

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

In re Application of Willamette Broadcasting Company, Inc. for Consent to Transfer of Control from the Estate of Michael O. Frith (Transferor) to Jeffrey Morgan and Patricia Taylor (Transferees) Facility ID No.72474 NAL/Account No. MB-202341410026 FRN: 0004362430 Application File No. 0000211571

ORDER

Adopted: December 7, 2023

Released: December 7, 2023

By the Chief, Audio Division, Media Bureau:

1. In this Order, we adopt the attached Consent Decree entered into by the Media Bureau (Bureau) and Willamette Broadcasting Company, Inc. (WBC or Licensee), licensee of station KYKN(AM), Keizer, Oregon (KYKN or Station). The Consent Decree resolves issues arising from the Bureau’s review of the captioned application, as amended, for Commission consent to transfer control of WBC.

2. The Consent Decree concludes the Bureau’s investigation of WBC’s compliance with section 310 of the Communications Act of 1934, as amended (the Act), and section 73.3540 of the Commission’s rules (Rules). The Bureau staff finds that WBC transferred a controlling interest in the company to Jeffrey Morgan (Mr. Morgan) prior to obtaining Commission consent.

3. Pursuant to the terms of the Consent Decree, WBC stipulates that it violated section 310(d) of the Act and section 73.3540 of the Rules when WBC transferred a controlling interest in the company to Mr. Morgan prior to obtaining Commission consent. Accordingly, WBC agrees to make a five thousand dollar (\$5,000.00) civil penalty payment to the United States Treasury and the Bureau agrees to terminate its investigation into the above violations. A copy of the Consent Decree is attached hereto and incorporated by reference.

4. After reviewing the terms of the Consent Decree, we find that the public interest will be served by its approval and by terminating all pending proceedings relating to the Bureau’s investigation of potential violations of the Rules and the Act in connection with the Application.

5. Based on the record before us, we conclude that nothing in the record creates a substantial and material question of fact as to whether WBC possesses the basic qualifications to continue to be a Commission licensee.

1 See Application File No. 0000211571 (filed Feb. 28, 2023) (Application). WBC amended the Application on May 3, 2023. See Broadcast Applications, Public Notice, Report No. PN-1-230302-01 (MB May 3, 2023).

2 See 47 U.S.C. § 310(d); 47 CFR § 73.3540.

3 47 CFR § 73.3540.

6. ACCORDINGLY, IT IS ORDERED that, pursuant to section 4(i) of the Act,⁴ and by the authority delegated by sections 0.61 and 0.283 of the Rules,⁵ the Consent Decree attached hereto IS ADOPTED without change, addition, or modification.

7. IT IS FURTHER ORDERED that the investigation by the Bureau of the matters noted above IS TERMINATED.

8. IT IS FURTHER ORDERED that copies of this Order shall be sent, by First Class and Certified Mail, Return Receipt Requested, to Sara L. Hinkle, Esq., Fletcher, Heald & Hildreth, PLC, 1300 North 17th Street, 11th Floor, Arlington, Virginia 22209, counsel for Willamette Broadcasting Company, Inc.

9. IT IS FURTHER ORDERED that pursuant to section 73.3526(e)(10) of the Rules, a copy of this Order and Consent Decree and as otherwise required all related investigatory materials SHALL BE RETAINED in the above-captioned Station's online public inspection file until grant of the next license renewal application.

FEDERAL COMMUNICATIONS COMMISSION

Albert Shuldiner
Chief, Audio Division
Media Bureau

⁴ 47 U.S.C. § 4(i).

⁵ 47 CFR §§ 0.61, 0.283.

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

In re Application of)	Facility ID No. 72474
Willamette Broadcasting Company, Inc.)	NAL/Account No. MB-202341410026
)	
for Consent to Transfer of Control)	
)	
from the Estate of Michael O. Frith (Transferor) to)	FRN: 0004362430
Jeffrey Morgan and Patricia Taylor (Transferees))	Application File No. 0000211571

CONSENT DECREE

I. INTRODUCTION

1. This Consent Decree is entered into by and between the Media Bureau (Bureau) of the Federal Communications Commission and Willamette Broadcasting Company, Inc. (WBC or Licensee), licensee of station KYKN(AM), Keizer, Oregon (KYKN or Station). The Consent Decree terminates the Bureau's investigations concerning WBC's compliance with section 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. § 310(d), and section 73.3540 of the FCC's rules, 47 CFR § 73.3540.

