

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In re Application of	)	
	)	
<b>James Rouse</b>	)	Facility I.D. No. 31856
	)	NAL/Acct. No. MB-200841410019
For Renewal of License for	)	FRN: 00103114078
Station WTOW(AM)	)	File No. BR-20070925AIA
Washington, North Carolina	)	

**MEMORANDUM OPINION AND ORDER  
AND  
NOTICE OF APPARENT LIABILITY FOR FORFEITURE**

**Adopted: April 2, 2008**

**Released: April 3, 2008**

By the Chief, Audio Division, Media Bureau:

**I. INTRODUCTION**

1. The Commission has before it the captioned application of James Rouse (the "Licensee"), for renewal of his license for Station WTOW(AM), Washington, North Carolina (the "Station"). In this *Memorandum Opinion and Order and Notice of Apparent Liability for Forfeiture* ("NAL") issued pursuant to Sections 309(k) and 503(b) of the Communications Act of 1934, as amended (the "Act"), and Section 1.80 of the Commission's Rules (the "Rules"),<sup>1</sup> by the Chief, Audio Division, Media Bureau, by authority delegated under Section 0.283 of the Rules,<sup>2</sup> we find that the Licensee apparently willfully violated Section 73.3539 of the Rules,<sup>3</sup> by failing to file a timely license renewal application for the Station, and apparently willfully and repeatedly violated Section 301 of the Act,<sup>4</sup> by engaging in unauthorized operation of the Station after its authorization had expired. Based upon our review of the facts and circumstances before us, we conclude that the Licensee is apparently liable for a monetary forfeiture in the amount of thirteen thousand dollars (\$13,000), grant the captioned WTOW(AM) renewal application, and reinstate the Station's call sign.

**II. BACKGROUND**

2. Section 73.3539(a) of the Rules requires that applications for renewal of license for broadcast stations must be filed "not later than the first day of the fourth full calendar month prior to the expiration date of the license sought to be renewed."<sup>5</sup> An application for renewal of WTOW(AM) license should have been filed by August 1, 2003. No such application was filed, and the Station's license expired on December 1, 2003. Accordingly, on March 2, 2004, the staff wrote to the Licensee indicating that the Station's license had expired and that: (1) all authority to operate the Station was terminated; and (2) the Station's call letters were deleted from the Commission's database. The Licensee

<sup>1</sup> 47 U.S.C. §§ 309(k), 503(b); 47 C.F.R. § 1.80.

<sup>2</sup> See 47 C.F.R. § 0.283.

<sup>3</sup> See 47 C.F.R. § 73.3539.

<sup>4</sup> See 47 U.S.C. § 301.

<sup>5</sup> 47 C.F.R. § 73.3539(a).

was advised that any further operation of the Station was unauthorized and must cease immediately.<sup>6</sup> Upon receipt of the letter, on April 1, 2004, the Licensee filed a petition for reconsideration of the canceled license and a license renewal application.<sup>7</sup> On that same date, the Licensee also filed a request for special temporary authorization (“STA”) to continue Station operations pending consideration of the untimely WTOW(AM) renewal application.<sup>8</sup> The staff granted the STA Request on April 2, 2004, and it expired on October 2, 2004.<sup>9</sup> The Licensee continued to operate the Station after the expiration of the initial STA until it ceased operations on September 13, 2007, subsequent to a visit from the Enforcement Bureau’s Norfolk Office.<sup>10</sup> It sought no further authority to operate until it filed the captioned renewal application and second request for STA on September 25, 2007. The staff granted the Second STA request on September 27, 2007,<sup>11</sup> and it expired on March 27, 2008. Anticipating expiration, the Licensee filed for an extension of its STA on March 25, 2008,<sup>12</sup> and that request remains pending. In the Second STA Request, the Licensee explained that its April 1, 2004, renewal application was dismissed by the staff on January 28, 2005, due to the application’s “Red Light” status as determined by the Commission’s Office of the Managing Director. The Licensee did not indicate why it continued the unauthorized operation of the Station from October 2004 to September 2007, although it did say that it recently engaged counsel to help resolve these matters and has taken steps to ensure that its “oversights” do not recur.<sup>13</sup>

