**Before the**

**Federal Communications Commission**

**Washington, D.C. 20554**

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| In the Matter of  Pandora Radio LLC  Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as Amended  Application of Connoisseur Media Licenses, LLC for Consent to Assign Station KXMZ(FM), Box Elder, South Dakota, to Pandora Radio LLC | **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)** | MB Docket No. 14-109  KXMZ(FM), Box Elder, SD  FCC File No. BALH-20130620ABJ  Facility ID No. 164109 |

**order on reconsideration**

**Adopted: September 16, 2015 Released: September 17, 2015**

By the Commission:

# introduction

1. In this Order on Reconsideration*,* we deny the petition for reconsideration (“Declaratory Ruling Petition”) filed by the American Society of Composers, Authors and Publishers (“ASCAP”) on June 3, 2015, seeking reconsideration of the Commission’s declaratory ruling (“*Declaratory Ruling*”) in the above-captioned docket, released on May 4, 2015.[[1]](#footnote-2) In the *Declaratory Ruling*, the Commission held that it would serve the public interest to permit a widely dispersed group of shareholders to hold aggregate foreign ownership in Pandora Media, Inc. (“Pandora Media”) in excess of the 25 percent benchmark set out in Section 310(b)(4) of the Communications Act of 1934, as amended (“Act”), subject to certain specified conditions.[[2]](#footnote-3) We also deny the petition for reconsideration (“Assignment Petition”) filed by ASCAP on July 2, 2015, of the Media Bureau’s (“Bureau”) June 2, 2015, letter decision (“*Letter Decision*”) granting the above-captioned application (“Assignment Application”) to assign the license of Station KXMZ(FM), Box Elder, South Dakota (“Station”), from Connoisseur Media Licenses, LLC (“Connoisseur”) to Pandora Radio LLC (“Pandora Radio”).[[3]](#footnote-4) The Assignment Petition was referred to the Commission by the Bureau pursuant to Section 1.106(a)(1) of the Rules, for consolidated treatment with the Declaratory Ruling Petition.[[4]](#footnote-5)
2. On June 20, 2013, Connoisseur and Pandora filed the Assignment Application, which was opposed by ASCAP. As detailed in the *Declaratory Ruling*, Pandora is a publicly traded U.S. company that was unable to determine the citizenship of its shareholders sufficiently to demonstrate that its foreign ownership does not exceed the 25 percent foreign ownership benchmark of Section 310(b)(4).[[5]](#footnote-6) Therefore, on June 27, 2014, Pandora filed a petition for declaratory ruling to exceed that benchmark (“Petition for Declaratory Ruling”), pursuant to the guidance set out in the Commission’s 2013 *Clarification Order*.[[6]](#footnote-7) On July 29, 2014, the Bureau initiated a docket seeking comment on the Petition for Declaratory Ruling.[[7]](#footnote-8) ASCAP filed comments opposing the Petition for Declaratory Ruling. Following the procedure outlined in the *Clarification Order*, various Executive Branch agencies were also notified of the proceedings.[[8]](#footnote-9) No Executive Branch agency filed a comment or objection. On May 1, 2015, the Commission adopted the *Declaratory Ruling*,granting Pandora’s Petition for Declaratory Ruling with conditions and denying ASCAP’s opposition (released May 4, 2015).
3. On June 2, 2015, the Bureau issued the *Letter Decision*,granting the Assignment Application andapproving the Revised Compliance Plan submitted by Pandora on May 15, 2015 (“Revised Compliance Plan”).[[9]](#footnote-10) In the *Letter Decision*, the Bureau found that ASCAP lacked standing to file a petition to deny the Assignment Application.[[10]](#footnote-11) The Bureau concluded that ASCAP did not fall within one of the established broadcast categories of parties with standing, [[11]](#footnote-12) and that ASCAP also did not satisfy what ASCAP referred to as the “higher bar” for Article III judicial standing.[[12]](#footnote-13) The Bureau found that ASCAP’s claimed harm—that Pandora would be able, as a broadcast licensee, to successfully litigate lower licensing fees—was speculative: “Even if [a weakened litigation position] were a cognizable, legally-protected interest, ASCAP fails to establish any likelihood that the KXMZ(FM) acquisition would result in a court victory for Pandora.”[[13]](#footnote-14) Because ASCAP’s predictions depend on the independent actions of third parties, the Bureau concluded that ASCAP had not established either causation or redressability, two requirements for judicial standing.[[14]](#footnote-15) However, the Bureau decided to treat ASCAP’s petition to deny as an informal objection under Section 73.3587 of the Rules and therefore took ASCAP’s arguments into account when considering the Assignment Application.[[15]](#footnote-16)

