UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number 0-16914

THE E.W. SCRIPPS COMPANY
(Exact name of registrant as specified in its charter)

Ohio	31-1223339
(State or other jurisdiction of incorporation or organization)	*(IRS Employer Identification Number)*

312 Walnut Street
Cincinnati, Ohio 45202
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (513) 977-3000

Not applicable
(Former name, former address and former fiscal year, if changed since last report.)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Class A Common Stock, par value $0.01 per share	SSP	NASDAQ Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐	Emerging growth company	☐
Non-accelerated filer	☐	Smaller reporting company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of September 30, 2019, there were 68,981,874 of the registrant's Class A Common shares, $0.01 par value per share, outstanding and 11,932,722 of the registrant's Common Voting shares, $0.01 par value per share, outstanding.

Index to The E.W. Scripps Company Quarterly Report on Form 10-Q for the Quarter Ended September 30, 2019

PART I

As used in this Quarterly Report on Form 10-Q, the terms “Scripps,” “Company,” “we,” “our,” or “us” may, depending on the context, refer to The E.W. Scripps Company, to one or more of its consolidated subsidiary companies, or to all of them taken as a whole.

Item 1. Financial Statements

The information required by this item is filed as part of this Form 10-Q. See Index to Financial Information at page F-1 of this Form 10-Q.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The information required by this item is filed as part of this Form 10-Q. See Index to Financial Information at page F-1 of this Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The information required by this item is filed as part of this Form 10-Q. See Index to Financial Information at page F-1 of this Form 10-Q.

Item 4. Controls and Procedures

The information required by this item is filed as part of this Form 10-Q. See Index to Financial Information at page F-1 of this Form 10-Q.

PART II

Item 1. Legal Proceedings

We are involved in litigation and regulatory proceedings arising in the ordinary course of business, such as defamation actions and governmental proceedings primarily relating to renewal of broadcast licenses, none of which is expected to result in material loss.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in Item 1A. Risk Factors in our 2018 Annual Report on Form 10-K, except as updated in our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2019.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no sales of unregistered equity securities during the quarter ended September 30, 2019.

In November 2016, our Board of Directors authorized a repurchase program of up to $100 million of our Class A Common shares. The authorization currently expires on March 1, 2020. Shares can be repurchased under the authorization via open market purchases or privately negotiated transactions, including accelerated stock repurchase transactions, block trades, or pursuant to trades intending to comply with Rule 10b5-1 of the Securities Exchange Act of 1934. At September 30, 2019, $49.7 million remained under the authorization. No shares were repurchased under this program during the third quarter of 2019.

Item 3. Defaults Upon Senior Securities

There were no defaults upon senior securities during the quarter ended September 30, 2019.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Exhibit Description
31(a)	Section 302 Certifications
31(b)	Section 302 Certifications
32(a)	Section 906 Certifications
32(b)	Section 906 Certifications
101	The Company's unaudited Condensed Consolidated Financial Statements and related Notes for the quarter and nine months ended September 30, 2019 from this Quarterly Report on Form 10-Q, formatted in iXBRL (Inline eXtensible Business Reporting Language).*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* - Filed herewith

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, thereunto duly authorized.

	THE E.W. SCRIPPS COMPANY
Dated: November 8, 2019	By: /s/ Douglas F. Lyons
	Douglas F. Lyons
	Senior Vice President, Controller and Treasurer
	(Principal Accounting Officer)

The E.W. Scripps Company
Index to Financial Information (Unaudited)

The E.W. Scripps Company
Condensed Consolidated Balance Sheets (Unaudited)

(in thousands, except share data)	As of September 30, 2019	As of December 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	$ 86,507	$ 107,114
Accounts receivable (less allowances— $2,924 and $4,371)	333,725	281,330
Programming	48,260	34,432
FCC repack receivable	28,531	19,242
Miscellaneous	37,219	28,899
Total current assets	534,242	471,017
Investments	8,395	7,162
Property and equipment	375,942	237,927
Operating lease right-of-use assets	128,117	—
Goodwill	1,323,312	834,013
Other intangible assets	1,021,025	478,953
Programming (less current portion)	89,799	75,333
Deferred income taxes	8,457	9,141
Miscellaneous	17,202	16,515
Total Assets	$ 3,506,491	$ 2,130,061
Liabilities and Equity		
Current liabilities:		
Accounts payable	$ 43,295	$ 26,919
Unearned revenue	8,948	11,459
Current portion of long-term debt	10,650	3,000
Accrued liabilities:		
Employee compensation and benefits	39,636	44,929
Programming liability	65,819	40,301
Miscellaneous	55,564	46,112
Other current liabilities	20,336	25,339
Total current liabilities	244,248	198,059
Long-term debt (less current portion)	1,925,566	685,764
Deferred income taxes	21,041	25,531
Operating lease liabilities	120,327	—
Other liabilities (less current portion)	301,535	294,542
Equity:		
Preferred stock, $.01 par — authorized: 25,000,000 shares; none outstanding	—	—
Common stock, $.01 par:		
Class A — authorized: 240,000,000 shares; issued and outstanding: 68,981,874 and 68,736,867 shares	690	688
Voting — authorized: 60,000,000 shares; issued and outstanding: 11,932,722 and 11,932,722 shares	119	119
Total	809	807
Additional paid-in capital	1,114,239	1,106,984
Accumulated deficit	(127,612)	(86,229)
Accumulated other comprehensive loss, net of income taxes	(93,828)	(95,397)
Total The E.W. Scripps Company shareholders' equity	893,608	926,165
Noncontrolling interest	166	—
Total equity	893,774	926,165
Total Liabilities and Equity	$ 3,506,491	$ 2,130,061

See notes to condensed consolidated financial statements.

The E.W. Scripps Company
Condensed Consolidated Statements of Operations (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except per share data)	2019	2018	2019	2018
Operating Revenues:				
Advertising	$ 220,018	$ 205,605	$ 606,861	$ 568,918
Retransmission and carriage	97,128	79,673	277,736	225,391
Other	32,631	17,448	94,838	46,003
Total operating revenues	349,777	302,726	979,435	840,312
Costs and Expenses:				
Employee compensation and benefits	124,667	96,129	350,472	289,689
Programming	113,998	90,832	314,863	258,622
Other expenses	71,621	59,148	205,788	175,953
Acquisition and related integration costs	16,736	332	23,004	332
Restructuring costs	27	863	1,922	7,000
Total costs and expenses	327,049	247,304	896,049	731,596
Depreciation, Amortization, and (Gains) Losses:				
Depreciation	10,020	8,627	28,990	24,616
Amortization of intangible assets	12,221	6,971	31,280	21,784
(Gains) losses, net on disposal of property and equipment	(11)	(501)	306	150
Net depreciation, amortization, and (gains) losses	22,230	15,097	60,576	46,550
Operating income	498	40,325	22,810	62,166
Interest expense	(26,537)	(9,003)	(53,476)	(27,041)
Defined benefit pension plan expense	(2,071)	(3,529)	(5,207)	(6,306)
Miscellaneous, net	2,042	(546)	1,611	(535)
Income (loss) from continuing operations before income taxes	(26,068)	27,247	(34,262)	28,284
Provision (benefit) for income taxes	(4,305)	7,208	(5,319)	8,160
Income (loss) from continuing operations, net of tax	(21,763)	20,039	(28,943)	20,124
Loss from discontinued operations, net of tax	—	(908)	—	(22,354)
Net income (loss)	(21,763)	19,131	(28,943)	(2,230)
Income (loss) attributable to noncontrolling interest	166	—	166	(632)
Net income (loss) attributable to the shareholders of The E.W. Scripps Company	$ (21,929)	$ 19,131	$ (29,109)	$ (1,598)
Net income (loss) per basic share of common stock attributable to the shareholders of The E.W. Scripps Company:				
Income (loss) from continuing operations	$ (0.27)	$ 0.24	$ (0.36)	$ 0.25
Loss from discontinued operations	—	(0.01)	—	(0.27)
Net income (loss) per basic share of common stock attributable to the shareholders of The E.W. Scripps Company:	$ (0.27)	$ 0.23	$ (0.36)	$ (0.02)
Net income (loss) per diluted share of common stock attributable to the shareholders of The E.W. Scripps Company:				
Income (loss) from continuing operations	$ (0.27)	$ 0.24	$ (0.36)	$ 0.25
Loss from discontinued operations	—	(0.01)	—	(0.27)
Income (loss) per diluted share of common stock attributable to the shareholders of The E.W. Scripps Company	$ (0.27)	$ 0.23	$ (0.36)	$ (0.02)

See notes to condensed consolidated financial statements.
Net income (loss) per share amounts may not foot since each is calculated independently.

The E.W. Scripps Company
Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)

(in thousands)	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Net income (loss)	$ (21,763)	$ 19,131	$ (28,943)	$ (2,230)
Changes in defined benefit pension plans, net of tax of $218, $777, $528, and $1,274	648	2,316	1,569	3,796
Total comprehensive income (loss)	(21,115)	21,447	(27,374)	1,566
Less comprehensive net income (loss) attributable to noncontrolling interest	166	—	166	(632)
Total comprehensive income (loss) attributable to the shareholders of The E.W. Scripps Company	$ (21,281)	$ 21,447	$ (27,540)	$ 2,198

See notes to condensed consolidated financial statements.

The E.W. Scripps Company
Condensed Consolidated Statements of Cash Flows (Unaudited)

(in thousands)	Nine Months Ended September 30, 2019	2018
Cash Flows from Operating Activities:		
Net loss	$ (28,943)	$ (2,230)
Loss from discontinued operations, net of tax	—	(22,354)
Income (loss) from continuing operations, net of tax	(28,943)	20,124
Adjustments to reconcile net income (loss) from continuing operations to net cash flows from operating activities:		
Depreciation and amortization	60,270	46,400
(Gain)/loss on sale of property and equipment	306	150
Programming assets and liabilities	7,649	(10,775)
Deferred income taxes	(5,284)	3,072
Stock and deferred compensation plans	11,524	10,128
Pension expense, net of contributions	(9,630)	(13,261)
Other changes in certain working capital accounts, net	(33,977)	10,240
Miscellaneous, net	9,092	(1,168)
Net cash provided by operating activities from continuing operations	11,007	64,910
Net cash provided by operating activities from discontinued operations	—	8,878
Net operating activities	11,007	73,788
Cash Flows from Investing Activities:		
Acquisitions, net of cash acquired	(1,190,631)	—
Acquisition of intangible assets	(24,475)	(7,229)
Additions to property and equipment	(41,775)	(39,279)
Purchase of investments	(1,453)	(79)
Proceeds from FCC repack	3,965	946
Miscellaneous, net	(41)	2,307
Net cash used in investing activities from continuing operations	(1,254,410)	(43,334)
Net cash used in investing activities from discontinued operations	—	(1,044)
Net investing activities	(1,254,410)	(44,378)
Cash Flows from Financing Activities:		
Proceeds from long-term debt	1,281,175	—
Payments on long-term debt	(6,075)	(4,906)
Deferred financing costs	(31,295)	—
Dividends paid	(12,274)	(12,362)
Repurchase of Class A Common shares	(584)	(30,270)
Proceeds from exercise of stock options	—	1,857
Tax payments related to shares withheld for RSU vesting	(3,716)	(2,520)
Miscellaneous, net	(4,437)	(165)
Net cash provided by (used in) financing activities from continuing operations	1,222,794	(48,366)
Effect of foreign exchange rates on cash, cash equivalents and restricted cash	2	—
Decrease in cash, cash equivalents and restricted cash	(20,607)	(18,956)
Cash, cash equivalents and restricted cash:		
Beginning of year	107,114	148,699
End of period	$ 86,507	$ 129,743
Supplemental Cash Flow Disclosures		
Interest paid	$ 41,965	$ 19,683
Income taxes paid	$ 11,878	$ 934
Non-cash investing information		
Capital expenditures included in accounts payable	$ 1,587	$ 698

See notes to condensed consolidated financial statements.