### III. DISCUSSION

3. *Proposed Forfeiture.* In this case, the Licensee has failed to file a timely license renewal application for the Station, as required by Section 73.3539(a) of the Rules. Moreover, it continued operating the Station for four months after the license had expired on December 1, 2003, before filing the first of two renewal applications and the first of three requests for STA to so operate, as well as engaging in unauthorized operation for nearly three years after the expiration of the first STA from October of 2004 to September of 2007, in violation of Section 301 of the Act. Licensees are obligated to comply fully with the Rules, including timely filing the station’s renewal application and maintaining in effect the station’s authorization.<sup>14</sup> Here, the Licensee did not do so.

4. This *NAL* is issued pursuant to Section 503(b)(1)(B) of the Act. Under that provision, any person who is determined by the Commission to have failed willfully or repeatedly to comply with any provision of the Act or any rule, regulation, or order issued by the Commission shall be liable to the United States for a forfeiture penalty.<sup>15</sup> Section 312(f)(1) of the Act defines willful as “the conscious and deliberate commission or omission of [any] act, irrespective of any intent to violate” the law.<sup>16</sup> The

<sup>6</sup> *Letter to James Rouse*, Ref. 1800B3-DW (Chief, Audio Division, Media Bureau, Mar. 2, 2004).

<sup>7</sup> File No. BR-20040401ANS. On January 28, 2005, the Media Bureau (the “Bureau”) dismissed this application due to “Red Light” matters. *See* 47 C.F.R. § 1.1910.

<sup>8</sup> *See* File No. BLSTA-20040329ANP (the “STA Request”).

<sup>9</sup> *Letter to James Rouse*, Ref. 1800B3-PAD (Chief, Audio Division, Media Bureau, Apr. 2, 2004).

<sup>10</sup> *See* captioned application, Exhibit 6.

<sup>11</sup> *See* File No. BLSTA-20070925ALG (the “Second STA Request”); *see also Letter to Coe W. Ramsey, Esq.*, Ref. 1800B3 (Chief, Audio Division, Media Bureau, Sep. 27, 2007).

<sup>12</sup> *See* File No. BELSTA-20080325ADI.

<sup>13</sup> *See* captioned renewal application, Exhibit 6.

<sup>14</sup> *See, e.g., Hemmingford Media, Inc.*, Forfeiture Order, 14 FCC Rcd 2940, 2941-2 (CIB 1999) (responsibility for complying with terms of station license “rests solely and exclusively with the licensee”) (citing *Empire Broadcasting Corp.*, Memorandum Opinion and Order, 25 FCC 2d 68 (1970)).

<sup>15</sup> 47 U.S.C. § 503(b)(1)(B). *See also* 47 C.F.R. 1.80(a)(1).

<sup>16</sup> 47 U.S.C. § 312(f)(1).

legislative history to Section 312(f)(1) of the Act clarifies that this definition of willful applies to both Sections 312 and 503(b) of the Act,<sup>17</sup> and the Commission has so interpreted the term in the Section 503(b) context.<sup>18</sup> Section 312(f)(2) of the Act provides that “[t]he term ‘repeated,’ when used with reference to the commission or omission of any act, means the commission or omission of such act more than once or, if such commission or omission is continuous, for more than one day.”<sup>19</sup>

5. The Commission's *Forfeiture Policy Statement* and Section 1.80(b)(4) of the Rules establish a base forfeiture amount of \$3,000 for the failure to file a required form.<sup>20</sup> The guidelines also specify a base forfeiture amount of \$10,000 for construction and/or operation without an instrument of authorization for the service.<sup>21</sup> In determining the appropriate forfeiture amount, we may adjust the base amount upward or downward by considering the factors enumerated in Section 503(b)(2)(D) of the Act, including “the nature, circumstances, extent and gravity of the violation, and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and such other matters as justice may require.”<sup>22</sup>

