

Transaction Compliance Report

MB Docket No. 10-56

NBCUniversal Non-Profit News Partnerships

for the period of July 29, 2013 through January 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 July 29, 2013 and ended on January 28, 2014 (the “Reporting Period”).

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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).

Background

As required by the Condition, and as previously reported, four of the 10 stations in the NBCUniversal Owned Television Stations (“NBCOTS”) division have 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 WHYY; and NBC4 Southern California and KPCC – Southern California Public Radio. These continuing agreements, plus the ongoing relationship between NBC 7 San Diego and the Voice of San Diego, mean that half of the NBCOTS stations have news partnership agreements in place. In addition, the NBC-owned station in Miami-Ft. Lauderdale, NBC 6 South Florida, has partnered with the non-profit Florida Center for Investigative Reporting to enhance the station’s local investigative reporting capabilities.

Collaborations between the stations and the non-profit partners – which involve sharing data, research, and investigative resources, as well as production assistance – have resulted in over 40 investigations since the launch of the partnerships, and have generated dozens 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 continues to generate compelling investigative reports. ProPublica regularly briefs NBC 4 staff on upcoming investigations so that NBC 4 and the other NBCOTS can prepare companion reports.

Collaboration in Practice

Temp Agency Labor Abuses. As previewed in the July 2013 news partnerships report,² NBC 4’s i-Team partnered with ProPublica’s Michael Grabell to investigate temporary employment agencies that fail to pay employees. Using New Jersey’s Open Records law, NBC 4 uncovered hundreds of thousands of dollars in fines levied on “temp” agencies for wage violations during 2011 and 2012. The investigation found that the biggest penalties had been assessed on a “blue collar” staffing agency called True Blue for, among other things, contributing to the death of a garbage collection worker who died from complications caused by heat exhaustion. The nationwide investigation into the treatment of temp workers by Mr. Grabell provided excellent context for the local story which aired on the NBC 4 newscast on July 17, 2013 at 5:00 PM and was followed by an online companion piece.³

Unethical Prosecutors. NBC 4 continued to develop stories based on its April 2013 joint investigation with ProPublica regarding the abuse of prosecutorial power. NBC 4 reported the story of another victim, David McCallum, who at age 16 was convicted of a botched car-jacking and was sentenced to life in prison. Recently discovered DNA evidence not only exonerated Mr. McCallum but also called into question whether the detectives and

² Some of the stories described in this report aired during the last weeks of the reporting period that ended in July 2013, but were not included in the previous report.

³ C. Glorioso, i-Team: Temp Agencies Stiff Employees, Face Fines (Jul. 22, 2013), <http://www.nbcnewyork.com/investigations/Temp-Workers-Pay-Laborers-Department-of-Labor-Fines-216176991.html>.

prosecutors who worked may have forced McCallum to make a false confession. Mr. McCallum's story aired on July 21, 2013 on the 11:00 PM newscast.⁴

Sober Homes. NBC 4 partnered with ProPublica to conduct an in-depth investigation into an apparent kickback scheme whereby one of the busiest drug outpatient clinics in New York inflated the Medicaid bills of "sober home" tenants by requiring them to attend unnecessary appointments. Recovering addicts told i-Team investigators that they were threatened with eviction from the sober home if they did not bring back tickets showing they had swiped their Medicaid benefits card at the outpatient clinic. Since the original story, New York state auditors launched a surprise inspection of the addiction clinic which gets most of its clients from the sober home. The investigation aired on the NBC 4 newscast on October 9, 2013 at 5:00 PM.⁵

NBC 5 Chicago / WMAQ and *The Chicago Reporter*

The Reporter continues to take advantage of NBC 5's online presence to expand the number of stories in collaboration, particularly the online companion pieces. NBC 5 also takes advantage of the NBCOTS' partnership with ProPublica, airing stories based on ProPublica data and investigations. In addition, NBC 5 has continued to collaborate with the Better Government Association (BGA), a non-profit watchdog that investigates allegations of waste, fraud, and corruption in local and state government.

