



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
445 12th STREET, S.W.
WASHINGTON, D.C. 20554

News Media Information: (202) 418-0500
Fax-On-Demand: (202) 418-2830
Internet: <http://www.fcc.gov>
<ftp.fcc.gov>

DA 00-1593
July 18, 2000

BLANCO, TEXAS BROADCAST AUCTION No. 80 CLOSSES

Winning Bidder Announced

Down Payments Due August 1, 2000
FCC Form 301 Due August 17, 2000

Ten-Day Petition to Deny Period

Report No. AUC-80-D (Auction No. 80)

On July 14, 2000, the Federal Communications Commission completed the auction of a new television station construction permit, Channel 52 at Blanco, Texas, raising (in net high bids) a total of \$18,798,000 for the U.S. Treasury.

This public notice provides detailed information concerning the winning bidder, down payment, deposit, FCC Form 301 filing requirements, requests for rule waivers, and licensing matters. Key information appears in the following attachments:

- Attachment A:** "Round Results, High Bids" lists the winning bidder and both the gross and net high winning bid amount.
- Attachment B:** "Bidder Payment/Refund Report" lists the down payment owed by the winning bidder.

A copy of this public notice will be sent via overnight mail to the winning bidder.

Down payment. The Commission's rules require that within ten business days after the release of this public notice, in this case **by 6:00 p.m. ET on August 1, 2000**, the winning bidder in Auction No. 80 must have on deposit with Mellon Bank in Pittsburgh, Pennsylvania, enough funds to cover the down payment on its winning bid. If the bidder's upfront payment is not sufficient to meet this requirement, the bidder must deposit additional funds. *See* 47 C.F.R. §§ 1.2107(b), 1.2104(g).

The amount now due from the bidder is set out in the last column of **Attachment B**. The bidder's down payment must be a total of twenty (20) percent of its net winning bid.

Final payment. After the termination of the pleading cycle for petitions to deny (*see* 47 C.F.R. § 73.5006), the Commission will issue a public notice announcing that it is prepared to award the construction permit to the winning bidder, if the application is uncontested.¹ Within ten business days after the date of that public notice, the uncontested winning bidder will be required to make full payment of the balance of its winning bid. *See* 47 C.F.R. §§ 1.2109 and 73.5003(c). A broadcast construction permit will be granted by the Commission following the receipt of full payment.

Method of payment. All payments must be in U.S. dollars and made in the form of a wire transfer. No personal checks, credit card payments, or other forms of payment will be accepted. All payments must be accompanied by a completed FCC Remittance Advice Form (FCC Form 159).² A partially completed copy of the FCC Form 159 is included with this public notice to facilitate submission of the correct down payment. Questions regarding FCC Form 159 should be addressed to Tim Dates or Gail Glasser at 202-418-1995. **Please note, however, that the winning bidder is ultimately responsible for insuring the verification and submission of the correct down payment from its bank to Mellon bank.**

The **wire transfer payment** must be **received** by Mellon Bank by **6:00 p.m. ET, on August 1, 2000**. The winning bidder should coordinate with its banker ahead of time regarding its wire transfer, and allow sufficient time for the wire transfer to be **initiated and completed prior to the deadline**. To submit funds by wire transfer, the bidder will need the following information:

ABA Routing Number: 043000261
Receiving Bank: Mellon Pittsburgh

¹ In cases where petitions to deny are filed, no final payment public notice shall be issued for the associated construction permit until the petitions have been reviewed.

² Copies of the FCC Form 159 may be obtained by calling the Commission's Forms Distribution Center at 1-800-418-3676 (outside Washington, D.C.) or 202-418-3676 (in the Washington area). Copies of the FCC Form 159 can also be obtained via the Internet (<http://www.fcc.gov/formpage.html>) or by Fax-On-Demand (202-418-2830).

BNF: 911-6106
OBI Field: (Skip one space between each information item) "AUCTIONPAY"
TAXPAYER IDENTIFICATION NO. (same as FCC Form 159, Block 30)
PAYMENT TYPE CODE (enter "A80D")
FCC CODE 1 (same as FCC Form 159, Block 23A: "80")
PAYOR NAME (same as FCC Form 159, Block 2)
LOCKBOX NO.: 358850

The bidder must fax a completed FCC Form 159 to Mellon Bank at 412-209-6045 or 412-236-5702 at least one hour before placing the order for the wire transfer (but on the same business day).