6. In this case, the Licensee failed to file a timely renewal application and continued Station operations for four months after the Station's license had expired on December 1, 2003, before filing a renewal application and a request for STA to so operate. The Licensee also continued unauthorized operation of the Station from the expiration of its first STA on October 2, 2004 until the Station ceased operations after a visit by the Commission's Enforcement Bureau field office staff on September 13, 2007. Taking into consideration these facts and all of the factors required by Section 503(b)(2)(D) of the Act and the *Forfeiture Policy Statement*, we propose a forfeiture for the full \$3,000 amount for the failure to timely file the WTOW(AM) license renewal application, and for the full \$10,000 amount for the Station's extended periods of unauthorized operation. Thus, we propose a forfeiture in the total amount of \$13,000.

7. *License Renewal Application.* In evaluating an application for license renewal, the Commission's decision is governed by Section 309(k) of the Act.<sup>23</sup> That section provides that if, upon consideration of the application and pleadings, we find that: (1) the station has served the public interest, convenience, and necessity; (2) there have been no serious violations of the Act or the Rules; and (3) there have been no other violations which, taken together, constitute a pattern of abuse, we are to grant the renewal application.<sup>24</sup> If, however, the licensee fails to meet that standard, the Commission may deny the application – after notice and opportunity for a hearing under Section 309(e) of the Act – or grant the application “on terms and conditions that are appropriate, including a renewal for a term less than the maximum otherwise permitted.”<sup>25</sup>

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<sup>17</sup> See H.R. Rep. No. 97-765, 97<sup>th</sup> Cong. 2d Sess. 51 (1982).

<sup>18</sup> See *Southern California Broadcasting Co.*, Memorandum Opinion and Order, 6 FCC Rcd 4387, 4388 (1991).

<sup>19</sup> 47 U.S.C. § 312(f)(2).

<sup>20</sup> See *Forfeiture Policy Statement and Amendment of Section 1.80(b) of the Rules to Incorporate the Forfeiture Guidelines*, Report and Order, 12 FCC Rcd 17087, 17113-15 (1997) (“*Forfeiture Policy Statement*”), recon. denied, 15 FCC Rcd 303 (1999); 47 C.F.R. § 1.80(b)(4), note to paragraph (b)(4), Section I.

<sup>21</sup> A broadcast station requires an authorization from the Commission to operate. See 47 U.S.C. § 301.

<sup>22</sup> 47 U.S.C. § 503(b)(2)(D); see also *Forfeiture Policy Statement*, 12 FCC Rcd at 17100; 47 C.F.R. § 1.80(b)(4).

<sup>23</sup> 47 U.S.C. § 309(k).

<sup>24</sup> 47 U.S.C. § 309(k)(1). The renewal standard was amended to read as described by Section 204(a) of the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996). See *Implementation of Sections 204(a) and 204(c) of the Telecommunications Act of 1996 (Broadcast License Renewal Procedures)*, Order, 11 FCC Rcd 6363 (1996).

<sup>25</sup> 47 U.S.C. §§ 309(k)(2), 309(k)(3).

8. We find that the Licensee's violations of Section 73.3539 of the Rules and Section 301 of the Act do not constitute "serious violations" warranting designation for evidentiary hearing. Moreover, we find no evidence of violations that, when considered together, evidence a pattern of abuse.<sup>26</sup> Further, we find that Station WTOW(AM) served the public interest, convenience, and necessity during the subject license term. We will, therefore, grant the license renewal application below.

#### IV. ORDERING CLAUSES

9. Accordingly, IT IS ORDERED, pursuant to Section 503(b) of the Communications Act of 1934, as amended, and Section 1.80 of the Commission's Rules, that James Rouse is hereby NOTIFIED of its APPARENT LIABILITY FOR FORFEITURE in the amount of thirteen thousand dollars (\$13,000) for its apparent willful violation of Section 73.3539 of the Commission's Rules and apparent willful and repeated violation of Section 301 of the Communications Act of 1934, as amended.