The E.W. Scripps Company
Condensed Consolidated Statements of Equity (Unaudited)

Three Months Ended September 30, 2019 and 2018 *(in thousands, except per share data)*	Common Stock	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss) ("AOCI")	Noncontrolling Interest	Total Equity
As of June 30, 2019	$ 809	$ 1,111,849	$ (101,529)	$ (94,476)	$ —	$ 916,653
Comprehensive income (loss)	—	—	(21,929)	648	166	(21,115)
Cash dividend: declared and paid - $0.05 per share	—	—	(4,154)	—	—	(4,154)
Compensation plans: 41,612 net shares issued *	—	2,390	—	—	—	2,390
As of September 30, 2019	$ 809	$ 1,114,239	$ (127,612)	$ (93,828)	$ 166	$ 893,774

** Net of tax payments related to shares withheld for vested RSUs of $16 for the three months ended September 30, 2019.*

Three Months Ended September 30, 2019 and 2018 *(in thousands, except per share data)*	Common Stock	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss) ("AOCI")	Noncontrolling Interest	Total Equity
As of June 30, 2018	$ 819	$ 1,131,499	$ (119,012)	$ (101,442)	$ —	$ 911,864
Comprehensive income	—	—	19,131	2,316	—	21,447
Cash dividend: declared and paid - $0.05 per share	—	—	(4,140)	—	—	(4,140)
Repurchase of 1,405,535 Class A Common shares	(14)	(25,847)	—	—	—	(25,861)
Compensation plans: 116,392 net shares issued *	1	2,341	—	—	—	2,342
As of September 30, 2018	$ 806	$ 1,107,993	$ (104,021)	$ (99,126)	$ —	$ 905,652

** Net of tax payments related to shares withheld for vested RSUs of $620 for the three months ended September 30, 2018.*

Nine Months Ended September 30, 2019 and 2018 *(in thousands, except per share data)*	Common Stock	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss) ("AOCI")	Noncontrolling Interest	Total Equity
As of December 31, 2018	$ 807	$ 1,106,984	$ (86,229)	$ (95,397)	$ —	$ 926,165
Comprehensive income (loss)	—	—	(29,109)	1,569	166	(27,374)
Cash dividend: declared and paid - $0.15 per share	—	—	(12,274)	—	—	(12,274)
Repurchase of 180,541 Class A Common shares	(2)	(582)	—	—	—	(584)
Compensation plans: 425,548 net shares issued *	4	7,837	—	—	—	7,841
As of September 30, 2019	$ 809	$ 1,114,239	$ (127,612)	$ (93,828)	$ 166	$ 893,774

** Net of tax payments related to shares withheld for vested RSUs of $3,716 for the nine months ended September 30, 2019.*

Nine Months Ended September 30, 2019 and 2018 *(in thousands, except per share data)*	Common Stock	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss) ("AOCI")	Noncontrolling Interest	Total Equity
As of December 31, 2017	$ 816	$ 1,129,020	$ (90,061)	$ (102,922)	$ 632	$ 937,485
Comprehensive income (loss)	—	—	(1,598)	3,796	(632)	1,566
Cash dividend: declared and paid - $0.15 per share	—	—	(12,362)	—	—	(12,362)
Repurchase of 1,690,736 Class A Common shares	(17)	(30,253)	—	—	—	(30,270)
Compensation plans: 731,414 net shares issued *	7	9,226	—	—	—	9,233
As of September 30, 2018	$ 806	$ 1,107,993	$ (104,021)	$ (99,126)	$ —	$ 905,652

** Net of tax payments related to shares withheld for vested RSUs of $2,520 for the nine months ended September 30, 2018.*

See notes to condensed consolidated financial statements.

1. Summary of Significant Accounting Policies

As used in the Notes to Condensed Consolidated Financial Statements, the terms “Scripps,” “Company,” “we,” “our,” or “us” may, depending on the context, refer to The E.W. Scripps Company, to one or more of its consolidated subsidiary companies, or to all of them taken as a whole.

Basis of Presentation — The condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. The interim financial statements should be read in conjunction with the audited consolidated financial statements, including the notes thereto included in our 2018 Annual Report on Form 10-K. In management's opinion, all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of the interim periods have been made.

Results of operations are not necessarily indicative of the results that may be expected for future interim periods or for the full year.

Principles of Consolidation — The consolidated financial statements include our accounts and those of our wholly-owned and majority-owned subsidiaries and variable interest entities (VIEs) for which we are the primary beneficiary. We are the primary beneficiary of a VIE when we have the power to direct the activities of the VIE that most significantly impact the economic performance of the VIE and have the obligation to absorb losses or the right to receive returns that would be significant to the VIE. Noncontrolling interest represents an owner’s share of the equity in certain of our consolidated entities. All intercompany transactions and account balances have been eliminated in consolidation.

Investments in entities over which we have significant influence but not control are accounted for using the equity method of accounting. Income from equity method investments represents our proportionate share of net income generated by equity method investees.

Nature of Operations — We are a diverse media enterprise, serving audiences and businesses through a portfolio of local and national media brands. All of our media businesses provide content and advertising services via digital platforms, including the Internet, smartphones and tablets. Our media businesses are organized into the following reportable business segments: Local Media, National Media and Other. Additional information for our business segments is presented in the Notes to Condensed Consolidated Financial Statements.

Use of Estimates — Preparing financial statements in accordance with accounting principles generally accepted in the United States of America requires us to make a variety of decisions that affect the reported amounts and the related disclosures. Such decisions include the selection of accounting principles that reflect the economic substance of the underlying transactions and the assumptions on which to base accounting estimates. In reaching such decisions, we apply judgment based on our understanding and analysis of the relevant circumstances, including our historical experience, actuarial studies and other assumptions.

Our financial statements include estimates and assumptions used in accounting for our defined benefit pension plans; the periods over which long-lived assets are depreciated or amortized; the fair value of long-lived assets, goodwill and indefinite lived assets; the liability for uncertain tax positions and valuation allowances against deferred income tax assets; the fair value of assets acquired and liabilities assumed in business combinations; and self-insured risks.

While we re-evaluate our estimates and assumptions on an ongoing basis, actual results could differ from those estimated at the time of preparation of the financial statements.

Nature of Products and Services — The following is a description of principal activities from which we generate revenue.

Core Advertising **—** Core advertising is comprised of sales to local and national customers. The advertising includes a combination of broadcast air time, as well as digital advertising. Pricing of advertising time is based on audience size and share, the demographic of our audiences and the demand for our limited inventory of commercial time. Advertising time is sold through a combination of local sales staff and national sales representative firms. Digital revenues are primarily generated from the sale of advertising to local and national customers on our local television websites, smartphone apps, tablet apps and other platforms.

Political Advertising **—** Political advertising is generally sold through our Washington D.C. sales office. Advertising is sold to presidential, gubernatorial, Senate and House of Representative candidates, as well as for state and local issues. It is also sold to political action groups (PACs) or other advocacy groups.

Retransmission Revenues **—** We earn revenue from retransmission consent agreements with multi-channel video programming distributors ("MVPDs") in our markets. The MVPDs are cable operators and satellite carriers who pay us to offer our programming to their customers. We also receive fees from over-the-top virtual MVPDs such as YouTubeTV, DirectTV Now and Sony Vue. The fees we receive are typically based on the number of subscribers in our local market and the contracted rate per subscriber.

Other Products and Services **—** We derive revenue from sponsorships and community events through our Local Media segment. Our National Media segment offers subscription services for access to premium content to its customers. Our Triton business earns revenue from monthly fees charged to audio publishers for converting their content into digital audio streams and inserting digital advertising into those audio streams and providing statistical measurement information about their listening audience. Our podcast business acts as a sales and marketing representative and earns commission for its work.

Refer to Note 13. Segment Information for further information, including revenue by significant product and service offering.

Revenue Recognition — Revenue is measured based on the consideration we expect to be entitled to in exchange for promised goods or services provided to customers, and excludes any amounts collected on behalf of third parties. Revenue is recognized upon transfer of control of promised products or services to customers.

Advertising **—** Advertising revenue is recognized, net of agency commissions, over time primarily as ads are aired or impressions are delivered and any contracted audience guarantees are met. We apply the practical expedient to recognize revenue at the amount we have the right to invoice, which corresponds directly to the value a customer has received relative to our performance. For advertising sold based on audience guarantees, audience deficiency may result in an obligation to deliver additional advertisements to the customer. To the extent that we do not satisfy contracted audience ratings, we record deferred revenue until such time that the audience guarantee has been satisfied.

Retransmission **—** Retransmission revenues are considered licenses of functional intellectual property and are recognized at the point in time the content is transferred to the customer. MVPDs report their subscriber numbers to us generally on a 30- to 90-day lag. Prior to receiving the MVPD reporting, we record revenue based on estimates of the number of subscribers, utilizing historical levels and trends of subscribers for each MVPD.

Other **—** Revenues generated by our Triton business are recognized on a ratable basis over the contract term as the monthly service is provided to the customer.

Transaction Price Allocated to Remaining Performance Obligations — As of September 30, 2019, we had an aggregate transaction price of $85.9 million allocated to unsatisfied performance obligations related to contracts within our Triton business. We expect to recognize revenue on 86% of these remaining performance obligations over the next 24 months and the remainder thereafter.

We did not disclose the value of unsatisfied performance obligations on any other contracts with customers because they are either (i) contracts with an original expected term of one year or less, (ii) contracts for which the sales- or usage-based royalty exception was applied, or (iii) contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed.

Contract Balances — Timing of revenue recognition may differ from the timing of invoicing to customers. We record a receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized subsequent to invoicing.

Payment terms may vary by contract type, although our terms generally include a requirement of payment within 30 to 90 days. In instances where the timing of revenue recognition differs from the timing of invoicing, we have determined our contracts do not include a significant financing component. The primary purpose of our invoicing terms is to provide customers with simplified and predictable ways of purchasing our products and services, not to receive financing from our customers.

The allowance for doubtful accounts reflects our best estimate of probable losses inherent in the accounts receivable balance. We determine the allowance based on known troubled accounts, historical experience and other currently available evidence. The allowance for doubtful accounts totaled $2.9 million at September 30, 2019 and $4.4 million at December 31, 2018.

We record unearned revenue when cash payments are received in advance of our performance. We generally require amounts payable under advertising contracts with political advertising customers to be paid in advance. Unearned revenue totaled $8.9 million at September 30, 2019 and is expected to be recognized within revenue over the next 12 months. Unearned revenue totaled $11.5 million at December 31, 2018. We recorded $10.0 million of revenue in the nine months ended September 30, 2019 that was included in unearned revenue at December 31, 2018.

Leases — We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets, other current liabilities and operating lease liabilities in our condensed consolidated balance sheets.

ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As the implicit rate is not readily determinable for most of our leases, we use our incremental borrowing rate when determining the present value of lease payments. The incremental borrowing rate represents an estimate of the interest rate we would incur at lease commencement to borrow an amount equal to the lease payments on a collateralized basis over the term of the lease. The operating lease ROU asset also includes any payments made at or before commencement and is reduced by any lease incentives. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Share-Based Compensation — We have a Long-Term Incentive Plan (the "Plan") which is described more fully in our 2018 Annual Report on Form 10-K. The Plan provides for the award of incentive and nonqualified stock options, stock appreciation rights, restricted stock units (RSUs) and unrestricted Class A Common shares and performance units to key employees and non-employee directors.

Share-based compensation costs totaled $2.0 million and $2.6 million for the third quarter of 2019 and 2018, respectively. Year-to-date share-based compensation costs totaled $10.6 million and $8.9 million in 2019 and 2018, respectively.

Earnings Per Share ("EPS") — Unvested awards of share-based payments with rights to receive dividends or dividend equivalents, such as our RSUs, are considered participating securities for purposes of calculating EPS. Under the two-class method, we allocate a portion of net income to these participating securities and, therefore, exclude that income from the calculation of EPS for common stock. We do not allocate losses to the participating securities.

The following table presents information about basic and diluted weighted-average shares outstanding:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2019	2018	2019	2018
Numerator (for basic and diluted earnings per share)				
Income (loss) from continuing operations, net of tax	$ (21,763)	$ 20,039	$ (28,943)	$ 20,124
(Income) loss attributable to noncontrolling interest	(166)	—	(166)	632
Less income allocated to RSUs	—	(316)	—	(338)
Numerator for basic and diluted earnings per share from continuing operations attributable to the shareholders of The E.W. Scripps Company	$ (21,929)	$ 19,723	$ (29,109)	$ 20,418
Denominator				
Basic weighted-average shares outstanding	80,877	81,452	80,791	81,606
Effect of dilutive securities:				
Stock options and restricted stock units	—	632	—	491
Diluted weighted-average shares outstanding	80,877	82,084	80,791	82,097

For the three and nine months ended September 30, 2019, we incurred a net loss and the inclusion of RSUs would have been anti-dilutive. Accordingly, the diluted EPS calculation for the 2019 periods excludes the effect from 1.4 million of outstanding RSUs as of September 30, 2019.