Proper completion of the **FCC Form 159** is critical to ensuring correct credit of the bidder's deposit. **The bidder must use the same Taxpayer Identification Number used on their FCC Form 175.**³ Questions concerning the calculation and submission of the down payment should be directed to Gail Glasser at 202-418-1995.

Bid Default/Disqualification Payments. The Commission imposes payments on a bidder that defaults on payments due after an auction closes or that is disqualified. *See* 47 C.F.R. §§ 1.2104(g), 1.2109(c), 73.5004(a). If the high bidder defaults or is disqualified after the close of the auction, it will be subject to the following payment obligations: 1) the difference between the high bid and the amount of the winning bid the next time the construction permit is offered by the Commission, **and** 2) a payment equal to three percent of the subsequent winning bid or three percent of the defaulted bid, whichever is less. Where a bidding credit applies to the winning bid in either the original or the subsequent auction, the calculation of the three percent payment is based on the smaller of the two gross bids or smaller of the two net bids, whichever basis (gross or net) was used to figure the first component. Thus, if the difference between the gross bids is less than the difference between the net bids, the three percent payment will be computed on the lower of the gross bids. If the difference between the net bids is less than or equal to the difference between the gross bids, the three percent payment will be computed on the lower of the net bids. However, if the differences between both the gross bids and the net bids are less than or equal to zero, the three percent payment will be computed on the lower of the net bids.

If the winning bidder fails to remit the required down payment within ten (10) business days after the Commission has released this Public Notice, in this case August 1, 2000, the bidder will be deemed to have defaulted, its application will be dismissed, and it will be liable for a default payment as described above. In such event, the Commission, at its discretion, may either auction the construction permit to existing or new applicants, or offer it to the other highest bidders (in descending order) at their final bids. *See* 47 C.F.R. § 1.2109(b).

³ If, subsequent to final submission of its FCC Form 175, a bidder has provided the Commission with a written correction of its Taxpayer Identification Number, the bidder should use the corrected number.

If the winning bidder fails to pay the balance of its winning bid in a lump sum by the applicable deadline as specified by the Commission, it will be allowed to make payment within ten (10) business days after the payment deadline provided that it also pays a late fee equal to five (5) percent of the amount due. If the winning bidder fails to pay the balance of its winning bid plus late fee by the late payment deadline, it is considered to be in default on its construction permit and subject to the applicable default payments. The construction permit will be awarded upon the full and timely payment of the winning bid and any applicable late fees. *See* 47 C.F.R. §1.2109(a). If the winning bidder is found unqualified to be a licensee, fails to remit the balance of its winning bid in a timely manner, or defaults or is disqualified for any reason after having made the required down payment, it will be deemed to have defaulted and will be liable for the payment set forth in Section 1.2104(g)(2). In such event, the Commission may either auction the construction permit to existing or new applicants or offer it to the other highest bidders (in descending order) at their final bids. *See* 47 C.F.R. § 1.2109(c).

Finally, if the bidder is found to have violated the antitrust laws or the Commission's rules in connection with its participation in the competitive bidding process, it may be subject, in addition to any other applicable sanctions, to forfeiture of its upfront payment, down payment, or full bid amount, and may be prohibited from participating in future auctions. *See* 47 C.F.R. § 1.2109(d).

Refund of upfront payments (for non-winning bidders). Non-winning bidders must fax the necessary wire transfer instructions to Gail Glasser or Tim Dates at 202-418-2843.⁴ Any questions concerning refunds for non-winning bidders should be referred to Gail Glasser or Tim Dates at 202-418-1995.

FCC FORM 301

By **6:00 p.m. ET on August 17, 2000**, the winning bidder must submit a completed FCC Form 301 (May 1999 version) for the Channel 52 construction permit at Blanco, Texas, including the requisite FCC filing fee. Detailed instructions on the completion and filing of FCC Form 301 are included with the application form. A copy of FCC Form 301 may be obtained from the Commission's web page at: <http://www.fcc.gov/formpage.html> or by calling the Forms Distribution Center at 1-800-418-3676 to order the form.