II. DEFINITIONS

2. For purposes of this Consent Decree, the following definitions shall apply:
- (a) "Act" means the Communications Act of 1934, as amended, 47 U.S.C. §151 *et. seq.*;
 - (b) "Adopting Order" means the order of the Bureau adopting this Consent Decree;
 - (c) "WBC" means Willamette Broadcasting Company, Inc.;
 - (d) "Application" means the FCC Form 2100, Schedule 315 application filed on February 28, 2023, as amended, for consent to transfer of control, Application File No. 0000211571;
 - (e) "Bureau" means the Media Bureau of the Federal Communications Commission;
 - (f) "Civil Penalty" means the payment WBC has agreed to pay to the United States Treasury;
 - (g) "Commission" or "FCC" means the Federal Communications Commission and all of its bureaus and offices;
 - (h) "Effective Date" means the date on which the Bureau releases the Adopting Order;
 - (i) "Estate" means the Estate of Michael O. Frith;
 - (j) "Investigation" means the Bureau's investigation of information contained in the Application, as detailed herein;
 - (k) "Licensee" means Willamette Broadcasting Company, Inc.;
 - (l) "License" refers to the license authorization for station KYKN(AM), Keizer, Oregon (Facility ID No. 72474);
 - (m) "Parties" means WBC and the Bureau;

- (n) “Rules” means the FCC’s rules, found in Title 47 of the Code of Federal Regulations;
- (o) “Station” means KYKN(AM), Keizer, Oregon (Facility ID No. 72474);
- (p) “Violations” means the violations of section 310(d) of the Act, 47 U.S.C. § 310(d), and section 73.3540 of the FCC’s rules, 47 CFR § 73.3540; and
- (q) “Voluntary Transfer of Control Rule” means section 73.3540 of the FCC’s rules, 47 CFR § 73.3540.

III. BACKGROUND

3. Section 310(d) of the Act, provides in pertinent part:

No construction permit or station license, or any rights thereunder, shall be transferred, assigned, or disposed of in any manner, voluntarily or involuntarily, directly or indirectly, or by transfer of control of any corporation holding such permit or license, to any person except upon application to the Commission and upon finding by the Commission that the public interest, convenience, and necessity will be served thereby.¹

4. The Voluntary Transfer of Control Rule states that “[p]rior consent of the FCC must be obtained for a voluntary assignment or transfer of control.”² The rule requires that an “[a]pplication for consent to the transfer of control of a corporation holding a construction permit or license must be filed on [FCC Form 2100, Schedule 315]” where the transaction involves the transfer of a controlling interest from one individual to another.³

5. For decades, Michael O. Frith (Mr. Frith) (deceased) served as owner and general manager of the Station and president of WBC. On May 14, 2021, Mr. Frith passed away, and following his death, his controlling (84% voting) interest in WBC passed to his Estate. On July 11, 2021, WBC filed an involuntary transfer of control application reflecting the transfer of Mr. Frith’s controlling interest.⁴ The Application included a copy of the letters testamentary appointing Erin B. Frith as personal representative of the Estate.⁵ Pursuant to the Last Will of Michael O. Frith (the Will), the common stock of WBC, consisting of 120 shares, was to be distributed to the Will’s beneficiaries as follows: Jeffrey Morgan (Mr. Morgan) (51%), Timothy M. Frith (26.5%), Sean P. Frith (6.5%), Joshua W. Frith (6.5%), Erin B. Frith

¹ 47 U.S.C. § 310(d).

² 47 CFR § 73.3540(a).