Collaboration in Practice

Chicago Housing Authority. The investigation focused on the Chicago Housing Authority (CHA)'s use of vouchers to place residents in non-CHA units. *The Reporter's* Angela Caputo examined building inspections for hundreds of CHA-subsidized apartments and found a high level of substandard housing. NBC 5 reporter and anchorwoman Marion Brooks profiled one such resident who experienced difficulties with her subsidized housing. The report aired on NBC 5's 5:00 PM newscast on September 11, 2013. NBC 5 also published a companion online article which linked back to investigation on *The Reporter's* website.⁶

Pilsen. *The Reporter's* September/October edition examined the changing face of Pilsen, one of Chicago's historic Latino neighborhoods, as community leaders grapple with increased gentrification and its effect on long-time residents. NBC 5 investigative reporter Chris Coffey conducted an extensive on-air interview with one community leader who outlined these challenges. The report aired on NBC 5's 6:00 PM newscast on October 4,

⁴ C. Glorioso, i-Team: Questions Linger About 1985 Murder Confession (Jul. 22, 2013), <http://www.nbcnewyork.com/news/local/Questions-1985-Murder-Confession-Queens-David-McCallum-I-Team-216239471.html>.

⁵ C. Glorioso, i-Team: Addiction Clinic Accused of Inflating Medicaid Bills, Again (Oct. 9, 2013), <http://www.nbcnewyork.com/news/local/I-Team--Addiction-Clinic-Accused-of-Inflating-Medicaid-Bills-Again-227122721.html>.

⁶ M. Brooks, CHA Funds Pouring into Substandard Housing (Sep. 11, 2013), <http://www.nbcchicago.com/investigations/CHA-Pouring-Funds-Into-Substandard-Housing-223384741.html>.

2013.⁷ NBC 5's coverage received a lot of attention in Spanish-language media and was shared over 765 times on Facebook.

Dismissed Criminal Cases. *The Reporter's* Angela Caputo authored the newspaper's November/December cover-story investigation into the high dismissal rate of criminal prosecutions in the Cook County court system. After an extensive analysis of all misdemeanor cases filed in Cook County, Caputo concluded that more than eight out of every 10 misdemeanor cases are dismissed almost immediately after being filed. She estimated the costs of arresting, prosecuting, and detaining all of the defendants whose cases were ultimately dismissed at about \$100 million a year. NBC 5 reporter Chris Coffey reported Caputo's findings NBC 5's 10:00 PM newscast on November 8, 2013.⁸

Cook County Highway Department Shutdown. NBC 5 and the BGA collaborated on a story about a computer virus that infiltrated the computer systems of the Cook County Highway Department. The virus caused a massive shutdown which lasted days and required a significant amount of money to repair. That story, reported by NBC 5 Investigates' Phil Rogers, aired on the NBC 5 10:00 PM newscast on Thursday, July 25, 2013.⁹

Police Beating in Davenport, Iowa. NBC 5 investigated a videotape of an alleged police beating in Davenport, Iowa, which the BGA had obtained exclusively. NBC 5's Chris Coffey reported the story, which aired on the Monday, August 5, 2013 newscast at 10:00 PM.¹⁰

NBC10 Philadelphia / WCAU and WHY Y

NBC 10 Philadelphia and WHY Y continue to focus their partnership on cross-promoting content. Over the course of a month, as many as 40 articles from WHY Y's Newsworks.org website are showcased on NBC10.com, while a dozen or so WHY Y stories are promoted on-air during NBC 10's afternoon shows. That promotion includes a description of each WHY Y piece as well as an explanation that it is from NBC 10's "partners at Newsworks.org." In addition, NBC10.com promotes Newsworks.org content on social media. Other efforts to promote WHY Y content include free ads for Newsworks.org on NBC10.com and in NBC 10's email newsletters.

Additional News Partnerships

Similar to what the station does with Newsworks.org, NBC10.com also features and promotes content from AxisPhilly.org, a non-profit news and information organization

⁷ C. Coffey, Pilsen Struggles to Maintain Mexican Identity (Oct. 4, 2013), <http://www.nbcchicago.com/news/local/Mexicans-Migration-Away-From-Pilsen-Worries-Some-226521461.html>.

⁸ C. Coffey, Cook County Spends Millions on Cases that Go Nowhere (Nov. 9, 2013), <http://www.nbcchicago.com/news/local/Cook-County-Spends-Millions-on-Cases-That-Go-Nowhere-231206651.html>.

⁹ P. Rodgers and K. Smyser, Virus Causes Massive Shutdown at Cook County Highway Department (Jul. 25, 2013), <http://www.nbcchicago.com/investigations/Virus-Causes-Massive-Shutdown-at-Cook-County-Highway-Department-217025381.html>.