In addition, FCC Form 301 may be filed electronically using the Mass Media Bureau's new Consolidated Database System (CDBS). Information about electronically filing FCC Form 301 is available in the *Public Notice*, "Mass Media Bureau Implements Consolidated Database

⁴ *See* "Auction "Auction Notice and Filing Requirements for a New Television Station Construction Permit, Channel 52 at Blanco, Texas; Auction Scheduled for July 12, 2000; Minimum Opening Bid and Other Procedural Issues," *Public Notice*, DA 00-1226 (rel. June 5, 2000)Notice and Filing Requirements for a New Television Station Construction Permit, Channel 52 at Blanco, Texas; Auction Scheduled for July 12, 2000; Minimum Opening Bid and Other Procedural Issues," *Public Notice*, DA 00-1226 (rel. June 5, 2000) at 19.

System (CDBS) Electronic Filing of FCC Forms 301, 302, 314, 315, 316, and 347,” released April 28, 2000, and at the Mass Media Bureau’s web page at: <http://www.fcc.gov/mmb>.

Failure to timely file FCC Form 301 will result in default. A late-filed application will not be accepted without a showing of good cause.⁵

Maintaining Accuracy of Information. The applicant is no longer required to maintain accuracy and completeness of information furnished on its FCC Form 175 and exhibits. After the auction closes, the applicant is required to make all changes by filing FCC Form 301.

Application processing and license grant. Pursuant to 47 C.F.R. §§ 1.2108(b) and 73.5006, and the Balanced Budget Act of 1997, Pub. L. 105-33, 111 Stat. 251 (1997), interested parties will have **ten (10) days** to file petitions to deny after the Commission releases a public notice announcing the FCC Form 301 is acceptable for filing. An applicant may file an opposition to any petition to deny within **five (5) days** after the time for filing petitions to deny has expired. *See* 47 C.F.R. §1.2108(c). The petitioner may file a reply to such opposition within **five (5) days** after the time for filing oppositions has expired. *See* 47 C.F.R. §1.2108(c). If the Commission determines the applicant is qualified and there is no substantial and material issue of fact concerning that determination, the Commission will issue a public notice announcing that it is prepared to grant the application conditioned upon the full and timely payment of the remaining balance of the applicant's winning bid. Once the Commission has received full payment of the applicant's winning bid, a public notice will be issued announcing grant of the construction permit to the applicant.

Anti-collusion rules. To ensure the competitiveness of the auction process, the Commission’s rules prohibit competing applicants from communicating with each other during the auction about bids, bidding strategies, or settlements. As explained more fully in the Public Notice announcing Auction No. 80,⁶ this prohibition began with the filing of short-form applications and ends on the down payment due date.⁷ The prohibition ends on the down payment due date whether or not the high bidder must supplement its upfront payment to cover its down payment. Applicants certified their compliance with Section 1.2105(c) when their FCC Form 175 short-form applications were signed.

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⁵ 47 C.F.R. § 1.2107(c).

⁶ “Auction Notice and Filing Requirements for a New Television Station Construction Permit, Channel 52 at Blanco, Texas; Auction Scheduled for July 12, 2000; Minimum Opening Bid and Other Procedural Issues,” *Public Notice*, DA 00-1226 (rel. June 5, 2000).

⁷ *See id.* at 4.

For further information, contact:

News Media:

Meribeth McCarrick at 202-418-0654

Technical Support Hotline:

Technical Support Personnel
at 202-414-1250 (V)
or 202-414-1255 (text telephone (TTY))

Office of the Managing Director
Auctions Accounting Group
(Payment, FCC Form 159 and refund
questions)

Gail Glasser or Tim Dates
at 202-418-1995

Mass Media Bureau:
Video Services Division
(FCC Form 301 questions)

Shaun Maher at 202-418-1600

Wireless Telecommunications Bureau,
Auctions and Industry Analysis Division
(Auction-related questions)

Bob Reagle, Auctions Analyst,
or Lisa Stover, Project Manager at
717-338-2888, or Kenneth Burnley,
Auctions Attorney, at 202-418-0660

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