³ 47 CFR § 73.3540(d). The test for whether the interest to be transferred is “controlling” or “substantial” has generally been (a) whether 50 percent or more of the voting stock is being transferred, and (b) whether as a result of the transaction 50 percent or more of the outstanding voting stock will be held by persons whose qualifications to be Commission licensees have not previously been approved of or “passed upon.” *Barnes Enterprises, Inc.*, 55 FCC 2d 721 (1975); *Clay Broadcasters, Inc.*, 21 RR 2d 442 (1971). Generally, any transfer which involves the movement of 50 percent or more of a licensee’s voting stock, whether to persons passed upon or not, has required the filing of a long form application. As an exception to this general requirement, the Commission has allowed a short form to be used when the transaction involves a stock transfer whereby an existing stockholder with negative (50 percent) control assumes positive control by acquiring all of the remaining voting stock. *Barnes Enterprises, Inc.*, 55 FCC 2d at 725, n.4.

⁴ See Application File No. 0000152448 (filed July 13, 2021) (Involuntary Transfer Application). At that time, the minority interests of James Young and Janet Young, Joint (11% voting) and Timothy M. Frith (5% voting) remained the same. On December 16, 2021, the Commission granted the Involuntary Transfer Application and WBC filed a notification of consummation the following day. See Application File No. 0000177422 (filed Dec. 17, 2021).

⁵ Involuntary Transfer Application.

(6.5%), and Patricia Taylor (Ms. Taylor) (3%).⁶ In May 2022, the Will's beneficiaries sought to change the distribution of WBC's stock, increasing Mr. Morgan's total voting and equity interest from 51% to 94.4%, and Ms. Taylor's voting and equity interest from 3% to 5.6%.⁷ On November 10, 2022, the Oregon Circuit Court, Marion County, approved the Estate Distribution Agreement and distributed the stock the following month.⁸ WBC then filed the instant Application on February 28, 2023, acknowledging that the stock distribution occurred prior to obtaining Commission approval for the non pro forma transfer of control.⁹

6. The Parties acknowledge that any proceedings that might result from the Violations involving the Application would be time-consuming and require a substantial expenditure of public and private resources. In order to conserve such resources, resolve the matters, and promote compliance with the Rules, the Parties are entering into this Consent Decree, in consideration of the mutual commitments made herein.

IV. TERMS OF AGREEMENT

7. **Adopting Order.** The provisions of this Consent Decree shall be incorporated by the Bureau in an Adopting Order.

8. **Jurisdiction.** WBC agrees that the Bureau has jurisdiction over it and the matters contained in this Consent Decree and the authority to enter into and adopt this Consent Decree.

9. **Effective Date; Violations.** The Parties agree that this Consent Decree shall become effective on the Effective Date as defined herein. Upon the Effective Date, the Adopting Order and this Consent Decree shall have the same force and effect as any other order of the Commission. WBC agrees that it is required to comply with each individual condition of this Consent Decree. Each specific condition is a separate condition of the Consent Decree as approved. Any violation of the Adopting Order or the terms of this Consent Decree shall constitute a separate violation of a Commission order, entitling the Commission to exercise any rights and remedies attendant to enforcement of a Commission order.

10. **Termination of Investigation.** In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate the Investigation. In consideration for the termination of the Investigation, WBC agrees to the terms, conditions, and procedures contained herein. The Bureau further agrees that, in the absence of new material evidence, it will not use the Violations or the existence of this Consent Decree in any action against WBC, provided that it satisfies all of its obligations under this Consent Decree. In the event that WBC fails to satisfy any of its obligations under this Consent Decree, the Bureau may take any enforcement action available pursuant to the Act and the Rules with respect to each Violation, and/or the

⁶ See Application, Attach., Exhibit Regarding Distribution Agreement and Timeline. The Will was admitted to probate in the Oregon Circuit Court, Marion County on June 2, 2021. On August 26, 2021, Erin B. Frith, the Estate's Personal Representative, filed an inventory of all of the property of the Estate, including the common stock of WBC, consisting of 120 shares. *Id.*

⁷ See Application, Attach., Exhibit Regarding Distribution Agreement and Timeline. Mr. Frith's four children, Timothy M. Frith, Sean P. Frith, Joshua W. Frith, and Erin B. Frith, did not retain any stock in WBC per the terms of the Estate Distribution Agreement. *Id.* Mr. Morgan and Ms. Taylor have no familial ties to the Frith family.