2. Recently Adopted and Issued Accounting Standards

Recently Adopted Accounting Standards — In August 2018, the SEC issued a final rule that amended certain of its disclosure requirements that were redundant, duplicative, overlapping, outdated or superseded. In addition, the amendments expanded the disclosure requirements on the analysis of shareholders' equity for interim financial statements. Under the amendments, an analysis of changes in each caption of shareholders' equity presented in the balance sheet must be provided in a note or separate statement. The analysis should present a reconciliation of the beginning balance to the ending balance of each period for which a statement of comprehensive income is required to be filed. The first interim period this rule was effective for our condensed consolidated financial statements was June 30, 2019. As such, we have provided condensed consolidated statements of equity for the three and nine months ended September 30, 2019 and 2018.

In February 2016, the Financial Accounting Standards Board ("FASB") issued new guidance on the accounting for leases. Under this guidance, lessees are required to recognize a lease liability and a right-of-use asset for all leases at the commencement date. In July 2018, the FASB approved amendments to create an optional transition method. The amendments provided an option to implement the new leasing standard through a cumulative-effect adjustment to opening retained earnings in the period of adoption without having to restate the comparative periods presented. We adopted the standard on January 1, 2019 using this optional transition method that does not restate the comparative prior periods.

The new guidance provides a number of optional practical expedients in transition. We elected the transition package of three practical expedients permitted within the standard, which eliminates the requirements to reassess prior conclusions about lease identification, lease classification and initial direct costs. We did not elect the hindsight practical expedient, which permits the use of hindsight when determining lease term and impairment of right-of-use assets. We have utilized the practical expedient to not separate lease and non-lease components. Further, we elected a short-term lease exception policy, permitting us to not apply the recognition requirements of this standard to short-term leases (i.e. leases with terms of 12 months or less).

Implementation of the standard resulted in the recognition of $46.6 million of right-of-use assets and $50.3 million of lease liabilities, which included the impact of prepaid and deferred rent and lease incentives, on our condensed consolidated balance sheet. No cumulative-effect adjustment was recognized as the amount was not material, and adoption of the standard had no impact on our condensed consolidated statements of operations.

Recently Issued Accounting Standards — In March 2019, the FASB issued new guidance to align the accounting for the costs of producing films and episodic television series in response to changes in production and distribution models in the media and entertainment industry. The new guidance amends the capitalization, amortization, impairment, presentation and disclosure requirements for entities that produce and own content, and also aligns the impairment guidance for licensed content to the owned content fair value model. This guidance applies to broadcasters and entities that produce and distribute films and episodic television series through both traditional mediums and digital mediums. It is effective for fiscal years, and interim periods within those years, beginning after December 15, 2019, with early adoption permitted. We are currently evaluating the impact of this guidance on our condensed consolidated financial statements, as well as the timing of adoption.

In August 2018, the FASB issued new guidance to address a customer's accounting for implementation costs incurred in a cloud computing arrangement ("CCA") that is a service contract. The new guidance aligns the accounting for costs incurred to implement a CCA that is a service arrangement with the guidance on capitalizing costs associated with developing or obtaining internal-use software. The guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2019, with early adoption permitted. We are currently evaluating the impact of this guidance on our condensed consolidated financial statements, as well as the timing of adoption.

In August 2018, the FASB issued new guidance to add, remove and clarify annual disclosure requirements related to defined benefit pension and other postretirement plans. The guidance is effective for fiscal years ending after December 15, 2020 with early adoption permitted, and it should be applied on a retrospective basis. We believe the main impact of this guidance will be to no longer disclose the amount in accumulated other comprehensive income that is expected to be recognized as part of net periodic benefit cost over the next year. Additionally, we will have to add a narrative description for any significant gains and losses affecting the benefit obligation for the period. We are currently evaluating the impact of this guidance on our disclosures as well as the timing of adoption.

In June 2016, the FASB issued new guidance that changes the impairment model for most financial assets and certain other instruments. For trade and other receivables, held-to-maturity debt securities, loans and other instruments, entities will be required to use a new forward-looking “expected loss” model that will replace today’s “incurred loss” model, which generally will result in the earlier recognition of allowances for losses. For available-for-sale debt securities with unrealized losses, entities will measure credit losses in a manner similar to current practice, except that the losses will be recognized as an allowance. The guidance is effective in 2020 with early adoption permitted in 2019. We are currently evaluating the impact of this guidance, specifically as it relates to our allowances for accounts receivable, which we don't anticipate having a material impact on our condensed consolidated financial statements and related disclosure as of the adoption date.

3. Acquisitions

Television Stations Acquisitions

On September 19, 2019, we closed on the previously announced acquisition of eight television stations in seven markets from the Nexstar Media Group, Inc. ("Nexstar") transaction with Tribune Media Company ("Tribune"). Cash consideration for the transaction totaled $582 million. Seven of the stations were operated by Tribune, and its subsidiaries, and one was operated by Nexstar. Nexstar was required to divest these stations in order to complete its acquisition of Tribune. The purchase price and other related costs associated with the transaction were financed from a combination of incremental term loan B proceeds and a portion of the $500 million of senior unsecured notes issued on July 26, 2019.

From the acquisition date of September 19, 2019 through September 30, 2019, revenue from the Nexstar-Tribune stations was $9.8 million.

On May 1, 2019, we acquired 15 television stations in 10 markets from Cordillera Communications, LLC ("Cordillera"), for $521 million in cash, plus a working capital adjustment of $23.9 million. We financed the acquisition with a $765 million term loan B, of which $240 million was segregated into a separate account for financing a portion of the Nexstar transaction.

From the acquisition date of May 1, 2019 through September 30, 2019, revenue from the Cordillera stations was $64.8 million.

Effective January 1, 2019, we acquired television stations owned by Raycom Media ("Raycom") — Waco, Texas ABC affiliate KXXV/KRHD and Tallahassee, Florida ABC affiliate WTXL — for $55 million in cash. These stations were being divested as part of Gray Television's acquisition of Raycom.

From the acquisition date of January 1, 2019 through September 30, 2019, revenue from the Raycom stations was $17.6 million.

The following table summarizes the preliminary fair values of the Raycom, Cordillera and Nexstar-Tribune assets acquired and liabilities assumed at the closing dates.

(in thousands)	Raycom	Cordillera	Nexstar-Tribune	Total
Accounts receivable	$ —	$ 26,264	$ —	$ 26,264
Other current assets	—	986	3,541	4,527
Property and equipment	11,721	53,671	59,373	124,765
Operating lease right-of-use assets	296	4,667	82,447	87,410
Goodwill	18,349	253,735	212,065	484,149
Indefinite-lived intangible assets - FCC licenses	6,800	26,500	144,900	178,200
Amortizable intangible assets:				
Television network affiliation relationships	17,400	168,700	157,000	343,100
Advertiser relationships	700	5,900	7,300	13,900
Other intangible assets	—	13,000	—	13,000
Accounts payable	—	(15)	—	(15)
Accrued expenses	—	(3,835)	(1,635)	(5,470)
Other current liabilities	—	(280)	(2,867)	(3,147)
Operating lease liabilities	(296)	(4,387)	(79,766)	(84,449)
Net purchase price	$ 54,970	$ 544,906	$ 582,358	$ 1,182,234

Of the value allocated to amortizable intangible assets, television network affiliation relationships have an estimated amortization period of 20 years, advertiser relationships have estimated amortization periods of 5-10 years and the value allocated to a shared services agreement has an estimated amortization period of 20 years.

The goodwill of $484 million arising from the transactions consists largely of synergies, economies of scale and other benefits of a larger broadcast footprint. We allocated the goodwill to our Local Media segment. We treated the transactions as asset acquisitions for income tax purposes resulting in a step-up in the assets acquired. The goodwill is deductible for income tax purposes.

Omny Studio

On June 10, 2019, we completed the acquisition of Omny Studio ("Omny") for a cash purchase price of $8.5 million. Omny is a Melbourne, Australia-based podcasting software-as-a-service company operating as a part of Triton in our National Media segment. Omny is an audio-on-demand platform built specifically for professional audio publishers. The platform enables audio publishers to seamlessly record, edit, distribute, monetize and analyze podcast content; replace static ads with dynamically inserted, highly targeted ads; and automates key aspects of campaign management, such as industry separation, frequency capping and volume normalization.

The preliminary purchase price allocation assigned $5.2 million to goodwill, $3.8 million to a developed technology intangible asset and the remainder was allocated to various working capital and deferred tax liability accounts. The developed technology intangible asset has an estimated amortization period of 10 years. The goodwill arising from the transaction consists largely of the fact that the addition of Omny's podcast and on-demand audio publishing platform to Triton's portfolio of streaming, advertising and measurement technologies provides audio publishers around the world with a full-stack enterprise solution to increase reach and revenue.

Triton

On November 30, 2018, we acquired Triton Digital Canada, Inc. ("Triton") for total cash consideration of $160 million. Assets acquired in the transaction included approximately $10.5 million of cash. The transaction was funded with cash on hand at time of closing. Triton is a leading global digital audio infrastructure and audience measurement services company. Triton's infrastructure and ad-serving solutions deliver live and on-demand audio streams and insert advertisements into those streams. Triton's data and measurement service is recognized as the currency by which publishers sell digital audio advertising.

The following table summarizes the preliminary fair values of the Triton assets acquired and liabilities assumed at the closing date.

(in thousands)		
Cash	$	10,515
Accounts receivable		8,879
Other current assets		679
Property and equipment		705
Goodwill		83,876
Other intangible assets		75,000
Accounts payable		(1,881)
Accrued expenses		(2,964)
Other current liabilities		(19)
Deferred tax liability		(14,577)
Net purchase price	$	160,213

Of the $75 million allocated to intangible assets, $39 million was assigned to various developed technologies for audience measurement, content delivery and advertising with lives ranging from 8-12 years, $31 million was assigned to customer relationships with a life of 12 years and $5 million was assigned to trade names with a life of 10 years.

The goodwill of $84 million arises from being able to capitalize on the growth of the streaming audio industry and further improve our position in the global digital audio marketplace. The goodwill is allocated to our National Media segment. The transaction is accounted for as a stock acquisition which applies carryover tax basis to the assets and liabilities acquired. The goodwill is not deductible for income tax purposes.

Pro forma results of operations

Pro forma results of operations, assuming the Cordillera and Nexstar-Tribune acquisitions had taken place at the beginning of 2018, are presented in the following table. The pro forma results do not include Raycom, Omny Studio or Triton, as the impact of these acquisitions, individually or in the aggregate, is not material to prior year results of operations. The pro forma information includes the historical results of operations of Scripps, Cordillera and Nexstar-Tribune, as well as adjustments for additional depreciation and amortization of the assets acquired, additional interest expense related to the financing of the transaction and other transactional adjustments. The pro forma results exclude the $19.9 million of transaction related costs that were expensed in conjunction with the acquisitions and do not include efficiencies, cost reductions or synergies expected to result from the acquisitions. The unaudited pro forma financial information is not necessarily indicative of the results that actually would have occurred had the acquisitions been completed at the beginning of the period.

	Nine Months Ended September 30,	
(in thousands, except per share data) (unaudited)	2019	2018
Operating revenues	$ 1,200,529	$ 1,146,019
Income (loss) from continuing operations attributable to the shareholders of The E.W. Scripps Company	(43,981)	(4,517)
Income (loss) per share from operations attributable to the shareholders of The E.W. Scripps Company:		
Basic	$ (0.54)	$ (0.06)
Diluted	(0.54)	(0.06)

4. Asset Write-Downs and Other Charges and Credits

Income (loss) from continuing operations includes the following:

2019 - Acquisition and related integration costs of $16.7 million in the third quarter of 2019 and $23.0 million in the first nine months of 2019 reflect investment banking and legal fees incurred to complete the current year acquisitions, as well as professional service costs incurred to integrate Triton and the Raycom, Cordillera and Nexstar-Tribune television stations.

