

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): September 2, 2015 (August 31, 2015)

Gray Television, Inc.

(Exact name of registrant as specified in its charter)

Georgia

(State or other jurisdiction
of incorporation)

001-13796

(Commission File Number)

58-0285030

(IRS employer
Identification No.)

4370 Peachtree Road, Atlanta GA

(Address of principal executive offices)

30319

(Zip Code)

Registrant's telephone number, including area code (404) 504-9828

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 – Other Events

On August 31, 2015, Gray Television, Inc. (the “Company”) issued a press release announcing that it had notified certain advertising firms of its decision to terminate essentially all of the Company’s national advertising sales representation agreements with those firms. As a result thereof, the Company will record a special charge to its third quarter 2015 broadcast expenses of approximately \$6.1 million to reflect anticipated termination fees.

A copy of the press release announcing this notification is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

On September 1, 2015, the Company issued a press release announcing that it had entered into a definitive agreement with The Gazette Company to acquire KCRG-TV, the ABC affiliate for the Cedar Rapids, Iowa designated market area, for approximately \$100.0 million in cash. The acquisition will result in the Company’s first purchase of a television station in Iowa. This acquisition is expected to close in the fourth quarter of 2015, pending the receipt of Federal Communications Commission and other regulatory approvals.

A copy of the press release announcing this acquisition is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Item 9.01 – Financial Statements and Exhibits

<u>Number</u>	<u>Name</u>
99.1	Press release dated August 31, 2015
99.2	Press release dated September 1, 2015

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GRAY TELEVISION, INC.

By: /s/ James C. Ryan
Name: James C. Ryan
Title: Senior Vice President and
Chief Financial Officer

Date: September 2, 2015

EXHIBIT INDEX

<u>Number</u>	<u>Name</u>
99.1	Press release dated August 31, 2015
99.2	Press release dated September 1, 2015



NEWS RELEASE

GRAY TO DIRECTLY REPRESENT ITSELF FOR NATIONAL SALES

Atlanta, GA – August 31, 2015. . . Gray Television, Inc. (“Gray” or “we” or “our”) (NYSE: GTN and GTN.A) today announced that it has notified Katz Media Group and CoxReps of its decision to terminate essentially all of its national advertising sales representation agreements with those firms. Currently, Gray directly handles national advertising sales at approximately one-quarter of its television stations. In January 2016, Gray will expand this direct sales approach to nearly all of its television stations.

“Katz and CoxReps have served Gray’s stations very well over many years,” said Hilton H. Howell, Jr., Gray’s CEO and President. “After very careful consideration, we have determined that the rapidly changing marketplace now requires that nearly all of our stations directly interface with national advertising agencies and clients.”

Gray has hired Becky Meyer, formerly the Vice President of Sales for Katz Media Group’s Continental Television Sales division in Chicago, to lead its national sales efforts as its new Vice President of National Sales. In addition, Gray has hired Mike Jones, as Gray’s new National Director of Political Sales. Mr. Jones formerly represented scores of television stations in national political advertising sales, including many of Gray’s stations, as a Vice President with Continental.

The amount by which our national advertising sales commissions will decrease (after increases in Gray’s own personnel costs) depends primarily on the volume of national advertising sales revenue, and especially political advertising revenue, that the effected stations achieve once they directly handle their own national sales. We anticipate that expense savings due to the termination of the national advertising sales representation agreements, net of increased personnel expense, will be in the range of \$8 million to \$9 million in 2016, with net savings continuing in the years thereafter. In addition to these cost savings, we expect that our new strategy will have at least a marginally positive impact on national advertising revenue.

The termination of the representation agreements will trigger termination fees payable to the former national representation firms that will be payable in monthly installments throughout 2016 and 2017. We will record a special charge to our third quarter 2015 broadcast expenses of approximately \$6.1 million to reflect the anticipated termination fees. We did not include this special charge in the guidance for our anticipated third quarter 2015 results that we issued on August 6, 2015.

4370 Peachtree Road, NE, Atlanta, GA 30319 | P 404.504.9828 F 404.261.9607 | www.gray.tv

About Gray Television

Gray Television, Inc. (NYSE: GTN and GTN.A) is a television broadcast company headquartered in Atlanta, Georgia, that owns and operates television stations and leading digital assets in markets throughout the United States. Upon the consummation of all announced transactions, we will own and operate television stations in 45 television markets broadcasting approximately 160 program streams including 30 channels affiliated with the CBS Network, 22 channels affiliated with the NBC Network, 16 channels affiliated with the ABC Network and 13 channels affiliated with the FOX Network. We will then own and operate the number-one ranked television station in 33 of those 45 markets and the number-one or number-two ranked television station operations in 42 of those 45 markets. We currently reach approximately 8.3 percent of total United States television households.

