



## Gray Television, Inc. Q2 2008 Earnings Call Transcript

### Question-and-Answer Session

---

#### Operator

(Operator Instructions) We'll take the first question from Marci Ryvicker of Wachovia.

#### Marci Ryvicker – Wachovia Capital Markets, LLC

Just wanted to know if you could comment on your digital stations. I don't know if you said that at the beginning of the call. It was hard to get on so I apologize.

#### Robert S. Prather, Jr.

I can't but I will. Our FOX digital station is doing extremely well as you can imagine. FOX has had a very strong year overall. The FOX station is doing well. CW and MyNetwork, not as good, mainly as we talked about before. Probably more than any reason is just the channel placement. One of the things we are going to be working hard on in our retrans discussions is getting better channel placement for our digital channels. If you get put way up on a digital tier by the cable guys, it's just hard to get a lot of people to find your station. I think if we get good channel placement like we're hoping to, and we did good general placement with Cox based in Topeka and it has already helped our revenue. That's something we will be working toward.

#### Marci Ryvicker – Wachovia Capital Markets, LLC

In terms of your deletion agreements, when are they up with each of the networks and do you anticipate when you go to discuss the new contracts that they are going to ask for reverse compensation in terms of retransmission consent?

#### Robert S. Prather, Jr.

We've only got one station up for renewal at the end of the year, that's our Huntington-Charleston, which is a NBC, one of the strongest NBCs in the country. We've had initial discussions with them. They are talking about trying to get some retrans. If we get it, we're going to fight that pretty hard. We have no intention of giving any retrans the further we get from the networks. Most of our others are out about four years, aren't they Jim?

#### James C. Ryan

The CBSs are out to 2014, the ABCs are out to 2013 and most of the NBCs are in 2012. There is another one that goes out actually as far as 2015.

**Marci Ryvicker – Wachovia Capital Markets, LLC**

On the NBC station, can you talk about how it's been in terms of the Olympics? We heard from at least one of your peers that it's been a little bit difficult to sell.

Copyright © 2008 CNET Networks, Inc. All Rights Reserved.