2018 - In the third quarter of 2018, costs associated with our previously announced restructuring totaled $0.9 million. For the nine months ended September 30, 2018, these restructuring costs totaled $7.0 million.

Acquisition and related integration costs of $0.3 million in the third quarter reflect costs incurred for professional services related to the Triton acquisition.

5. Income Taxes

We file a consolidated federal income tax return, consolidated unitary tax returns in certain states and other separate state income tax returns for our subsidiary companies.

The income tax provision for interim periods is generally determined based upon the expected effective income tax rate for the full year and the tax rate applicable to certain discrete transactions in the interim period. To determine the annual effective income tax rate, we must estimate both the total income (loss) before income tax for the full year and the jurisdictions in which that income (loss) is subject to tax. The actual effective income tax rate for the full year may differ from these estimates if income (loss) before income tax is greater than or less than what was estimated or if the allocation of income (loss) to jurisdictions in which it is taxed is different from the estimated allocations. We review and adjust our estimated effective income tax rate for the full year each quarter based upon our most recent estimates of income (loss) before income tax for the full year and the jurisdictions in which we expect that income will be taxed.

The effective income tax rate for the nine months ended September 30, 2019 and 2018 was 16% and 29%, respectively. Other differences between our effective income tax rate and the U.S. federal statutory rate are the impact of state taxes, foreign taxes, non-deductible expenses, changes in reserves for uncertain tax positions and excess tax benefits or expense on share-based compensation ($0.8 million benefit and $1.0 million expense in 2019 and 2018, respectively).

Deferred tax assets totaled $8.5 million at September 30, 2019, which includes the tax effect of state net operating loss carryforwards. We recognize state net operating loss carryforwards as deferred tax assets, subject to valuation allowances. At each balance sheet date, we estimate the amount of carryforwards that are not expected to be used prior to expiration of the carryforward period. The tax effect of the carryforwards that are not expected to be used prior to their expiration is included in the valuation allowance.

6. Restricted Cash

At December 31, 2018, our cash and cash equivalents included $5.1 million held in a restricted cash account on deposit with our insurance carrier. This account served as collateral, in place of an irrevocable stand-by letter of credit, to provide financial assurance that we will fulfill our obligations with respect to cash requirements associated with our workers' compensation self-insurance. This cash was to remain on deposit with the carrier until all claims have been paid or we provide a letter of credit in lieu of the cash deposit. At September 30, 2019, no deposits were held in a restricted cash account as we provided a letter of credit in lieu of the cash deposit.

7. Leases

We have operating leases for office space, data centers and certain equipment. Our leases have remaining lease terms of 1 year to 20 years, some of which may include options to extend the leases for up to 5 years, and some of which may include options to terminate the leases within 1 year. Operating lease costs recognized in our condensed consolidated statements of operations for the three months ended September 30, 2019 totaled $4.3 million, including short-term lease costs of $0.1 million. Year-to-date September 30, 2019 costs totaled $11.3 million, including short-term lease costs of $0.2 million.

Other information related to our operating leases was as follows:

(in thousands, except lease term and discount rate)	As of September 30, 2019
Balance Sheet Information	
Right-of-use assets	$ 128,117
Other current liabilities	12,779
Operating lease liabilities	120,327
Weighted Average Remaining Lease Term	
Operating leases	12.30 years
Weighted Average Discount Rate	
Operating leases	5.3%

(in thousands)	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2019
Supplemental Cash Flows Information		
Cash paid for amounts included in the measurement of lease liabilities	$ 4,222	$ 11,268
Right-of-use assets obtained in exchange for lease obligations	2,188	3,330

Future minimum lease payments under non-cancellable operating leases as of September 30, 2019 were as follows:

(in thousands)	Operating Leases
Remainder of 2019	$ 5,278
2020	18,098
2021	12,495
2022	15,691
2023	15,786
Thereafter	116,867
Total future minimum lease payments	184,215
Less: Imputed interest	(51,109)
Total	$ 133,106

Future minimum lease payments under non-cancellable operating leases as of December 31, 2018[1] were as follows:

(in thousands)	Operating Leases
2019	$ 11,197
2020	9,195
2021	6,545
2022	6,352
2023	11,412
Thereafter	15,311
Total future minimum lease payments	$ 60,012

(1) Amounts included for comparability and accounted for in accordance with ASC 840, "Leases".

8. Goodwill and Other Intangible Assets

Goodwill consisted of the following:

(in thousands)	Local Media	National Media	Total
Gross balance as of December 31, 2018	$ 708,133	$ 393,197	$ 1,101,330
Accumulated impairment losses	(216,914)	(50,403)	(267,317)
Net balance as of December 31, 2018	491,219	342,794	834,013
Television station acquisitions	484,149	—	484,149
Omny acquisition	—	5,150	5,150
Balance as of September 30, 2019	$ 975,368	$ 347,944	$ 1,323,312
Gross balance as of September 30, 2019	$ 1,192,282	$ 398,347	$ 1,590,629
Accumulated impairment losses	(216,914)	(50,403)	(267,317)
Net balance as of September 30, 2019	$ 975,368	$ 347,944	$ 1,323,312

Other intangible assets consisted of the following:

(in thousands)	As of September 30, 2019	As of December 31, 2018
Amortizable intangible assets:		
Carrying amount:		
Television network affiliation relationships	$ 591,544	$ 248,444
Customer lists and advertiser relationships	112,332	100,500
Other	108,767	88,393
Total carrying amount	812,643	437,337
Accumulated amortization:		
Television network affiliation relationships	(75,472)	(62,020)
Customer lists and advertiser relationships	(45,195)	(36,380)
Other	(25,566)	(17,199)
Total accumulated amortization	(146,233)	(115,599)
Net amortizable intangible assets	666,410	321,738
Indefinite-lived intangible assets — FCC licenses	354,615	157,215
Total other intangible assets	$ 1,021,025	$ 478,953

On April 4, 2019, we acquired assets from an independent station in Stuart, Florida, for $23.6 million in cash. The value attributed to the acquired FCC license totaled $19.2 million and $4.1 million of value was attributed to an other intangible asset.

Estimated amortization expense of intangible assets for each of the next five years is $14.9 million for the remainder of 2019, $55.9 million in 2020, $53.1 million in 2021, $48.3 million in 2022, $43.3 million in 2023, $41.5 million in 2024 and $409.4 million in later years.

9. Long-Term Debt

Long-term debt consisted of the following:

(in thousands)	As of September 30, 2019	As of December 31, 2018
Revolving credit facility	$ 20,000	$ —
Senior unsecured notes, due in 2025	400,000	400,000
Senior unsecured notes, due in 2027	500,000	—
Term loan B	294,000	296,250
Term loan B-1	761,175	—
Total outstanding principal	1,975,175	696,250
Less: Debt issuance costs and issuance discounts	(38,959)	(7,486)
Less: Current portion	(10,650)	(3,000)
Net carrying value of long-term debt	$ 1,925,566	$ 685,764
Fair value of long-term debt *	$ 1,985,788	$ 662,844

* Fair values of the 2025 and 2027 Senior Notes are estimated based on quoted private market transactions and are classified as Level 1 in the fair value hierarchy. The fair values of the term loans are based on observable estimates provided by third party financial professionals, and as such, are classified within Level 2 of the fair value hierarchy.

2025 Senior Unsecured Notes

Our $400 million senior unsecured notes ("the 2025 Senior Notes") bear interest at a rate of 5.125% per annum and mature on May 15, 2025. Interest is payable semi-annually on May 15 and November 15 of each year. Prior to May 15, 2020, we may redeem the 2025 Senior Notes, in whole or in part, at any time, or from time to time, at a price equal to 100% of the principal amount of the 2025 Senior Notes, plus accrued and unpaid interest, if any, to the date of redemption, plus a “make-whole” premium, as set forth in the 2025 Senior Notes indenture. In addition, on or prior to May 15, 2020, we may redeem up to 40% of the 2025 Senior Notes, using proceeds of equity offerings. If we sell certain of our assets or have a change of control, the holders of the 2025 Senior Notes may require us to repurchase some or all of the notes. The 2025 Senior Notes are also guaranteed by us and the majority of our subsidiaries. The 2025 Senior Notes contain covenants with which we must comply that are typical for borrowing transactions of this nature.

We incurred approximately $7.0 million of deferred financing costs in connection with the issuance of the 2025 Senior Notes, which are being amortized over the life of the notes.

2027 Senior Unsecured Notes

On July 26, 2019, our wholly-owned subsidiary, Scripps Escrow, Inc. ("Scripps Escrow"), issued $500 million of senior unsecured notes, which bear interest at a rate of 5.875% per annum and mature on July 15, 2027 ("the 2027 Senior Notes"). The 2027 Senior Notes were released from Escrow on September 19, 2019 upon closing the acquisition of eight television stations from Nexstar. A portion of the proceeds from these 2027 Senior Notes and the incremental term loan B-1 proceeds were used to finance these stations acquired from Nexstar. The 2027 Senior Notes were priced at 100% of par value and interest is payable semi-annually on July 15 and January 15, commencing on January 15, 2020. Prior to July 15, 2022, we may redeem up to 40% of the aggregate principal amount of the 2027 Senior Notes at a redemption price of 105.875% of the principal amount plus accrued and unpaid interest, if any, to the date of redemption. We may also redeem some or all of the notes before 2022 at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, to the redemption date. If we sell certain of our assets or have a change of control, the holders of the 2027 Senior Notes may require us to repurchase some or all of the notes. The 2027 Senior Notes are fully and unconditionally guaranteed on a senior unsecured basis by certain of our existing and future domestic restricted subsidiaries. The 2027 Senior Notes contain covenants with which we must comply that are typical for borrowing transactions of this nature. There are no registration rights associated with the 2027 Senior Notes.

We incurred approximately $10.7 million of deferred financing costs in connection with the issuance of the 2027 Senior Notes, which are being amortized over the life of the notes.

Term Loan B

Our $300 million term loan B matures in October 2024. We amended the term loan B on April 4, 2018, reducing the interest rate by 25 basis points. Following the amendment, interest is payable on term loan B at a rate based on LIBOR, plus a fixed margin of 2.00%. Interest will reduce to a rate of LIBOR plus a fixed margin of 1.75% if the Company's total net leverage, as defined by the amended agreement, is below 2.75. Term loan B requires annual principal payments of $3 million.

Our Financing Agreement also includes a provision that in certain circumstances we must use a portion of excess cash flow to repay debt. As of September 30, 2019, we were not required to make any additional principal payments for excess cash flow.

As of September 30, 2019 and December 31, 2018, the interest rate on the term loan B was 4.04% and 4.34%, respectively. The weighted-average interest rate on the term loan B was 4.25% for the nine months ended September 30, 2019.

Term Loan B-1

On May 1, 2019, we entered into a Fourth Amendment to the Third Amended and Restated Credit Agreement ("Fourth Amendment"). Under the Fourth Amendment, we issued a $765 million term loan B ("term loan B-1") that matures in May 2026 with interest payable at rates based on LIBOR, plus a fixed margin of 2.75%. Term loan B-1 requires annual principal payments of $7.7 million. Deferred financing costs and original issuance discount totaled approximately $23.0 million with term loan B-1, which are being amortized over the life of the loan.

Of the $765 million raised under the term loan B-1, $525 million of the proceeds were used to fund the Cordillera acquisition and pay related fees and expenses, which closed on May 1, 2019. The remaining proceeds financed a portion of the acquisition of eight broadcast television stations from the Nexstar transaction with Tribune Media Company, which closed on September 19, 2019.

As of September 30, 2019, the interest rate on the term loan B-1 was 4.79%. The weighted-average interest rate on the term loan B-1 was 5.00% for the months it was outstanding during 2019.

Revolving Credit Facility

We have a $210 million revolving credit facility ("Revolving Credit Facility") that expires in April 2022. Interest is payable on the Revolving Credit Facility at rates based on LIBOR, plus a margin based on our leverage ratio, ranging from 1.75% to 2.50%. As of September 30, 2019, we had $20 million outstanding under the revolving credit facility with an interest rate of 4.29%. The weighted-average interest rate over the period during which we had a drawn revolver balance was 4.33%.

The Revolving Credit Facility includes maintaining a net leverage ratio when we have outstanding borrowings on the facility, as well as other restrictions on payments (dividends and share repurchases). Additionally, we can make acquisitions as long as the pro forma net leverage ratio is less than 5.5 to 1.0.

