**United States Securities and Exchange Commission**

**Statement of Changes in Beneficial Ownership**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

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1. **Name and Address of Reporting Person**
   
   **Highland Capital Management LP**
   
   13455 Noël Road, Suite 800, Dallas, TX 75240

2. **Issuer Name and Ticker or Trading Symbol**
   
   **Gray Television Inc. [GTN]**

3. **Date of Earliest Transaction (Month/Day/Year)**
   
   09/24/2008

4. **If Amendment, Date of Original Filed (Month/Day/Year)**

5. **Relationship of Reporting Person(s) to Issuer (Check all applicable)**
   
   Director
   
   Officer (give title below)
   
   Other (specify below)

6. **Individual or Joint/Group Filing (Check Applicable Line)**
   
   X Form filed by One Reporting Person
   
   Form filed by More than One Reporting Person

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### Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

<table>
<thead>
<tr>
<th>Security</th>
<th>Date</th>
<th>Acquisition or Disposition</th>
<th>Number of Shares</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Stock</td>
<td>09/24/2008</td>
<td>Acquisition</td>
<td>303,300</td>
<td>$1.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disposition</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. **Nature of Indirect Beneficial Ownership (Instr. 4)**

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### Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

<table>
<thead>
<tr>
<th>Derivative Security</th>
<th>Date of Earliest Transaction (Month/Day/Year)</th>
<th>Exercisable Date (Month/Day/Year)</th>
<th>Expiration Date (Month/Day/Year)</th>
<th>Number of Shares Exercisable</th>
<th>Number of Shares Exercisable Underlying Derivative Security</th>
</tr>
</thead>
</table>

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### Explanation of Responses:

1. This statement is filed by and on behalf of: (i) Highland Capital Management, L.P. ("Capital Management"); (ii) Strand Advisors, Inc. ("Strand"); and (iii) James D. Dondero.

2. Capital Management serves as investment adviser and/or manager to other persons, including Highland Credit Strategies Fund ("Credit Fund"), Highland Equity Focus Fund ("Focus Fund"), Highland Special Situations Fund ("Special Fund") and Highland Multi-Strategy Onshore Master SubFund ("Subfund"). Capital Management may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of other persons, including Credit Fund, Focus Fund, Special Fund, and Subfund.

3. Strand is the general partner of Capital Management. Strand may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Capital Management.

4. Mr. Dondero is the President and a director of Strand. Mr. Dondero may be deemed to beneficially own shares owned and/or held by and/or for the account and/or benefit of Strand.

Each of the reporting persons states that neither the filing of this statement nor anything herein shall be deemed an admission that such person is, for purposes of Section 16 of the Act or otherwise, the beneficial owner of any securities covered by this statement. Each of the reporting persons disclaims beneficial ownership of the securities covered by this statement, except to the extent of the pecuniary interest of such person in such securities.

Each of the reporting persons may be deemed to be a member of a group with respect to the issuer or securities of the issuer for the purposes of Section 13(d) or 13(g) of the Act. Each of the reporting persons declares that neither the filing of this statement nor anything herein shall be construed as an admission that such person is, for purposes of Section 13(d) or 13(g) of the Act or any other purpose, (i) acting (or has agreed or is agreeing to act together with any other person) as a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, or disposing of securities of the issuer or otherwise with respect to the issuer or any securities of the issuer or (ii) a member of any group with respect to the issuer or any securities of the issuer.

Neither Mr. Dondero, Capital Management, nor any other reporting person may bind, obligate or take any action, directly or indirectly, on behalf of Credit Fund, or Focus Fund.

### Remarks:

Exhibit 99.1 - Joint Filer Agreement

**Signature of Reporting Person**

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a). Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.
JOINT FILER INFORMATION

1. STRAND ADVISORS, INC.

ITEM INFORMATION

Name:                            Strand Advisors, Inc.
Address:                         Two Galleria Tower
                                 13455 Noel Road, Ste. 800
                                 Dallas, Texas 75240
Designated Filer:                Highland Capital Management, L.P.
Issuer Name and Ticker or       GRAY TELEVISION, INC. [GTN]
Trading Symbol:
Date of Earliest Transaction    SEPTEMBER 24, 2008
Required to be Reported (Month/Day/Year):
If Amendment, Date Original Filed (Month/Day/Year): Not Applicable
Relationship of Reporting Person(s) to Issuer: 10% Owner
Individual or Joint/Group Filing: Form filed by More than One Reporting Person
Signature:
By:      /s/ James D. Dondero
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Name:    James D. Dondero
Title:   President
Date:    August 27, 2008

2. JAMES D. DONDERO

ITEM INFORMATION

Name:                            James D. Dondero
Address:                         Two Galleria Tower
                                 13455 Noel Road, Ste. 800
                                 Dallas, Texas 75240
Designated Filer:                Highland Capital Management, L.P.
Issuer Name and Ticker or       GRAY TELEVISION, INC. [GTN]
Trading Symbol:
Date of Earliest Transaction    SEPTEMBER 24, 2008
Required to be Reported (Month/Day/Year):
If Amendment, Date Original Filed (Month/Day/Year): Not Applicable
Relationship of Reporting Person(s) to Issuer: 10% Owner
Individual or Joint/Group Filing: Form filed by More than One Reporting Person
Signature:
By:      /s/ James D. Dondero
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Name:    James D. Dondero
Date:    August 27, 2008