¹⁰ Video Shows Male Davenport Cop Beating Female Shoplifter in Iowa (Aug. 5, 2013), <http://www.nbcchicago.com/investigations/davenport-iowa-police-beating-peraica-218422791.html>.

funded in part through a grant from the William Penn Foundation. In addition, NBC10.com has been pursuing journalistic partnerships with other non-profit organizations including Planphilly.com and philadelphianeighborhoods.com. NBC10 hopes to launch those partnerships early in 2014.

NBC4 Southern California / KNBC and KPCC

NBC4 continues to benefit from KPCC's ability to amass and analyze data to supplement its investigations, while KPCC continues to augment its live coverage of breaking news with NBC4 reporters providing frequent on-air reports for KPCC's listeners.

Collaboration in Practice

Pothole Payouts. A joint investigation by KPCC and NBC4 found that the city of Los Angeles rarely approves claims seeking compensation for damage caused by potholes, and that the claims process seems stacked against people seeking money. Through a public records request, NBC4 and KPCC obtained a database showing the number of claims made by LA drivers, and the disposition of those claims. The data showed that the city rejected over 90% of all claims filed over the past 10 years and paid out a little more than \$300,000 on \$5 million-worth of damage claims filed every year. The story also presented the ordeal that drivers had to go through before being compensated. The joint report aired on October 7 and 8, 2013 on both NBC4 and on KPCC, and also appeared on both partners' websites.¹¹

Senator Calderon Investigation. NBC4 and KPCC worked together on the investigation into allegations that State Senator Ron Calderon accepted more than \$60,000 in bribes. After Al Jazeera America reported on a leaked document tied to that case, KPCC was able to independently confirm the authenticity of that document.¹²

Live Coverage. NBC4 often provides live reports to KPCC on breaking news stories, including live coverage of the LAX airport shooting,¹³ and the arrest of a suspect in a string of threats concerning local schools, a hospital, and a shopping mall.¹⁴

¹¹ J. Grover and P Drechsler, City Dodges Pothole Payouts (Oct. 10, 2013), <http://www.nbclosangeles.com/investigations/series/dodging-pothole-payouts/City-Dodges-Pothole-Payouts-226843651.html>; F. Stoltze, Pothole Damage: LA Approves Only 10% of Claims; How You Can File One (Oct. 8, 2013), <http://www.scpr.org/blogs/politics/2013/10/08/14931/la-rarely-approves-pothole-damage-claims-is-the-pr/>.

¹² C. Cocca and C. Nolan, Officials Call for Sen. Ron Calderon's Resignation (Nov. 13, 2013), <http://www.nbclosangeles.com/news/local/officials-demand-sen-ron-calderon-resign-231833921.html>.

¹³ LAX shooting: Suspect, Slain TSA Officer ID'd, 7 Injured in Terminal 3 (updates) (Nov. 1, 2013), <http://www.scpr.org/news/2013/11/01/40151/incident-prompts-evacuation-at-lax-terminal/>.

¹⁴ LA Man Charged with Making Threats to Schools, Hospitals (Sep. 19, 2013), <http://www.scpr.org/news/2013/09/19/39375/la-man-charged-with-making-school-threats/>

NBC 6 South Florida / WTVJ and FCIR

The recent partnership between NBC 6 South Florida and the Florida Center for Investigative Reporting (FCIR) produced the following stories during the Reporting Period:

Unlicensed Dentists. After the FCIR collected data on the number of complaints against local dentists, NBC 6 reported on the number of unlicensed dentists, including one who mistreated several of his young patients. The report aired on November 19, 2013.¹⁵

School Truancy. On November 25, 2013, NBC 6 aired an investigative report on the problem of school truancy in South Florida. FCIR assisted the report by collecting school truancy data for the South Florida region.¹⁶

¹⁵ D. Gonzalez, Dental Practice Closed after Patient Abuse Allegations (Nov. 19, 2013), <http://www.nbcmiami.com/investigations/Dental-Practice-Closed-After-Patient-Abuse-Allegations-232510121.html>.

¹⁶ T. Robinson, Fighting Chronic Absenteeism in Some South Florida Schools is Top Priority for Officials (Nov. 25, 2013), <http://www.nbcmiami.com/news/local/Fighting-Chronic-Absenteeism-in-Some-South-Florida-Schools-Top-Priority-for-Officials-230125791.html>.