We granted the lenders pledges of our equity interests in our subsidiaries and security interests in substantially all other personal property including cash, accounts receivables, and equipment.

Commitment fees of 0.30% to 0.50% per annum, based on our leverage ratio, of the total unused commitment are payable under the Revolving Credit Facility.

As of September 30, 2019 and December 31, 2018, we had outstanding letters of credit totaling $6.0 million and $0.1 million, respectively, under the revolving credit facility.

10. Other Liabilities

Other liabilities consisted of the following:

(in thousands)	As of September 30, 2019	As of December 31, 2018
Employee compensation and benefits	$ 20,730	$ 19,775
Deferred FCC repack income	32,938	20,620
Programming liability	50,262	43,825
Liability for pension benefits	186,768	198,444
Liabilities for uncertain tax positions	776	811
Other	10,061	11,067
Other liabilities (less current portion)	$ 301,535	$ 294,542

11. Supplemental Cash Flow Information

The following table presents additional information about the change in certain working capital accounts:

	Nine Months Ended September 30,	
(in thousands)	2019	2018
Accounts receivable	$ (22,567)	$ (9,317)
Other current assets	(7,508)	(5,219)
Accounts payable	15,156	14,154
Accrued employee compensation and benefits	(5,119)	(6,320)
Other accrued liabilities	6,583	6,322
Unearned revenue	(2,511)	10,339
Other, net	(18,011)	281
Total	$ (33,977)	$ 10,240

12. Employee Benefit Plans

We sponsor a noncontributory defined benefit pension plan and non-qualified Supplemental Executive Retirement Plans ("SERPs"). The accrual for future benefits has been frozen in our defined benefit pension plan and SERPs.

We sponsor a defined contribution plan covering substantially all non-union and certain union employees. We match a portion of employees' voluntary contributions to this plan.

The components of the employee benefit plans expense consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2019	2018	2019	2018
Interest cost	$ 5,865	$ 5,962	$ 17,465	$ 17,812
Expected return on plan assets, net of expenses	(4,865)	(5,734)	(14,981)	(17,199)
Amortization of actuarial loss and prior service cost	823	1,026	1,967	2,867
Total for defined benefit pension plans	1,823	1,254	4,451	3,480
Multi-employer plans	4	50	103	141
SERPs	248	2,275	756	2,826
Defined contribution plan	2,743	2,137	7,433	6,908
Net periodic benefit cost	4,818	5,716	12,743	13,355
Allocated to discontinued operations	—	(132)	—	(509)
Net periodic benefit cost — continuing operations	$ 4,818	$ 5,584	$ 12,743	$ 12,846

We contributed $0.9 million to fund current benefit payments for our SERPs and $13.8 million for our defined benefit pension plan during the nine months ended September 30, 2019. During the remainder of 2019, we anticipate contributing an additional $0.3 million to fund the SERPs' benefit payments and an additional $4.8 million to fund our qualified defined benefit pension plan.

In the third quarter of 2018, we recognized a $2.0 million settlement charge related to lump-sum distributions from our SERP. Settlement charges are recorded when total lump-sum distributions for a plan's year exceed the total projected service cost and interest cost for that plan year.

13. Segment Information

We determine our business segments based upon our management and internal reporting structures, as well as the basis on which our chief operating decision maker makes resource-allocation decisions. We report our financial performance based on the following segments: Local Media, National Media, Other.

Our Local Media segment includes our local broadcast stations and their related digital operations. It is comprised of eighteen ABC affiliates, eleven NBC affiliates, nine CBS affiliates, four FOX affiliates, two MyNetworkTV affiliates, five CW affiliate, two independent stations and nine additional low power stations. Our Local Media segment earns revenue primarily from the sale of advertising to local, national and political advertisers and retransmission fees received from cable operators, telecommunications companies and satellite carriers. We also receive retransmission fees from over-the-top virtual MVPDs such as YouTubeTV, DirectTV Now and Sony Vue.

Our National Media segment includes our collection of national brands. Our national brands include Katz, Stitcher and its advertising network Midroll Media (Midroll), Newsy, Triton and other national brands. These operations earn revenue primarily through the sale of advertising.

We allocate a portion of certain corporate costs and expenses, including information technology, certain employee benefits and shared services, to our business segments. The allocations are generally amounts agreed upon by management, which may differ from an arms-length amount.

Our chief operating decision maker evaluates the operating performance of our business segments and makes decisions about the allocation of resources to our business segments using a measure called segment profit. Segment profit excludes interest, defined benefit pension plan expense, income taxes, depreciation and amortization, impairment charges, divested operating units, restructuring activities, investment results and certain other items that are included in net income (loss) determined in accordance with accounting principles generally accepted in the United States of America.

Information regarding our business segments is as follows:

(in thousands)	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Segment operating revenues:				
Local Media	$ 252,392	$ 230,734	$ 692,494	$ 636,041
National Media	97,205	71,761	283,028	200,708
Other	180	231	3,913	3,563
Total operating revenues	$ 349,777	$ 302,726	$ 979,435	$ 840,312
Segment profit (loss):				
Local Media	$ 49,678	$ 67,416	$ 138,180	$ 152,403
National Media	5,250	2,838	16,764	6,910
Other	(1,270)	(1,267)	(3,188)	(3,161)
Shared services and corporate	(14,167)	(12,370)	(43,444)	(40,104)
Acquisition and related integration costs	(16,736)	(332)	(23,004)	(332)
Restructuring costs	(27)	(863)	(1,922)	(7,000)
Depreciation and amortization of intangible assets	(22,241)	(15,598)	(60,270)	(46,400)
Gains (losses), net on disposal of property and equipment	11	501	(306)	(150)
Interest expense	(26,537)	(9,003)	(53,476)	(27,041)
Defined benefit pension plan expense	(2,071)	(3,529)	(5,207)	(6,306)
Miscellaneous, net	2,042	(546)	1,611	(535)
Income (loss) from continuing operations before income taxes	$ (26,068)	$ 27,247	$ (34,262)	$ 28,284
Depreciation:				
Local Media	$ 8,197	$ 8,004	$ 24,179	$ 22,891
National Media	1,420	273	3,622	503
Other	43	37	120	113
Shared services and corporate	360	313	1,069	1,109
Total depreciation	$ 10,020	$ 8,627	$ 28,990	$ 24,616
Amortization of intangible assets:				
Local Media	$ 7,438	$ 3,706	$ 16,864	$ 11,116
National Media	4,445	2,927	13,401	9,653
Shared services and corporate	338	338	1,015	1,015
Total amortization of intangible assets	$ 12,221	$ 6,971	$ 31,280	$ 21,784
Additions to property and equipment:				
Local Media	$ 8,460	$ 8,156	$ 30,351	$ 28,269
National Media	2,184	5,625	10,820	11,350
Other	308	—	518	—
Shared services and corporate	374	—	980	73
Total additions to property and equipment	$ 11,326	$ 13,781	$ 42,669	$ 39,692

A disaggregation of the principal activities from which we generate revenue is as follows:

(in thousands)	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Operating revenues:				
Core advertising	$ 214,981	$ 165,587	$ 598,828	$ 511,434
Political	5,037	40,018	8,033	57,484
Retransmission and carriage	97,128	79,673	277,736	225,391
Other	32,631	17,448	94,838	46,003
Total operating revenues	$ 349,777	$ 302,726	$ 979,435	$ 840,312

14. Capital Stock

Capital Stock — We have two classes of common shares, Common Voting shares and Class A Common shares. The Class A Common shares are only entitled to vote on the election of the greater of three or one-third of the directors and other matters as required by Ohio law.

Share Repurchase Plan — Shares may be repurchased from time to time at management's discretion. In November 2016, our Board of Directors authorized a repurchase program of up to $100 million of our Class A Common shares. The authorization currently expires on March 1, 2020. Shares can be repurchased under the authorization via open market purchases or privately negotiated transactions, including accelerated stock repurchase transactions, block trades, or pursuant to trades intending to comply with Rule 10b5-1 of the Securities Exchange Act of 1934.

As part of the share repurchase plan, during 2018 the Company entered into an Accelerated Share Repurchase ("ASR") agreement with JP Morgan to repurchase $25 million of the Company's common stock. Under the ASR agreement, the Company paid $25 million to JP Morgan and received an initial delivery of 1.3 million shares in the third quarter of 2018, which represented 80% of the total shares the Company expected to receive based on the market price at the time of the initial delivery. The transaction was accounted for as an equity transaction. The par value of shares received was recorded as a reduction to common stock with the remainder recorded as a reduction to additional paid-in capital or retained earnings. Upon initial receipt of the shares, there was an immediate reduction in the weighted average common shares calculation for basic and diluted earnings per share. Upon final settlement of the ASR agreement in February 2019, the Company received additional deliveries totaling 147,164 shares of its common stock based on a weighted average cost per share of $16.70 over the term of the ASR agreement.

During the nine months ended September 30, 2019, we repurchased $0.6 million of shares at prices ranging from $15.54 to $18.72 per share. Excluding the shares repurchased under the ASR, during the nine months ended September 30, 2018, we repurchased $5.3 million of shares at prices ranging from $13.29 to $16.86 per share. At September 30, 2019, $49.7 million remained under this authorization.

15. Accumulated Other Comprehensive Income (Loss)

Changes in accumulated other comprehensive income (loss) ("AOCI") by component, including items reclassified out of AOCI, were as follows:

	Three Months Ended September 30, 2019		
(in thousands)	Defined Benefit Pension Items	Other	Total
Beginning balance, June 30, 2019	$ (94,444)	$ (32)	$ (94,476)
Other comprehensive income (loss) before reclassifications	—	—	—
Amounts reclassified from AOCI, net of tax of $218[a]	648	—	648
Net current-period other comprehensive income (loss)	648	—	648
Ending balance, September 30, 2019	$ (93,796)	$ (32)	$ (93,828)

(in thousands)	Three Months Ended September 30, 2018		
	Defined Benefit Pension Items	Other	Total
Beginning balance, June 30, 2018	$ (101,475)	$ 33	$ (101,442)
Other comprehensive income (loss) before reclassifications	—	—	—
Amounts reclassified from AOCI, net of tax of $777[a]	2,316	—	2,316
Net current-period other comprehensive income (loss)	2,316	—	2,316
Ending balance, September 30, 2018	$ (99,159)	$ 33	$ (99,126)

(in thousands)	Nine Months Ended September 30, 2019		
	Defined Benefit Pension Items	Other	Total
Beginning balance, December 31, 2018	$ (95,365)	$ (32)	$ (95,397)
Other comprehensive income (loss) before reclassifications	—	—	—
Amounts reclassified from AOCI, net of tax of $528[a]	1,569	—	1,569
Net current-period other comprehensive income (loss)	1,569	—	1,569
Ending balance, September 30, 2019	$ (93,796)	$ (32)	$ (93,828)

(in thousands)	Nine Months Ended September 30, 2018		
	Defined Benefit Pension Items	Other	Total
Beginning balance, December 31, 2017	$ (102,955)	$ 33	$ (102,922)
Other comprehensive income (loss) before reclassifications	—	—	—
Amounts reclassified from AOCI, net of tax of $1,274[a]	3,796	—	3,796
Net current-period other comprehensive income (loss)	3,796	—	3,796
Ending balance, September 30, 2018	$ (99,159)	$ 33	$ (99,126)

[a] Actuarial gain (loss) is included in defined benefit pension plan expense in the condensed consolidated statements of operations

16. Assets Held for Sale and Discontinued Operations

Radio Divestiture

In the fourth quarter of 2017, we began the process to divest our radio business. Our radio business consisted of 34 radio stations in eight markets. We closed on the sale of our Tulsa radio stations on October 1, 2018, closed on the sales of our Milwaukee, Knoxville, Omaha, Springfield and Wichita radio stations on November 1, 2018 and closed on the sales of our Boise and Tucson radio stations on December 12, 2018.

Operating results of our discontinued radio operations were as follows:

(in thousands)	Three Months Ended September 30, 2018	Nine months ended September 30, 2018
Operating revenues	$ 13,456	$ 44,141
Total costs and expenses	(14,511)	(39,448)
Impairment of goodwill and intangible assets	—	(25,900)
Other, net	—	(157)
Loss from discontinued operations before income taxes	(1,055)	(21,364)
Provision (benefit) for income taxes	(147)	990
Net loss from discontinued operations	$ (908)	$ (22,354)

During the year-to-date period of 2018, we recorded $25.9 million of non-cash impairment charges to write-down the goodwill of our radio business to fair value.

Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion and analysis of financial condition and results of operations is based upon the Condensed Consolidated Financial Statements and the Notes to Condensed Consolidated Financial Statements. You should read this discussion in conjunction with those financial statements.

Forward-Looking Statements

This document contains certain forward-looking statements related to the Company's businesses that are based on management's current expectations. Forward-looking statements are subject to certain risks, trends and uncertainties, including changes in advertising demand and other economic conditions that could cause actual results to differ materially from the expectations expressed in forward-looking statements. Such forward-looking statements are made as of the date of this document and should be evaluated with the understanding of their inherent uncertainty. A detailed discussion of principal risks and uncertainties that may cause actual results and events to differ materially from such forward-looking statements is included in the section titled "Risk Factors." The Company undertakes no obligation to publicly update any forward-looking statements to reflect events or circumstances after the date the statement is made.

Executive Overview

The E.W. Scripps Company ("Scripps") is a diverse media enterprise, serving audiences and businesses through a portfolio of local and national media brands. We are the fourth-largest independent owner of local television stations, with 60 stations in 42 markets that reach about 31% of U.S. television households. Recent acquisitions have strengthened our economic durability, quadrupled the number of No.1 and No.2-ranked stations we operate and more than doubled the number of markets where we operate two stations. We have further expanded our attractive political advertising footprint and added new large markets. We now own 26 stations in the top 50 Nielsen DMAs. We have affiliations with all of the "Big Four" television networks as well as the CW and MyNetworkTV networks.

Effective January 1, 2019, we acquired ABC-affiliated stations in Waco, Texas and Tallahassee, Florida. On May 1, 2019, we acquired from Cordillera Communications, Inc. 15 television stations serving 10 markets. On September 19, 2019, we acquired eight television stations in seven markets from the Nexstar Media Group, Inc. transaction with Tribune Media Company. In order to fund these acquisitions, we issued a $765 million term loan B in May 2019 and $500 million of senior unsecured notes in July 2019. As a result, our primary focus is now on integrating the stations we acquired and paying down our outstanding debt.

In our National Media division, we operate national brands including podcast industry-leader Stitcher and its advertising network Midroll Media; next-generation national news network Newsy; five national multicast networks - Bounce, Grit, Laff, Court TV and Court TV Mystery - that make up the Katz Networks; and Triton, a global leader in digital audio technology and measurement services. We also operate an award-winning investigative reporting newsroom in Washington, D.C., and serve as the longtime steward of one of the nation's largest, most successful and longest-running educational programs, the Scripps National Spelling Bee.

We are committed to the continued investment in our national media businesses for long-term growth. We continue to increase our Newsy audience, Stitcher podcast listeners and Katz U.S. household reach through our investment in and creation of quality content. On May 8, 2019, Court TV launched as a fifth over-the-air network operated by Katz, available for cable, satellite and over-the-air and over-the-top carriage. This network is devoted to live, gavel-to-gavel coverage, in-depth legal reporting and expert analysis of the nation's most important and compelling trials. On June 10, 2019, we completed the acquisition of Omny Studio, which is a Melbourne, Australia-based podcasting software-as-a-service company now operating as part of Triton. On September 30, 2019, Katz rebranded its popular and widely available network, Escape, as Court TV Mystery, which targets women 25-54 with programming anchored in true-crime.

Additionally, we deliver value to shareholders through our quarterly 5 cents per share dividend. Dividends paid totaled $4.2 million for the third quarter of 2019 and $12.3 million for the nine months ended September 30, 2019. We intend to pay regular quarterly cash dividends for the foreseeable future. All subsequent dividends will be reviewed quarterly and declared by the Board of Directors at its discretion. The declaration and payment of future dividends will be dependent upon, among other things, the Company's financial position, results of operations, cash flow and other factors. We have suspended our share repurchase program while we pay down our outstanding debt.

Results of Operations

The trends and underlying economic conditions affecting the operating performance and future prospects differ for each of our business segments. Accordingly, you should read the following discussion of our consolidated results of operations in conjunction with the discussion of the operating performance of our business segments that follows.

Consolidated Results of Operations

Consolidated results of operations were as follows:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	2019	Change	2018	2019	Change	2018
Operating revenues	$ 349,777	15.5%	$ 302,726	$ 979,435	16.6%	$ 840,312
Employee compensation and benefits	(124,667)	29.7%	(96,129)	(350,472)	21.0%	(289,689)
Programming	(113,998)	25.5%	(90,832)	(314,863)	21.7%	(258,622)
Other expenses	(71,621)	21.1%	(59,148)	(205,788)	17.0%	(175,953)
Acquisition and related integration costs	(16,736)		(332)	(23,004)		(332)
Restructuring costs	(27)		(863)	(1,922)		(7,000)
Depreciation and amortization of intangible assets	(22,241)		(15,598)	(60,270)		(46,400)
Gains (losses), net on disposal of property and equipment	11		501	(306)		(150)
Operating income	498		40,325	22,810		62,166
Interest expense	(26,537)		(9,003)	(53,476)		(27,041)
Defined benefit pension plan expense	(2,071)		(3,529)	(5,207)		(6,306)
Miscellaneous, net	2,042		(546)	1,611		(535)
Income (loss) from continuing operations before income taxes	(26,068)		27,247	(34,262)		28,284
(Provision) benefit for income taxes	4,305		(7,208)	5,319		(8,160)
Income (loss) from continuing operations, net of tax	(21,763)		20,039	(28,943)		20,124
Loss from discontinued operations, net of tax	—		(908)	—		(22,354)
Net income (loss)	(21,763)		19,131	(28,943)		(2,230)
Income (loss) attributable to noncontrolling interest	166		—	166		(632)
Net income (loss) attributable to the shareholders of The E.W. Scripps Company	$ (21,929)		$ 19,131	$ (29,109)		$ (1,598)

On September 19, 2019, we acquired eight television stations from the Nexstar-Tribune transaction; on May 1, 2019, we acquired 15 television stations from Cordillera; effective January 1, 2019, we acquired ABC-affiliated stations in Waco, Texas and Tallahassee, Florida; and on November 30, 2018, we acquired Triton. These are referred to as the "acquired operations" in the discussion that follows. The inclusion of operating results from these businesses for the periods subsequent to their acquisition impacts the comparability of our consolidated and segment operating results.

Operating revenues increased $47.1 million or 16% in the third quarter of 2019 and $139 million or 17% in the first nine months of 2019 when compared to prior periods. Excluding the acquired operations, operating revenues decreased 6.0% in the quarter, but increased 2.0% in the year-to-date period. The quarterly decrease was driven by lower political revenues in a non-election year, offset by growth within our National Media businesses. The increase in the year-to-date period was due to higher retransmission revenues in our Local Media group and overall growth within our other National Media businesses.

Employee compensation and benefits increased $28.5 million or 30% in the third quarter of 2019 and $60.8 million or 21% in the first nine months of 2019 when compared to prior periods. Excluding the acquired operations, employee compensation and benefits increased 7.5% and 6.7% in the quarter and year-to-date periods, respectively, primarily driven by the expansion of our National Media group.

Programming expense increased $23.2 million or 26% in the third quarter of 2019 and $56.2 million or 22% in the first nine months of 2019 when compared to prior periods. Excluding the acquired operations, programming expense increased 10% and 13% in the quarter and year-to-date periods, respectively, due to higher network affiliation fees at our stations, reflecting contractual rate increases, as well as an increase in programming costs associated with our National Media businesses, Katz and Stitcher.

Other expenses increased $12.5 million or 21% in the third quarter of 2019 and $29.8 million or 17% in the first nine months of 2019 when compared to prior periods. Excluding the acquired operations, other expenses increased 6.0% in both the quarter and year-to-date periods, respectively, primarily driven by increases in marketing and promotion costs for our national brands, mainly Newsy and Stitcher.

Acquisition and related integration costs of $16.7 million in the third quarter of 2019 and $23.0 million in the first nine months of 2019 reflect investment banking and legal fees incurred to complete the current year acquisitions, as well as professional service costs incurred to integrate Triton and the Raycom, Cordillera and Nexstar-Tribune television stations.

Restructuring costs were less than $0.1 million in the third quarter of 2019 and $0.9 million in the third quarter of 2018. For the nine months ended 2019 and 2018, restructuring costs were $1.9 million and $7.0 million, respectively. These restructuring charges reflect severance, outside consulting fees and other costs associated with our previously announced changes in management and operating structure.

Depreciation and amortization of intangible assets increased from $46.4 million in 2018 to $60.3 million in 2019 due to the acquired operations.

Interest expense increased in 2019 due to the issuance of a $765 million term loan B in May 2019 and issuance of $500 million of senior unsecured notes in July 2019 in order to fund the Cordillera and Nexstar-Tribune acquisitions.

The effective income tax rate was 16% and 29% for the nine months ended September 30, 2019 and 2018, respectively. Other differences between our effective income tax rate and the U.S. federal statutory rate are the impact of state taxes, foreign taxes, non-deductible expenses, changes in reserves for uncertain tax positions and excess tax benefits or expense on share-based compensation. Our tax provisions include a $0.8 million benefit in 2019 and $1.0 million expense in 2018 from the exercise and vesting of share-based compensation awards.

Business Segment Results — As discussed in the Notes to Condensed Consolidated Financial Statements, our chief operating decision maker evaluates the operating performance of our business segments using a measure called segment profit. Segment profit excludes interest, defined benefit pension plan expense, income taxes, depreciation and amortization, impairment charges, divested operating units, restructuring activities, investment results and certain other items that are included in net income (loss) determined in accordance with accounting principles generally accepted in the United States of America.

Items excluded from segment profit generally result from decisions made in prior periods or from decisions made by corporate executives rather than the managers of the business segments. Depreciation and amortization charges are the result of decisions made in prior periods regarding the allocation of resources and are, therefore, excluded from the measure. Generally, our corporate executives make financing, tax structure and divestiture decisions. Excluding these items from measurement of our business segment performance enables us to evaluate business segment operating performance based upon current economic conditions and decisions made by the managers of those business segments in the current period.

We allocate a portion of certain corporate costs and expenses, including information technology, certain employee benefits and shared services to our business segments. The allocations are generally amounts agreed upon by management, which may differ from an arms-length amount. Corporate assets are primarily cash and cash equivalents, restricted cash, property and equipment primarily used for corporate purposes and deferred income taxes.

Information regarding the operating performance of our business segments and a reconciliation of such information to the condensed consolidated financial statements is as follows:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	2019	Change	2018	2019	Change	2018
Segment operating revenues:						
Local Media	$ 252,392	9.4 %	$ 230,734	$ 692,494	8.9 %	$ 636,041
National Media	97,205	35.5 %	71,761	283,028	41.0 %	200,708
Other	180	(22.1)%	231	3,913	9.8 %	3,563
Total operating revenues	$ 349,777	15.5 %	$ 302,726	$ 979,435	16.6 %	$ 840,312
Segment profit (loss):						
Local Media	$ 49,678	(26.3)%	$ 67,416	$ 138,180	(9.3)%	$ 152,403
National Media	5,250	85.0 %	2,838	16,764		6,910
Other	(1,270)	0.2 %	(1,267)	(3,188)	0.9 %	(3,161)
Shared services and corporate	(14,167)	14.5 %	(12,370)	(43,444)	8.3 %	(40,104)
Acquisition and related integration costs	(16,736)		(332)	(23,004)		(332)
Restructuring costs	(27)		(863)	(1,922)		(7,000)
Depreciation and amortization of intangible assets	(22,241)		(15,598)	(60,270)		(46,400)
Gains (losses), net on disposal of property and equipment	11		501	(306)		(150)
Interest expense	(26,537)		(9,003)	(53,476)		(27,041)
Defined benefit pension plan expense	(2,071)		(3,529)	(5,207)		(6,306)
Miscellaneous, net	2,042		(546)	1,611		(535)
Income (loss) from continuing operations before income taxes	$ (26,068)		$ 27,247	$ (34,262)		$ 28,284

Local Media — Our Local Media segment includes our local broadcast stations and their related digital operations. It is comprised of eighteen ABC affiliates, eleven NBC affiliates, nine CBS affiliates, four FOX affiliates, two MyNetworkTV affiliates, five CW affiliates, two independent stations and nine additional low power stations. Our Local Media segment earns revenue primarily from the sale of advertising to local, national and political advertisers and retransmission fees received from cable operators, telecommunications companies and satellite carriers. We also receive retransmission fees from over-the-top virtual MVPDs such as YouTubeTV, DirectTV Now and Sony Vue.