⁸ See Application, Attach., Exhibit Regarding Application Timing.

⁹ See 47 CFR § 73.3540; Application. It is well-settled that "control" as used in the Act and the Voluntary Transfer of Control Rule encompasses all forms of control, actual or legal, direct or indirect, negative or affirmative, and that passage of *de facto* as well as *de jure* control requires the prior consent of the Commission. See, e.g., *Stereo Broadcasters, Inc.*, 55 FCC 2d 819, 821 (1975) (citing *WWIZ, Inc.*, 36 FCC 561 (1964)), modified, 59 FCC 2d 1002 (1976).

violation of this Consent Decree.

11. **Admission of Liability.** WBC stipulates that the actions described in Paragraph 5 violated section 310(d) of the Act and section 73.3540 of the Rules.

12. **Civil Penalty.** WBC agrees to make the Civil Penalty payment to the United States Treasury in the amount of five thousand dollars (\$5,000), within thirty (30) calendar days of the Effective Date. WBC acknowledges and agrees that upon execution of this Consent Decree, the Civil Penalty shall become a “Claim” or “Debt” as defined in section 3701(b)(1) of the Debt Collection Improvement Act of 1996.¹⁰

13. **Payment.** WBC shall send electronic notification of payment to Christopher Clark at Christopher.Clark@fcc.gov on the date payment is made. Payment of the civil penalty must be made by credit card, ACH (Automated Clearing House) debit from a bank account using CORES (the Commission’s online payment system),¹¹ or by wire transfer. Payments by check or money order to pay a civil penalty are no longer accepted. Below are instructions that payors should follow based on the form of payment selected:¹²

- Payment by wire transfer must be made to ABA Number 021030004, receiving bank TREAS/NYC, and Account Number 27000001. A completed Form 159 must be faxed to the Federal Communications Commission at 202-418-2843 or e-mailed to RROGWireFaxes@fcc.gov on the same business day the wire transfer is initiated. Failure to provide all required information in Form 159 may result in payment not being recognized as having been received. When completing FCC Form 159, enter the Account Number in block number 23A (call sign/other ID), enter the letters “FORF” in block number 24A (payment type code), and enter in block number 11 the FRN(s) captioned above (Payor FRN).¹³ For additional detail and wire transfer instructions, go to <https://www.fcc.gov/licensing-databases/fees/wire-transfer>.
- Payment by credit card must be made by using the Commission’s Registration System (CORES) at <https://apps.fcc.gov/cores/userLogin.do>. To pay by credit card, log-in using the FCC Username associated to the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select “Manage Existing FRNs | FRN Financial | Bills & Fees” from the CORES Menu, then select FRN Financial and the view/make payments option next to the FRN. Select the “Open Bills” tab and find the bill number associated with the NAL/Acct. No. The bill number is the NAL Acct. No. (e.g., NAL/Acct. No. 1912345678 would be associated with FCC Bill Number 1912345678). After selecting the bill for payment, choose the “Pay by Credit Card” option. Please note that there is a \$24,999.99 limit on credit card transactions.
- Payment by ACH must be made by using the Commission’s Registration System (CORES) at <https://apps.fcc.gov/cores/paymentFrnLogin.do>. To pay by ACH, log in using the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select “Manage Existing FRNs | FRN Financial | Bills & Fees” on the CORES Menu, then select FRN Financial and the view/make payments option next to the FRN. Select the “Open Bills” tab and find the bill number associated with the NAL/Acct. No. The bill number is the NAL/Acct. No. (e.g., NAL/Acct. No. 1912345678 would be associated with

¹⁰ Debt Collection Improvement Act of 1996, Pub. L. No. 104-134, 110 Stat. 1321, 1358 (Apr. 26, 1996).

¹¹ Payments made using CORES do not require the submission of an FCC Form 159.

¹² For questions regarding payment procedures, please contact the Financial Operations Group Help Desk by phone at 1-877-480-3201 (option #6), or by e-mail at ARINQUIRIES@fcc.gov.