# DISCUSSION

1. *Assignment Petition*. In the Assignment Petition, ASCAP contests the *Letter Decision*’s findings on: (1) standing,[[16]](#footnote-17) (2) the timing of shareholder approval under the Revised Compliance Plan; (3) the timing of biennial ownership reports under the Revised Compliance Plan; and (4) Pandora’s motivation in acquiring the Station.[[17]](#footnote-18)
2. With respect to standing, we affirm the *Letter Decision*. ASCAP relies on the U.S. Court of Appeals for the District of Columbia Circuit’s (“D.C. Circuit”) June 12, 2015, decision in *NAB v. FCC* to support its claim that the Bureau “set[] the standing bar too high. For ASCAP to satisfy Article III standing based on a future harm, it argues that it need only show a ‘substantial probability of injury or a substantial risk that the harm will occur.’”[[18]](#footnote-19) ASCAP reiterates that it has standing because *if* Pandora uses its newfound status as a broadcaster to successfully litigate lower licensing fees, large music publishers “*may well* follow through on their threat to withdraw [from ASCAP].”[[19]](#footnote-20)
3. The Bureau applied the same standard that the D.C. Circuit used in *NAB v. FCC*—namely, the three-prong test set out by the Supreme Court in *Lujan v. Defenders of Wildlife*.[[20]](#footnote-21) The difference lies in the facts. In *NAB v. FCC*, the petitioner demonstrated a “substantial risk” that at least some of its television stations would miss the “go-dark deadline” after being reassigned new channels as a result of the incentive auction, which had already been mandated by Congress and whose implementation had been initiated by the Commission through the adoption of new rules.[[21]](#footnote-22) No additional actions by other parties were identified as necessary parts of the relevant chain of causation. By contrast, ASCAP’s claimed injury is based on the assumption that at least *three* separate third parties will act in the way ASCAP predicts, specifically, that: (1) Pandora will decide to “use KXMZ to claim entitlement” to the licensing rate applicable to broadcasters; (2) a court will hold in Pandora’s favor; and (3) ASCAP’s members will decide to withdraw from ASCAP as a result of Pandora’s receiving the favorable broadcast royalty rate.[[22]](#footnote-23) This situation fails the test set forth in *Lujan* that “the injury has to be “fairly ... trace[able] to the challenged action of the defendant, and not ... th[e] result [of] the independent action of some third party not before the court.”[[23]](#footnote-24)
4. We note that not only is ASCAP’s standing claim impermissibly dependent on the actions of multiple third parties, it is problematic in other ways as well. Whereas the petitioner in *FCC v. NAB* provided “reasoned predictions” about how repacking was likely to affect it,[[24]](#footnote-25) ASCAP’s brief description of the relevant chain of causation is vague and omits potentially significant information. For example, ASCAP predicts that Pandora will “claim entitlement” to the licensing rate negotiated by ASCAP and the Radio Music License Committee (“RMLC”) (an organization representing radio broadcasters). It does not, however, discuss how Pandora’s prospects of success would be affected by the 2014 decision of the U.S. District Court for the Southern District of New York (“District Court”) in *Pandora v. ASCAP,* upheld by the Second Circuit —in which the District Court unequivocally held that Pandora is *not* entitled to the RMLC rate.[[25]](#footnote-26) Similarly, the Assignment Petition does not include the District Court’s 2013 decision that ASCAP members (some of whom had already attempted to withdraw from ASCAP to the degree necessary to negotiate independently with Pandora) could not withdraw from ASCAP only with respect to internet streaming services but had to be “all in” or “all out.”[[26]](#footnote-27) In the *Declaratory Ruling* docket, ASCAP mentioned this holding, concluding merely that “music publishers are now closely watching developments and weighing their options.”[[27]](#footnote-28) This statement hardly describes a “substantial risk” of withdrawal. Therefore, ASCAP has not established that the alleged injury—withdrawal—is likely to occur at all, much less that it would be directly traceable to the grant of the Assignment Application. For these reasons as well, we uphold the Bureau’s standing determination.
5. In any event, none of ASCAP’s arguments on the merits warrants reconsideration or review of the Bureau’s order. We address each of these arguments in turn.
6. *Shareholder Approval.* The *Declaratory Ruling* imposed as a condition certain specific changes to Pandora’s certificate of incorporation. It established no date for doing so. The Bureau’s *Letter Decision* expected Pandora to present this matter for a vote at its 2016 annual shareholder meeting, and if necessary at its 2017 annual shareholder meeting—after which the station would be subject to divestiture.[[28]](#footnote-29) Contrary to ASCAP’s assertion, this deadline was not a modification of the *Declaratory Ruling,* which set no deadline. Nor was it unreasonable for the Bureau not to put Pandora to the substantial expense of calling a special meeting of shareholders solely for this purpose. It was sufficient to provide Pandora with a reasonable opportunity to satisfy the condition.
7. *Biennial Ownership Reports.* Nor was it inconsistent with the *Declaratory Ruling* or unreasonable to allow Pandora to defer its required foreign ownership certification until after its 2015 biennial ownership report. Indeed, the *Declaratory Ruling* noted that it is only *after* the changes to the certificate of incorporation that Pandora would be expected to have “improved access to shareholder information, and thus be able to submit more accurate and complete foreign ownership data.”[[29]](#footnote-30)
8. *Rationale for Pandora’s Acquisition.* Finally, ASCAP claims that the Bureau’s failure to examine “the rationale and motivation” behind Pandora’s transaction is “an extraordinary change of policy.”[[30]](#footnote-31) We agree with the Bureau that Pandora’s alleged hope, by acquiring KXMZ(FM), to qualify for lower music license royalty rates would not be relevant to our Section 310(d) public interest determination. Whatever the impact of its acquisition on such royalty rates may be, Pandora has undertaken to offer programming responsive to the interests of its local listeners, and ASCAP has failed to identify any substantial and material question about Pandora’s ability to provide such service in the public interest.