National television networks offer affiliates a variety of programs and sell the majority of advertising within those programs. In addition to network programs, we broadcast internally produced local and national programs, syndicated programs, sporting events and other programs of interest in each station's market. News is the primary focus of our locally produced programming.

The operating performance of our Local Media group is most affected by local and national economic conditions, particularly conditions within the automotive and services categories, and by the volume of advertising purchased by campaigns for elective office and political issues. The demand for political advertising is significantly higher in the third and fourth quarters of even-numbered years.

Operating results for our Local Media segment were as follows:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	2019	Change	2018	2019	Change	2018
Segment operating revenues:						
Core advertising	$ 148,209	36.1 %	$ 108,925	$ 401,351	15.9 %	$ 346,250
Political	5,038		40,018	8,033		57,484
Retransmission	95,174	20.8 %	78,759	272,015	21.7 %	223,556
Other	3,971	31.0 %	3,032	11,095	26.8 %	8,751
Total operating revenues	252,392	9.4 %	230,734	692,494	8.9 %	636,041
Segment costs and expenses:						
Employee compensation and benefits	91,967	29.8 %	70,862	249,668	15.4 %	216,432
Programming	70,351	23.1 %	57,156	192,824	17.8 %	163,644
Other expenses	40,396	14.4 %	35,300	111,822	8.0 %	103,562
Total costs and expenses	202,714	24.1 %	163,318	554,314	14.6 %	483,638
Segment profit	$ 49,678	(26.3)%	$ 67,416	$ 138,180	(9.3)%	$ 152,403

On September 19, 2019, we acquired eight television stations from the Nexstar-Tribune transaction; on May 1, 2019, we acquired 15 television stations from Cordillera; and effective January 1, 2019, we acquired ABC-affiliated stations in Waco, Texas and Tallahassee, Florida. These stations are referred to as the "acquired stations" in the discussion that follows. The inclusion of operating results from these stations for the periods subsequent to their acquisition impacts the comparability of our Local Media segment operating results.

Revenues

Total Local Media revenues increased $21.7 million or 9.4% in the third quarter of 2019 and $56.5 million or 8.9% in the first nine months of 2019 when compared to prior periods. Excluding the acquired stations, Local Media revenues decreased 15% and 5.6% in the quarter and year-to-date periods, respectively. The decrease in revenue for the third quarter of 2019 was driven by lower political revenues in a non-election year, offset by a 3.5% increase in core advertising revenue due to political displacement in the prior year-quarter. Retransmission revenue remained flat, while other revenue increased 7.2%. The decrease in revenue in the first nine months of 2019 was also primarily driven by lower political revenues. Core advertising decreased 1% due to the fact that 2018 included Winter Olympics and Super Bowl advertising on our five NBC-affiliated stations, whereas 2019 only included Super Bowl advertising on our two CBS-affiliated stations. Additionally, in 2018, the NBA finals included the Cleveland Cavaliers, while the 2019 NBA finals did not include any teams in our markets. These year-to-date decreases were offset by higher retransmission revenues and other revenues.

Costs and expenses

Employee compensation and benefits increased $21.1 million or 30% in the third quarter of 2019 and $33.2 million or 15% in the first nine months of 2019 when compared to prior periods, mainly due to the acquired stations.

Programming expense increased $13.2 million or 23% in the third quarter of 2019 and $29.2 million or 18% in the first nine months of 2019 when compared to prior periods. Excluding the acquired stations, programming expense decreased 1% and increased 4% in the quarter and year-to-date periods, respectively. The decrease in programming expense for the 2019 quarter reflects the winding down of our original programming show, Pickler & Ben, that was not renewed for a third season. The increase in programming expense in the year-to-date period was primarily due to higher network affiliation fees. Network affiliation fees have been increasing industry-wide due to higher rates on renewals, as well as contractual rate increases during the terms of the affiliation agreements, and we expect that they may continue to increase over the next several years.

Other expenses increased $5.1 million or 14% in the third quarter of 2019 and $8.3 million or 8.0% in the first nine months of 2019 when compared to prior periods, due to the acquired stations. Excluding the acquired stations, other expenses decreased 4% in both the quarter and year-to-date periods.

National Media — Our National Media segment is comprised of the operations of our national media businesses, including five national broadcast networks, the Katz networks; podcast industry-leader, Stitcher, and its advertising network Midroll Media; next-generation national news network, Newsy; a global leader in digital audio technology and measurement services, Triton; and other national brands. Our National Media group earns revenue primarily through the sale of advertising.

Operating results for our National Media segment were as follows:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	2019	Change	2018	2019	Change	2018
Segment operating revenues:						
Katz	$ 55,546	19.4 %	$ 46,537	$ 162,446	19.3 %	$ 136,184
Stitcher	18,937	41.4 %	13,392	51,108	48.8 %	34,347
Newsy	9,945	75.1 %	5,681	29,718	93.7 %	15,344
Triton	10,031		—	30,395		—
Other	2,746	(55.4)%	6,151	9,361	(36.9)%	14,833
Total operating revenues	97,205	35.5 %	71,761	283,028	41.0 %	200,708
Segment costs and expenses:						
Employee compensation and benefits	22,185	49.4 %	14,852	64,219	55.7 %	41,246
Programming	43,646	29.6 %	33,676	122,178	28.6 %	94,978
Other expenses	26,124	28.1 %	20,395	79,867	38.7 %	57,574
Total costs and expenses	91,955	33.4 %	68,923	266,264	37.4 %	193,798
Segment profit	$ 5,250	85.0 %	$ 2,838	$ 16,764		$ 6,910

Triton was acquired on November 30, 2018 and the inclusion of operating results from this business for the periods subsequent to its acquisition impacts the comparability of our National Media segment operating results.

Revenues

National Media revenues increased $25.4 million or 35% in the third quarter of 2019 and $82.3 million or 41% in the first nine months of 2019 when compared to prior periods. Triton accounted for $10.0 million and $30.4 million of the quarterly and year-to-date increases, respectively. The remainder of the increase came from growth in the other National Media brands. Katz's revenues increased as a result of growth on all of its networks. Stitcher's revenues increased due to advertising growth from existing podcasts, as well as the addition of new titles to its portfolio. Newsy's revenues increased primarily from the growth of advertising on over-the-top platforms. Newsy revenue growth is expected to moderate in the fourth quarter due to more difficult comparisons in the prior year period.

Costs and expenses

Employee compensation and benefits increased $7.3 million or 49% in the third quarter of 2019 and $23.0 million or 56% in the first nine months of 2019 when compared to prior periods. Excluding the impact of Triton, employee compensation and benefits increased 26% and 30% in the quarter-to-date and year-to-date periods, respectively, mainly attributable to the hiring of personnel to support the growth of our national brands, as well as higher bonus and commission expenses tied to revenue performance.

Programming expense increased $10.0 million or 30% in the third quarter of 2019 and $27.2 million or 29% in the first nine months of 2019 when compared to prior periods. Programming expense includes the amortization of programming for Katz, podcast production costs and other programming costs. The overall increase is attributable to the continual investment in Katz programming, higher affiliate fees related to the increased distribution of all of the Katz networks and the additional programming costs for our podcast business.

Other expenses increased $5.7 million or 28% in the third quarter of 2019 and $22.3 million or 39% in the first nine months of 2019 when compared to prior periods. Excluding the impact of Triton, other expenses increased 16% and 26% in the quarter-to-date and year-to-date periods, respectively, primarily due to increased marketing, promotion and occupancy costs incurred to support the growth of our national brands.

Shared services and corporate

We centrally provide certain services to our business segments. Such services include accounting, tax, cash management, procurement, human resources, employee benefits and information technology. The business segments are allocated costs for such services at amounts agreed upon by management. Such allocated costs may differ from amounts that might be negotiated at arms-length. Costs for such services that are not allocated to the business segments are included in shared services and corporate costs. Shared services and corporate also includes unallocated corporate costs, such as costs associated with being a public company.

Liquidity and Capital Resources

Our primary source of liquidity is our available cash and borrowing capacity under our revolving credit facility.

Operating activities

Cash flows from operating activities for the nine months ended September 30 are as follows:

	Nine Months Ended September 30,	
(in thousands)	2019	2018
Cash Flows from Operating Activities:		
Income (loss) from continuing operations, net of tax	$ (28,943)	$ 20,124
Adjustments to reconcile net income (loss) from continuing operations to net cash flows from operating activities:		
Depreciation and amortization	60,270	46,400
(Gain)/loss on sale of property and equipment	306	150
Programming assets and liabilities	7,649	(10,775)
Deferred income taxes	(5,284)	3,072
Stock and deferred compensation plans	11,524	10,128
Pension expense, net of contributions	(9,630)	(13,261)
Other changes in certain working capital accounts, net	(33,977)	10,240
Miscellaneous, net	9,092	(1,168)
Net cash provided by operating activities from continuing operations	11,007	64,910
Net cash provided by operating activities from discontinued operations	—	8,878
Net operating activities	$ 11,007	$ 73,788

In 2019 and 2018, cash provided by operating activities from continuing operations was $11.0 million and $64.9 million, respectively. Cash provided by operating activities declined year-over-year from a $7.7 million decrease in segment profit and a $22 million increase in interest payments due to the issuance of a $765 million term loan B in May 2019 and issuance of $500 million of senior unsecured notes in July 2019 in order to fund the Cordillera and Nexstar-Tribune acquisitions. Additionally, changes in working capital accounts decreased year-over-year cash provided by operating activities by $44 million. These declines were partially offset by a year-over-year reduction in the cash outlay related to our programming, pension contributions and restructuring activities.

One of the main factors contributing to the increase in cash used for working capital accounts was the timing of payments received on accounts receivable. Retransmission revenue was $17.5 million higher in the third quarter of 2019 compared to third quarter of 2018, and since our retransmission partners tend to pay on a 90 to 120-day lag, this caused an increase in accounts receivable. Another factor contributing to the increase in cash used for working capital accounts was the $11 million tax payment made in the second quarter of 2019 related to the sale of our radio stations. Additionally, in 2018, we received $10 million of advance payments for political advertising, with no comparable amount in 2019.

Investing activities

Cash flows from investing activities for the nine months ended September 30 are as follows:

(in thousands)	Nine Months Ended September 30, 2019	2018
Cash Flows from Investing Activities:		
Acquisitions, net of cash acquired	$ (1,190,631)	$ —
Acquisition of intangible assets	(24,475)	(7,229)
Additions to property and equipment	(41,775)	(39,279)
Purchase of investments	(1,453)	(79)
Proceeds from FCC repack	3,965	946
Miscellaneous, net	(41)	2,307
Net cash used in investing activities from continuing operations	(1,254,410)	(43,334)
Net cash used in investing activities from discontinued operations	—	(1,044)
Net investing activities	$ (1,254,410)	$ (44,378)

In 2019 and 2018, we used $1.3 billion and $43.3 million, respectively, in cash for investing activities from continuing operations. The primary factors affecting our cash flows from investing activities from continuing operations for the periods presented are described below.

- During 2019, we acquired television stations owned by Raycom Media for $55 million in cash, we acquired 15 television stations owned by Cordillera Communications, LLC for $521 million in cash, plus an estimated working capital adjustment of $23.9 million, we completed the acquisition of Omny Studio for a cash purchase price of $8.5 million and we acquired eight television stations from the Nexstar-Tribune transactions for $582 million.
- In April of 2019, we acquired assets from an independent station in Stuart, Florida, for $23.6 million in cash, the majority of which were intangible assets. In 2018, we paid $7.2 million in cash to acquire cable and satellite carriage rights for Newsy.
- Capital expenditures increased $2.5 million year-over-year due to an increase in spending at Katz for its new network, Court TV, which launched in May of 2019, partially offset by a decrease in year-over-year FCC repack expenditures.
- In 2019 and 2018, we received $4.0 million and $0.9 million, respectively, in proceeds from the FCC repacking process.

