarea.com/news/local/Navy-to-Survey-All-Treasure-Island-Homes-for-Radiation--252080811.html>; Smith & Mieszkowski, *supra* note 24, at <http://cironline.org/blog/post/reversal-navy-survey-treasure-island-residences-radiation-6194>.

²⁶ Matt Smith & Katherine Mieszkowshi, Treasure Island Soil Tests Find Nuclear Byproduct in Future Development Site (Apr. 12, 2013), <http://www.nbcbayarea.com/news/local/Treasure-Island-Soil-Tests-Find-Nuclear-Byproduct-in-Future-Development-Site-202623601.html>.

²⁷ Susanne Rust & Matt Drange, Cleanup Silicon Valley Superfund Site Takes Environmental Toll (Mar. 17, 2014), <http://cironline.org/reports/cleanup-silicon-valley-superfund-site-takes-environmental-toll-6149>; Stephen Stock & David Paredes, Moffett Field Toxic Plume Concerns (Feb 22, 2013), <http://www.nbcbayarea.com/investigations/Moffet-Field-Toxic-Plume-Concerns-192436521.html>.

²⁸ Stephen Stock, David Paredes & Scott Pham, Are Sewers Source of Toxic Hot Spots in Mountain View (Feb. 18, 2014), <http://www.nbcbayarea.com/investigations/sewers-source-toxic-hot-spots-in-Mountain-View.html>.