Contacts:

www.gray.tv

404-504-9828

Hilton H. Howell, Jr., President and Chief Executive Officer

Jim Ryan, Senior Vice President and Chief Financial Officer

Kevin P. Latek, Senior Vice President, Business Affairs

Forward-Looking Statements:

This press release contains certain forward-looking statements that are based largely on Gray's current expectations and reflect various estimates and assumptions by Gray. These statements may be identified by words such as "expect," "anticipate," "will," "implied," "assume" and similar expressions. Forward looking statements are subject to certain risks, trends and uncertainties that could cause actual results and achievements to differ materially from those expressed in such forward looking statements. Such risks, trends and uncertainties, which in some instances are beyond Gray's control, include Gray's ability to maintain relationships with cable operators, satellite providers and other key commercial partners of the acquired business, the ability to retain employees of the acquired business, the ability to successfully integrate the acquired business into its operations, and the ability to realize the expected benefits and synergies from the acquisition, including the expected accretion in earnings. Gray is subject to additional risks and uncertainties described in Gray's quarterly and annual reports filed with the Securities and Exchange Commission from time to time, including in the "Risk Factors," financial statements, and management's discussion and analysis of financial condition and results of operations sections contained therein, which reports are made publicly available via its website, www.Gray.tv. Any forward-looking statements in this press release should be evaluated in light of these important risk factors. This press release reflects management's views as of the date hereof. Except to the extent required by applicable law, Gray undertakes no obligation to update or revise any information contained in this press release beyond the published date, or for changes made to this press release by wire services, Internet service providers or other media, whether as a result of new information, future events or otherwise.

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NEWS RELEASE

GRAY TO ACQUIRE KCRG-TV IN CEDAR RAPIDS, IOWA

Atlanta, GA – September 1, 2015. . . Gray Television, Inc. (“Gray” or “we” or “our”) (NYSE: GTN and GTN.A) announced today that it has reached an agreement with The Gazette Company to acquire KCRG-TV, the ABC affiliate for the Cedar Rapids, Iowa, DMA for approximately \$100.0 million in cash. This acquisition marks Gray’s first purchase of a television station located in the State of Iowa.

Consistent with Gray’s other recently acquired television stations, KCRG-TV is the number-one ranked television station in its DMA and dominates its local market in terms of community service, viewership, innovation, and revenue. Strategically, the transaction reinforces Gray’s transformative growth strategy as we continue to acquire high-quality assets in attractive markets with the same culture, values and record of success as our existing television stations.

“The Gazette Company has honored Gray Television by entrusting us with the future stewardship of KCRG-TV, which it has built into a true powerhouse,” said Hilton H. Howell, Jr., Gray’s President and CEO. “With this very strong foundation and a great staff, we are confident that Gray’s backing will propel KCRG-TV to even greater success in the future,” Mr. Howell added.

Chuck Peters, the President and CEO of The Gazette Company, explained, “The Gazette Company, owned by a trust for the benefit of its employees, is focused on growing businesses and growing people. We realized that we have done all we can do as a single television station with the business and for the people of KCRG TV9. We look forward to seeing what the very talented KCRG TV9 team can do with the scale and connections of Gray Television.”

Since The Gazette Company, which also owns *The Cedar Rapids Gazette*, first placed KCRG-TV on the air in 1953, the newspaper and television station have worked together to bring quality journalism, economic development, community service, and business solutions to Eastern Iowa. The Gazette Company and Gray will continue the long-standing and successful partnership between *The Gazette* and KCRG-TV. Meanwhile, this transaction will allow both companies to continue positioning these leading media institutions for continued growth over the next several decades.

Gray today closed on its purchase of most of KCRG-TV’s non-license assets and began operating the television station subject to the licensee’s ultimate control. We anticipate closing on the station’s remaining assets in the fourth quarter of 2015 following receipt of FCC and other approvals.

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Including expected synergies, the transaction purchase price represents a multiple of approximately 6.9 times a blended average of the station's 2015-2016 pro forma broadcast cash flow. As such, the acquisition of KCRG-TV will be immediately free cash flow accretive to Gray. We financed the transaction with cash on hand.

About Gray Television

Gray Television, Inc. (NYSE: GTN and GTN.A) is a television broadcast company headquartered in Atlanta, Georgia, that owns and operates television stations and leading digital assets in markets throughout the United States. Upon the consummation of all announced transactions, we will own and operate television stations in 46 television markets broadcasting over 160 program streams including 30 channels affiliated with the CBS Network, 22 channels affiliated with the NBC Network, 17 channels affiliated with the ABC Network and 13 channels affiliated with the FOX Network. We will then own and operate the number-one ranked television station in 34 of those 46 markets and the number-one or number-two ranked television station operations in 43 of those 46 markets. Our owned and operated stations reach approximately 8.6 percent of total United States television households.

Contacts:

www.gray.tv

Hilton H. Howell, Jr., President and Chief Executive Officer
404-266-5512

Jim Ryan, Senior Vice President and Chief Financial Officer
404-504-9828

Kevin P. Latek, Senior Vice President, Business Affairs
404-266-8333

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