Congress authorized the FCC to conduct so-called “incentive auctions” to auction and re-purpose broadcast television spectrum for mobile broadband use. In the repacking process associated with the auction, the FCC has reassigned some stations to new post-auction channels. We do not expect reassignment to new channels to have a material impact on our stations' broadcast signals as viewed in their markets. Twenty-six of our current full power stations (including nine from recent acquisitions) have been assigned to new channels. The legislation authorizing the incentive auction and repack provides the FCC with up to a $2.75 billion fund to reimburse reasonable costs incurred by stations that are reassigned to new channels in the repack. We expect the FCC fund will be sufficient to cover the costs we would expect to incur for the repack and that our only potential funding risks would be limited to any disagreements with the FCC over reimbursement of expenditures incurred. Reimbursements provided by the FCC are recognized as the cash is received.

We have spent $33.3 million to date on FCC repack and expect to incur expenditures through the end of 2020. We have received total reimbursement proceeds from the FCC of $5.5 million as of September 30, 2019.

Financing activities

Cash flows from financing activities for the nine months ended September 30 are as follows:

(in thousands)	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Cash Flows from Financing Activities:		
Proceeds from long-term debt	$ 1,281,175	$ —
Payments on long-term debt	(6,075)	(4,906)
Deferred financing costs	(31,295)	—
Dividends paid	(12,274)	(12,362)
Repurchase of Class A Common shares	(584)	(30,270)
Proceeds from exercise of stock options	—	1,857
Tax payments related to shares withheld for RSU vesting	(3,716)	(2,520)
Miscellaneous, net	(4,437)	(165)
Net cash provided by (used in) financing activities from continuing operations	$ 1,222,794	$ (48,366)

In 2019, cash provided by financing activities from continuing operations was $1.2 billion and in 2018, we used $48.4 million in cash for financing activities from continuing operations. The primary factors impacting our cash flows from financing activities are described below.

Our current share repurchase program allows the purchase of up to $100 million of our Class A Common shares through March 1, 2020. Shares can be repurchased under the authorization via open market purchases or privately negotiated transactions, including accelerated stock repurchase transactions, block trades, or pursuant to trades intended to comply with Rule 10b5-1 of the Securities Exchange Act of 1934. We repurchased $0.6 million of shares during the first nine months of 2019. In August 2018, we entered into an Accelerated Share Repurchase ("ASR") agreement with JP Morgan to repurchase the Company's common stock. During the first nine months of 2018, we repurchased $30.3 million of shares, of which, $25 million was under the ASR agreement. At September 30, 2019, $49.7 million remains available for repurchase under our share repurchase program. We have suspended our share repurchase program while we pay down our outstanding debt.

We paid quarterly dividends of 5 cents per share, totaling $12.3 million and $12.4 million in the 2019 and 2018 year-to-date periods, respectively. We intend to pay regular quarterly cash dividends for the foreseeable future. All subsequent dividends will be reviewed quarterly and declared by the Board of Directors at its discretion. The declaration and payment of future dividends will be dependent upon, among other things, the Company's financial position, results of operations, cash flow and other factors.

We have $400 million of senior unsecured notes that mature on May 15, 2025 and bear interest at a rate of 5.125% per annum. We also have $500 million aggregate principal amount senior unsecured notes that mature on July 15, 2027, which bear interest at a rate of 5.875% per annum. Additionally, we have a $300 million term loan B that matures in October 2024. Following an amendment to the term loan on April 4, 2018, interest is payable at a rate based on LIBOR, plus a fixed margin of 2.00%. Interest will reduce to a rate of LIBOR plus a fixed margin of 1.75% if the company’s total net leverage, as defined by the amended agreement, is below 2.75. The term loan requires annual principal payments of $3 million. On May 1, 2019, we issued a $765 million term loan B ("term loan B-1") that matures in May 2026 with interest payable at rates based on LIBOR, plus a fixed margin of 2.75%. The term loan B-1 requires annual principal payments of $7.7 million.

We have a revolving credit facility ("Revolving Credit Facility") with a capacity of $210 million that matures in April 2022. Interest is payable on the Revolving Credit Facility at rates based on LIBOR, plus a margin based on our leverage ratio ranging from 1.75% to 2.50%. As of September 30, 2019, we had $20 million outstanding under the revolving credit facility with an interest rate of 4.29%. There were no outstanding borrowings under the revolving credit agreement at December 31, 2018. The revolving credit agreement includes certain financial covenants which we were in compliance with for all periods presented.

Our financing agreement includes the maintenance of a net leverage ratio if we borrow on the Revolving Credit Facility. The term loan B requires that if we borrow additional amounts or make a permitted acquisition that we cannot exceed a stipulated net leverage ratio on a pro forma basis at the date of the transaction. We were in compliance with all financial covenants in the financing agreement at September 30, 2019, and December 31, 2018.

Our financing agreement also includes a provision that in certain circumstances we must use a portion of excess cash flow, as defined, to repay debt. As of September 30, 2019, we were not required to make additional principal payments for excess cash flow.

Our $55 million acquisition of Waco, Texas and Tallahassee, Florida television stations, which closed in the first quarter of 2019, was financed through cash on hand at time of the closing. Our $521 million acquisition of Cordillera Communications, LLC, which closed on May 1, 2019, was financed with the $765 million term loan B-1, of which $240 million of the proceeds were used for financing a portion of the Nexstar-Tribune stations acquisition. The Nexstar-Tribune stations acquisition closed on September 19, 2019 for total consideration of $582 million. The purchase price and other related costs associated with the transaction were financed from a combination of the incremental term loan B proceeds and a portion of the $500 million of senior unsecured notes issued on July 26, 2019. Additionally, the capacity for our revolving credit facility increased to $210 million upon closing.

Other

We expect to contribute approximately $5.1 million during the remainder of 2019 to fund our defined benefit pension plan and our SERPs in order to meet our funding requirements under the provisions of the Pension Funding Equity Act of 2004 and the Pension Protection Act of 2006.

We expect that our cash, cash from operating activities and available borrowing capacity will be sufficient to meet our operating and capital needs over the next 12 months.

Off-Balance Sheet Arrangements and Contractual Obligations

Off-Balance Sheet Arrangements

There have been no material changes to the off-balance sheet arrangements disclosed in our 2018 Annual Report on Form 10-K.

Critical Accounting Policies and Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”) requires us to make a variety of decisions that affect reported amounts and related disclosures, including the selection of appropriate accounting principles and the assumptions on which to base accounting estimates. In reaching such decisions, we apply judgment based on our understanding and analysis of the relevant circumstances, including our historical experience, actuarial studies and other assumptions. We are committed to incorporating accounting principles, assumptions and estimates that promote the representational faithfulness, verifiability, neutrality and transparency of the accounting information included in the financial statements.

Note 1 to the Consolidated Financial Statements included in our 2018 Annual Report on Form 10-K describes the significant accounting policies we have selected for use in the preparation of our financial statements and related disclosures. An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made and if different estimates that reasonably could have been used or changes in estimates that are likely to occur could materially change the financial statements. We believe the accounting for acquisitions, goodwill and indefinite-lived intangible assets and pension plans to be our most critical accounting policies and estimates. A detailed description of these accounting policies is included in the Critical Accounting Policies section of Management's Discussion and Analysis of Financial Condition and Results of Operations included in our 2018 Annual Report on Form 10-K.

Recent Accounting Guidance

Refer to Note 2 – Recently Adopted and Issued Accounting Standards of the Notes to Condensed Consolidated Financial Statements (Part I, Item 1 of this Form 10-Q) for further discussion.

Quantitative and Qualitative Disclosures About Market Risk

Earnings and cash flow can be affected by, among other things, economic conditions and interest rate changes. We are also exposed to changes in the market value of our investments.

Our objectives in managing interest rate risk are to limit the impact of interest rate changes on our earnings and cash flows and to reduce overall borrowing costs.

The following table presents additional information about market-risk-sensitive financial instruments:

	As of September 30, 2019		As of December 31, 2018	
(in thousands)	Cost Basis	Fair Value	Cost Basis	Fair Value
Financial instruments subject to interest rate risk:				
Revolving credit facility	$ 20,000	$ 20,000	$ —	$ —
Senior unsecured notes, due in 2025	400,000	402,600	400,000	374,000
Senior unsecured notes, due in 2027	500,000	509,850	—	—
Term loan B	294,000	292,163	296,250	288,844
Term loan B-1	761,175	761,175	—	—
Long-term debt, including current portion	$ 1,975,175	$ 1,985,788	$ 696,250	$ 662,844
Financial instruments subject to market value risk:				
Investments held at cost	$ 4,372	(a)	$ 4,114	(a)

(a) Includes securities that do not trade in public markets so the securities do not have readily determinable fair values. We estimate that the fair value of these securities approximates their carrying value.

Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Scripps management is responsible for establishing and maintaining adequate internal controls designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The Company’s internal control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and the directors of the Company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company’s assets that could have a material effect on the financial statements.

All internal control systems, no matter how well designed, have inherent limitations, including the possibility of human error, collusion and the improper overriding of controls by management. Accordingly, even effective internal control can only provide reasonable but not absolute assurance with respect to financial statement preparation. Further, because of changes in conditions, the effectiveness of internal control may vary over time.

The effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) was evaluated as of the date of the financial statements. This evaluation was carried out under the supervision of and with the participation of management, including the Chief Executive Officer and the Chief Financial Officer. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures are effective.

In the ordinary course of business, we review our system of internal control over financial reporting and make changes to our systems and processes to improve such controls and increase efficiency, while ensuring that we maintain an effective internal control environment. Changes may include such activities as implementing new, more efficient systems, automating manual processes and updating existing systems. For example, during the third quarter of 2019, we completed the implementation of various financial system applications across the Company. As these financial system applications are implemented, they become a significant component of our internal control over financial reporting. Except for the ongoing implementation of these financial system applications, there were no changes to the Company's internal controls over financial reporting (as defined in Exchange Act Rule 13a-15(f)) during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

We implemented internal controls to ensure we properly assessed the impact of the new lease accounting standard on our financial statements to facilitate its adoption on January 1, 2019. There were no significant changes to our internal controls over financial reporting due to the adoption of the new standard. We acquired Triton Digital Canada, Inc. on November 30, 2018; the Raycom Media television stations KXXV/KRHD and WTXL effective January 1, 2019; 15 television stations from Cordillera Communications, LLC on May 1, 2019; and eight television stations from the Nexstar Media Group, Inc. transaction with Tribune Media Company on September 19, 2019, and have excluded these businesses from management's reporting on internal control over financial reporting, as permitted by SEC guidance, for the quarter ended September 30, 2019. The acquired operations have total assets of approximately $1.5 billion, or 42% of our total assets as of September 30, 2019 and revenues of $122.5 million, or 12.5% of our total revenues for the nine months ended September 30, 2019.

Exhibit 31.A
Section 302 Certifications

Certification

I, Adam P. Symson, certify that:

1. I have reviewed this report on Form 10-Q of The E.W. Scripps Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2019

BY: /s/ Adam P. Symson
Adam P. Symson
President and Chief Executive Officer

Exhibit 31.B
Section 302 Certifications

Certification

I, Lisa A. Knutson, certify that:

1. I have reviewed this report on Form 10-Q of The E.W. Scripps Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2019

BY: /s/ Lisa A. Knutson
Lisa A. Knutson
Executive Vice President and Chief Financial Officer

Exhibit 32.A
Section 906 Certifications

Certification Pursuant to Section 906 of the Sarbanes-Oxley Act Of 2002

I, Adam P. Symson, President and Chief Executive Officer of The E.W. Scripps Company (the “Company”), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of the Company for the period ended September 30, 2019 (the “Report”), which this certification accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

BY: /s/ Adam P. Symson
Adam P. Symson
President and Chief Executive Officer
November 8, 2019

Exhibit 32.B
Section 906 Certifications

Certification Pursuant to Section 906 of the Sarbanes-Oxley Act Of 2002

I, Lisa A. Knutson, Senior Vice President and Chief Financial Officer of The E.W. Scripps Company (the “Company”), hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of the Company for the period ended September 30, 2019 (the “Report”), which this certification accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

BY: /s/ Lisa A. Knutson
Lisa A. Knutson
Executive Vice President and Chief Financial Officer
November 8, 2019