¹³ Instructions for completing the form may be obtained at <https://www.fcc.gov/Forms/Form159/159.pdf>.

FCC Bill Number 1912345678). Finally, choose the “Pay from Bank Account” option. Please contact the appropriate financial institution to confirm the correct Routing Number and the correct account number from which payment will be made and verify with that financial institution that the designated account has authorization to accept ACH transactions.

14. **Qualifications; Agreement to Grant.** The Bureau finds that its Investigation raises no substantial and material questions of fact as to whether WBC possesses the basic qualifications, including those relating to character, to continue to hold a Commission license or authorization. Accordingly, the Bureau agrees to grant the Application, after the Effective Date, provided that the following conditions have been met: 1) the Civil Penalty payment, referenced in paragraph 12 of this Decree, has been fully and timely satisfied; and 2) there are no issues other than the Violations that would preclude grant of the Application.

15. **Waivers.** WBC agrees to waive any and all rights it may have to seek administrative or judicial reconsideration, review, appeal, or stay, or to otherwise challenge the validity of this Consent Decree and the Adopting Order, provided the Consent Decree is adopted without change, addition or modification. If any Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Consent Decree or Adopting Order, no Party will contest the validity of the Consent Decree or Adopting Order, and WBC will waive any statutory right to a *trial de novo*. WBC further agrees to waive any claims it may otherwise have under the Equal Access to Justice Act, 5 U.S.C. section 504 and section 1.1501 *et. seq.* of the Rules relating to the Consent Decree or Adopting Order.

16. **Severability.** The Parties agree that if a court of competent jurisdiction renders any of the provisions of this Consent Decree unenforceable, such unenforceability shall not render unenforceable the Consent Decree, but rather the entire Consent Decree shall be construed as if not containing the particular unenforceable provision or provisions, and the rights and obligations of the Parties shall be construed and enforced accordingly.

17. **Invalidity.** In the event that this Consent Decree in its entirety is rendered invalid by any court of competent jurisdiction, it will become null and void and may not be used in any manner in any legal proceeding.

18. **Subsequent Rule or Order.** The Parties agree that if any provision of this Consent Decree conflicts with any subsequent Rule or Order adopted by the Commission (except an order specifically intended to revise the terms of this Consent Decree to which WBC does not expressly consent), such provision will be superseded by such Rule or Order.

19. **Successors and Assigns.** WBC agrees that the provisions of this Consent Decree shall be binding on its successors, assigns, and transferees.

20. **Final Settlement.** The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties with respect to the Investigation.


21. **Modifications.** This Consent Decree cannot be modified or amended without the advance written consent of all Parties.

22. **Paragraph Headings.** The headings of the paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.

23. **Authorized Representative.** Each Party represents and warrants to the other Party that it has full power and authority to enter into this Consent Decree. Each person signing this Consent Decree on behalf of a Party hereby represents that he or she is fully authorized by the Party to execute this Consent Decree and to bind the Party to its terms and conditions.

24. **Counterparts.** This Consent Decree may be signed in counterparts and/or electronically and, when so executed, the counterparts, taken together, will constitute a legally binding and enforceable instrument whether executed electronically or by original signatures.

**MEDIA BUREAU
FEDERAL COMMUNICATIONS COMMISSION**

By: 
Albert Shuldiner
Chief, Audio Division

Date: 12/7/2023

**WILLAMETTE BROADCASTING COMPANY,
INC.**

By: _____
Jeffrey Morgan
President

Date: _____


24. **Counterparts.** This Consent Decree may be signed in counterparts and/or electronically and, when so executed, the counterparts, taken together, will constitute a legally binding and enforceable instrument whether executed electronically or by original signatures.

**MEDIA BUREAU
FEDERAL COMMUNICATIONS COMMISSION**

By: _____
Albert Shuldiner
Chief, Audio Division

Date: _____

**WILLAMETTE BROADCASTING COMPANY,
INC.**

By:  _____
Jeffrey Morgan
President

Date: 12/6/23