



Company	Ticker	Sector	Industry
Nexstar Media Group, Inc.	NXST-US	Communication Services	Media

## Business Description

Nexstar Media Group, Inc. is a television broadcasting and digital media company, which engages in the acquisition, development, and operation of television stations and interactive community websites and digital media services. The firm offers services free over-the-air programming which includes programs produced by networks with which the stations are affiliated, programs that the stations produce, and first-run and rerun syndicated programs that the stations acquire. It also provides digital publishing and content management platforms to media publishers and advertisers. The company was founded by Perry A. Sook in 1996 and is headquartered in Irving, TX.

## Price Chart

## Key Info & Metrics



<b>Empirical Research Rank:</b>	<b>2</b>
Date Purchased:	06/12/2018
Price:	\$172.75
52-Week Range:	\$152.40 - \$212.75
Dividend Yield:	2.34%
Market Cap (\$M):	\$6,352
Forward Price-to-Earnings:	9

## Total Return

Year-to-Date:	-0.6%
1 Year:	-4.3%
3 Year:	263.9%
5 Year:	196.6%

## Investment Case - Updated: February 28, 2023

Nexstar Media Group is the largest local broadcast television group in the United States with 200 stations in 116 markets reaching approximately 68 percent of U.S. television households. The company also holds a 31 percent interest in the Food Network, which is majority owned by Warner Brothers Discovery. Historically, Nexstar had grown only via acquisitions, buying smaller stations and consolidating them into its national portfolio. In 2021, the company reached the maximum market share allowed by the FCC. Although the consolidation story is over, Nexstar has continued to grow in two ways. First, the company continues to raise the retransmission fees it charges to distributors (e.g. Comcast, Verizon, and AT&T). Broadcasters like Nexstar deliver more than 30 percent of the total television viewing audience but receive only about 13 percent of total cable programming fees. As the nation's leading broadcaster, Nexstar has been able to narrow that monetization gap. Second, broadcasters are uniquely positioned to reach local voters in election years. Contentious political elections translate to lucrative advertising revenues for Nexstar. In 2022, the mid-term elections generated about as much revenue for Nexstar as the presidential election did in 2020! We expect political advertising spending to continue rising while the margin of advantage between the United

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