



PUBLIC NOTICE

Federal Communications Commission
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DA 22-917

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MEDIA BUREAU ANNOUNCES FILING OF PETITION FOR DECLARATORY RULING BY AMERICA-CV STATION GROUP, INC.

MB Docket No. 22-317

Comment Date: October 3, 2022

Reply Date: October 18, 2022

America-CV Station Group, Inc. (America-CV), the licensee of certain broadcast television licenses, has filed a petition for declaratory ruling (Petition) requesting that the Federal Communications Commission (Commission) issue a declaratory ruling pursuant to section 310(b)(4) of the Communications Act of 1934, as amended (the Act).¹ The Petition seeks authority for foreign investors to indirectly own up to 100% in the aggregate of America-CV's equity and voting interests.² Specifically, it seeks authority for the following structure: (1) Carlos Vasallo, a citizen of Spain, to wholly own Athos Overseas, Inc. (Athos), a corporation organized in the British Virgin Islands; (2) Athos to wholly own Top Products Investments, Inc. (Top Products), a corporation organized in Panama; (3) Top Products to be the sole member of Vasallo TV Group, LLC (Vasallo TV Group), a limited liability company organized in the United States; (4) and for Vasallo TV Group to hold a 100% direct voting and equity

¹ 47 U.S.C. § 310(b)(4). *See also* 47 CFR § 1.5000 *et seq.*

² Petition at 1, 3, 5-6. The Petition is being filed as part of a bankruptcy reorganization. On May 14, 2019, America-CV filed a voluntary chapter 11 petition in the United States Bankruptcy Court for the Southern District of Florida (Bankruptcy Court) to effectuate restructuring of the companies' debt obligations. *Id.* at 2-3. On June 2, 2020, the Bankruptcy Court issued an order permitting America-CV to emerge from bankruptcy with a restructured corporate ownership. *Id.* (citation omitted). As a result of America-CV's bankruptcy reorganization, on August 21, 2020, America-CV filed transfer of control applications (Transfer of Control Applications) seeking Commission approval of its proposed post-bankruptcy organizational structure. *Id.*; CDBS Lead File No. BTCCDT-20200821AAH. As part of the Transfer of Control Applications, America-CV filed a Petition for Declaratory Ruling under Section 310(b)(4) of the Act. Petition at 2-3; CDBS File No. BTCCDT-20200821AAH, Att. 26. Pursuant to Staff request, on February 9, 2021, America-CV filed a request for waiver of Section 1.5000(a)(1) of the Commission's rules to permit America-CV's emergence from bankruptcy before the Commission considered its Foreign Ownership Petition. Petition at 2-3; CDBS File No. BTCCDT-20200821AAH. On April 14, 2021, the Commission granted America-CV's waiver request, and granted the Transfer of Control Applications conditioned on America-CV's refiling of its Foreign Ownership Petition within 30 days of closing. Petition at 2-3; *America-CV Station Group, Inc., Debtor-in-Possession, et al.*, Order, 36 FCC Rcd 7291 (VD MB 2021) (America-CV Transfer of Control Order). America-CV filed its notice of consummation for the Transfer of Control Applications on April 23, 2021, and it refiled its Foreign Ownership Petition on April 26, 2021, which it subsequently refiled to provide additional information regarding, *inter alia*, America-CV's ownership structure. Petition at 2-4; CDBS File No. BTCCDT-20200821AAH. On April 28, 2021, Emilio Braun, Ramon Diez Barrosa, and Pegaso Television Corp. filed a Petition for Reconsideration of the America-CV Transfer of Control Order, which remains pending as of the date of this Public Notice. *See* CDBS File No. BTCCDT-20200821AAH (filed Apr. 28, 2021).

interest in America-CV, a Delaware corporation.³ In addition, the Petition seeks specific approval for Top Products, Athos, and Carlos Vasallo to each indirectly hold up to 100% of America-CV's equity and voting interests.⁴ America-CV contends that granting this Petition is in the public interest because it will, *inter alia*, further the Commission's goals of encouraging foreign investment and ownership diversity in broadcast stations.⁵

The Petition has been found, on initial review, to be acceptable for filing. The Commission may require America-CV to submit additional documents or statements of fact that in the Commission's judgment may be necessary. The Commission also reserves the right to return the Petition if, on further examination, it is determined to be defective and not in conformance with its rules and policies. In addition, pursuant to Commission practice, the Petition will be referred to relevant Executive Branch agencies for their views on any national security, law enforcement, foreign policy, or trade policy concerns related to the foreign ownership of America-CV.⁶

EX PARTE STATUS OF THIS PROCEEDING

In order to assure the staff's ability to discuss and obtain information needed to resolve the issues presented, by this Public Notice and pursuant to Section 1.1200(a) of the Rules,⁷ we establish a docket for this proceeding and announce that the *ex parte* procedures applicable to permit-but-disclose proceedings will govern our consideration of this Petition.⁸

Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation.⁹ If the presentation consisted in whole or in part of data or arguments already reflected in the presenter's written comments, memoranda, or other filings in the proceeding, then the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers

³ See Petition at 2-3, 6-9, Exhibits B, F, G. Immediately prior to its bankruptcy reorganization, America-CV's indirect foreign ownerships voting and equity interests totaled 26.9% and 17.21%, respectively. Petition at 1, n.3. America-CV notes in its Petition that due to small changes to the ownership of various intermediate holding companies resulted in it inadvertently exceeding the indirect foreign voting interest limit. See *id.* at 7. America-CV further explains to the Commission that prior to its bankruptcy filing, America-CV had organized itself to remain below the Commission's 25% limit for indirect foreign ownership. However, according to America-CV, a prior settlement agreement was not fully executed by two parties that held interests in it prior to the bankruptcy and as a result, ACV inadvertently exceeded the Section 310(b)(4) benchmark on March 9, 2017. Letter from Seth L. Williams, Counsel for America-CV Station Group, Inc., to Jeremy Miller, Video Division, FCC (dated Feb. 18, 2022)

⁴ Petition at 7.

⁵ See Petition at 10-11; see also *Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Report and Order, 31 FCC Rcd 11272, 11273, para. 2 (2016).

⁶ See *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, IB Docket 16-155, Report and Order, 35 FCC Rcd 10927 (2020). See also *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market; Market Entry and Regulation of Foreign-Affiliated Entities*, IB Docket Nos. 97-142 and 95-22, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23918-19, paras. 61-63 (1997) (Foreign Participation Order), recon. denied, 15 FCC Rcd 18158 (2000).

⁷ 47 CFR § 1.1200(a).

⁸ See 47 CFR § 1.1206.

⁹ 47 CFR § 1.1206(b)(1).

where such data or arguments can be found) in lieu of summarizing them in the memorandum.¹⁰ Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with section 1.1206(b) of the Rules.¹¹ Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.¹² We strongly urge parties to use the Electronic Comment Filing System (ECFS) to file *ex parte* submissions. All *ex parte* filings must be clearly labeled as such and must reference MB Docket No. 22-317.

GENERAL INFORMATION

The Petition referred to in this Public Notice has been accepted for filing upon initial review. The Commission reserves the right to return any filing if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies. Interested persons must file comments no later than **October 3, 2022**. Replies must be filed no later than **October 18, 2022**.

To allow the Commission to consider fully all substantive issues regarding the Petition in as timely and efficient a manner as possible, commenters should raise all issues in their initial filings. A party or interested person seeking to raise a new issue after the comment period has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the comment period has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

All filings concerning matters referenced in this Public Notice should refer to MB Docket No. 22-317, as well as the specific file numbers of the individual applications or other matters to which the filings pertain.

Filing Requirements. Submissions may be filed electronically using ECFS or by filing paper copies.¹³

- Electronic Filers: Documents may be filed electronically using the Internet by accessing ECFS: <http://apps.fcc.gov/ecfs/>.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing.
- Filings can be sent by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
 - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
 - U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street NE, Washington, DC 20554
- Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19.¹⁴

¹⁰ *Id.*

¹¹ 47 CFR § 1.1206(b).

¹² *See* 47 CFR § 1.1200 *et seq.*

¹³ *See Electronic Filing of Documents in Rulemaking Proceedings*, Report and Order, 13 FCC Rcd 11322 (1998).

¹⁴ *See FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, 35 FCC Rcd 2788 (2020).

- During the time the Commission's building is closed to the general public and until further notice, if more than one docket or rulemaking number appears in the caption of a proceeding, paper filers need not submit two additional copies for each additional docket or rulemaking number; an original and one copy are sufficient.

In addition, one copy of each submission must be sent to the following:

- David Brown, Video Division, Media Bureau, e-mail David.Brown@fcc.gov
- Jeremy Miller, Video Division, Media Bureau, e-mail Jeremy.Miller@fcc.gov

Any submission that is e-mailed to David Brown or Jeremy Miller should include in the subject line of the e-mail: (1) MB Docket No. 22-317; (2) the name of the submitting party; (3) a brief description or title identifying the type of document being submitted (*e.g.*, MB Docket No. 22-317, America-CV Petition for Declaratory Ruling, *Ex Parte* Notice).

Availability of Documents. Documents in this proceeding are available electronically through ECFS. ECFS may be accessed on the Commission's Internet website at <http://www.fcc.gov>.

People with Disabilities. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (TTY).

For further information, contact David Brown at (202) 418-1645 or Jeremy Miller at (202) 418-1507. For press inquiries, contact Janice Wise at (202) 418-8165.

This action is taken by the Chief, Media Bureau, pursuant to authority delegated by sections 0.61 and 0.283 of the Commission's rules.¹⁵

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¹⁵ 47 CFR §§ 0.61 and 0.283.