9. In ensuring that broadcast licensees serve the “public interest, convenience, and necessity” under Section 310(d), the Commission focuses on the essential goals of diversity, competition, and localism.[[31]](#footnote-32) Here, ASCAP urges us to deny the Assignment Application based on either Pandora’s motivation in acquiring the Station or on a “public interest” factor introduced by ASCAP— the injury to ASCAP’s members from potential withdrawal of music publishers from ASCAP, which it alleges will “then [flow] to broadcasters and the American public.”[[32]](#footnote-33) ASCAP does not identify in either of these arguments any provision of the Communications Act or the Commission’s rules that Pandora’s proposed acquisition would violate, or any demonstrated threat that such acquisition poses to our public interest goals. The Bureau carefully considered each of ASCAP’s contentions, concluding that, under our case law, Pandora will be considered to serve its community of license—regardless of its motivation in acquiring the Station—as long as it: (1) provides principal community signal service to the designated community; (2) complies with the main studio location rule; and (3) provides programming that will serve the designated community.[[33]](#footnote-34) The Bureau also determined that, for the same reasons that ASCAP lacked standing, the effects of the transaction on the collective music licensing system were too “speculative and contingent on the independent actions of third parties” to form a “substantial and material question of fact that grant of the [Assignment] Application would be inconsistent with the public interest, convenience, and necessity.”[[34]](#footnote-35) We agree. Indeed, even if ASCAP had been able to demonstrate any likely connection between this transaction and withdrawal of music publishers from ASCAP, it has failed to demonstrate how that would adversely affect diversity, competition, or localism *in the provision of broadcast service.* In these circumstances, we believe it is clearly within the Commission’s discretion to leave such matters to the courts charged with addressing them.[[35]](#footnote-36) In fact, as noted above, the courts have now rejected Pandora’s argument about its entitlement to RMLC rates that ASCAP has argued would, if successful, result in harm to the music licensing system.[[36]](#footnote-37)
10. *Declaratory Ruling Petition*.In the *Declaratory Ruling*, the Commission held that “matters concerning the collective licensing regime are unrelated to potential unacceptable foreign influence over U.S. broadcast stations, which is the sole focus of Section 310(b)(4) as it applies to broadcast licenses.” [[37]](#footnote-38) On reconsideration, ASCAP’s main objection to the *Declaratory Ruling* is that the Commission failed to conduct a “comprehensive” public interest analysis—specifically, that it failed to consider ASCAP’s claims that Pandora’s acquisition of the Station would not serve local listeners and could lead to the breakdown of the U.S. collective music licensing system.[[38]](#footnote-39) ASCAP also argues that the Commission failed to consider the public interest goals of increased foreign investment, innovation, diversity, and localism.[[39]](#footnote-40) These oversights, according to ASCAP, were inconsistent with the guidance set out in the *Clarification Order* and thereforearbitrary and capricious.[[40]](#footnote-41)
11. ASCAP’s argument misunderstands our determination under Section 310(b) and confuses that analysis with (and would make it duplicative of) the Bureau’s foregoing determination under Section 310(d). In the *Declaratory Ruling*, the Commission engaged in a detailed, fact-specific analysis of Pandora’s request to exceed the statutory foreign ownership benchmarks of Section 310(b)(4), following the guidance set out in the *Clarification Order*. First, we examined Pandora Media’s ownership structure, i.e., that of a U.S.-based publicly traded company with widely dispersed beneficial ownership, in which no single foreign individual or entity held an attributable five percent or greater voting interest.[[41]](#footnote-42) The Commission also examined the identity and nationality of those with “the ability to influence or control core decisions of the licensee.”[[42]](#footnote-43) We solicited the input of Executive Branch entities with expertise in national security, law enforcement, foreign policy, and international trade and received no comments or objections.[[43]](#footnote-44) Finally, the Commission noted that “Pandora is a new and independent entrant to the broadcast industry and as such represents an influx of investment capital,[[44]](#footnote-45) quoting the *Clarification Order*, in which the Commissionanticipated that “[g]reater capitalization [through foreign investment] may in turn yield greater innovation, particularly in programming directed at niche or minority audiences.”[[45]](#footnote-46) These are the relevant public interest factors upon which the Commission properly based its exercise of discretion under Section 310(b)(4) to permit Pandora to exceed the foreign ownership benchmarks (with conditions).
12. The Commission considered and rejected ASCAP’s suggestion that we leverage our statutory obligations under Section 310(b)(4) in an attempt to preserve the current music licensing system. ASCAP provides no support for its view of Section 310(b)(4). Nor do the Commission’s prior decisions analyzing Section 310(b)(4) issues.[[46]](#footnote-47) In the *Clarification Order*, we stated that we would address “any *relevant* public interest concerns” and determine “whether the public interest would be served *by permitting the requested foreign ownership*.”[[47]](#footnote-48) In this case, the harm alleged by ASCAP has nothing to do with Pandora’s level of foreign ownership. The alleged harm—potential withdrawal of music publishers from ASCAP—would be no less likely to occur even if Pandora had been able to demonstrate that it had less than 25 percent foreign ownership and thus never had to obtain a declaratory ruling.[[48]](#footnote-49) Therefore, the Commission correctly concluded in the *Declaratory Ruling* that the future of the collective music licensing system is not a relevant public interest factor in our Section 310(b)(4) analysis of Pandora as a prospective licensee and, in any case, is a question that is more appropriately resolved by Congress, the courts, and government agencies with expertise in this area.[[49]](#footnote-50) Similarly, we found that Pandora’s motivation in acquiring the Station was not relevant to the purpose of Section 310(b) as the Commission has interpreted it, which, again, is a concern with “foreign influence over broadcast stations.”[[50]](#footnote-51) As noted above, however, both Pandora’s alleged rationale for the transaction and the transaction’s alleged impact on the collective music licensing system *were* directly addressed by the Bureau in the *Letter Decision*, as part of its Section 310(d) analysis.
13. For the reasons set forth above, the Assignment Petition and the Declaratory Ruling Petition are denied.