10. IT IS FURTHER ORDERED, pursuant to Section 1.80 of the Commission's Rules, that, within thirty (30) days of the release date of this *NAL*, James Rouse SHALL PAY the full amount of the proposed forfeiture or SHALL FILE a written statement seeking reduction or cancellation of the proposed forfeiture.

11. Payment of the proposed forfeiture must be made by check or similar instrument, payable to the order of the Federal Communications Commission. The payment must include the *NAL*/Acct. No. and FRN No. referenced in the caption above. Payment by check or money order may be mailed to Federal Communications Commission, at P.O. Box 979088, St. Louis, MO 63197-9000. Payment by overnight mail may be sent to U.S. Bank—Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101. Payment by wire transfer may be made to ABA Number 021030004, receiving bank: TREAS NYC, BNF: FCC/ACV--27000001 and account number as expressed on the remittance instrument. If completing the FCC Form 159, enter the *NAL*/Account number in block number 23A (call sign/other ID), and enter the letters "FORF" in block number 24A (payment type code)

12. The response, if any, must be mailed to Office of the Secretary, Federal Communications Commission, 445 12<sup>th</sup> Street, S.W., Washington D.C. 20554, ATTN: Peter H. Doyle, Chief, Audio Division, Media Bureau, and MUST INCLUDE the *NAL*/Acct. No. referenced above.

13. The Commission will not consider reducing or canceling a forfeiture in response to a claim of inability to pay unless the respondent submits: (1) federal tax returns for the most recent three-year period; (2) financial statements prepared according to generally accepted accounting practices ("GAAP"); or (3) some other reliable and objective documentation that accurately reflects the respondent's current financial status. Any claim of inability to pay must specifically identify the basis for the claim by reference to the financial documentation submitted.

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<sup>26</sup> For example, we do not find here that the Licensee's operation of the Station "was conducted in an exceedingly careless, inept and negligent manner and that the Licensee is either incapable of correcting or unwilling to correct the operating deficiencies." *See Heart of the Black Hills Stations*, Decision, 32 FCC 2d 196, 198 (1971). Nor do we find on the record here that "the number, nature and extent" of the violations indicate that "the Licensee cannot be relied upon to operate [the station] in the future in accordance with the requirements of its licenses and the Commission's Rules." *Heart of the Black Hills Stations*, 32 FCC 2d at 200. *See also Center for Study and Application of Black Economic Development*, Hearing Designation Order, 6 FCC Rcd 4622 (1991), *Calvary Educational Broadcasting Network, Inc.*, Hearing Designation Order, 7 FCC Rcd 4037 (1992).

14. Requests for full payment of the forfeiture proposed in this *NAL* under the installment plan should be sent to: Associate Managing Director-Financial Operations, 445 12th Street, S.W., Room 1-A625, Washington, D.C. 20554.<sup>27</sup>
15. IT IS FURTHER ORDERED, that the April 1, 2004 Petition for Reconsideration IS GRANTED.
16. IT IS FURTHER ORDERED, that the call sign WTOW(AM) IS REINSTATED.
17. IT IS FURTHER ORDERED, pursuant to Section 309(k) of the Communications Act of 1934, as amended, that the license renewal application of James Rouse for Station WTOW(AM), Washington, North Carolina (File No. BR-20070925AIA) IS GRANTED.
18. IT IS FURTHER ORDERED that a copy of this *NAL* shall be sent, by First Class and Certified Mail-Return Receipt Requested, to James Rouse, 405 S. Evans St., Greenville, North Carolina 27834, and to its counsel, Coe W. Ramsey, Esq., Brooks, Pierce, McLendon, Humphrey & Leonard, LLP, P.O. Box 1800, Raleigh, North Carolina 27602.

FEDERAL COMMUNICATIONS COMMISSION

Peter H. Doyle  
Chief, Audio Division  
Media Bureau

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<sup>27</sup> See 47 C.F.R. § 1.1914.