# ORDERING CLAUSES

1. IT IS ORDERED THAT, pursuant to Sections 4(i) and 405 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 405, and Section 1.106 of the Commission’s Rules, 47 C.F.R. § 1.106, the Petitions for Reconsideration filed by the American Society of Composers, Authors and Publishers on June 3, 2015, and July 2, 2015, ARE DENIED.
2. IT IS FURTHER ORDERED that MB Docket No. 14-109 IS HEREBY TERMINATED.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch

Secretary

1. *Pandora Radio LLC Petition for a Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Declaratory Ruling, 30 FCC Rcd 5094 (2015). On June 8, 2015, Pandora filed an opposition to the Petition and on June 23, 2015, ASCAP filed a reply. [↑](#footnote-ref-2)
2. 47 U.S.C. § 310(b)(4). [↑](#footnote-ref-3)
3. *Melodie Virtue, Esq.*, Letter, Ref. No. 1800B3-CEG, DA 15-654 (MB Jun. 2, 2015) (“*Letter Decision*”). Pandora filed an opposition to the Assignment Petition on July 14, 2015. Pandora Radio is a wholly owned, direct subsidiary of Pandora Media. The Assignment Application initially designated Pandora Media as the assignee, but was amended on November 25, 2013, to substitute Pandora Radio. On June 17, 2015, post-consummation, the name of the licensee of the Station was changed from Pandora Radio LLC to Pandora FM LLC. For convenience, we may refer herein to Pandora Media and the Station licensee collectively as “Pandora.” As stipulated by both parties, Pandora and ASCAP are involved in a dispute, including litigation, over music licensing fees. *Declaratory Ruling*, 30 FCC Rcd at 5094. [↑](#footnote-ref-4)
4. 47 C.F.R. § 1.106(a)(1). [↑](#footnote-ref-5)
5. *Declaratory Ruling*,30 FCC Rcd at 5095; 47 U.S.C. § 310(b)(4). [↑](#footnote-ref-6)
6. *Commission Policies and Procedures Under Section 310(b)(4) of the Communications Act, Foreign Investment in Broadcast Licensees*, Declaratory Ruling, 28 FCC Rcd 16244, 16251 (2013) (“*Clarification Order*”) (stating that the Commission would exercise its statutory discretion to consider, on a case-by-case basis, applications and transactions that propose foreign broadcast ownership exceeding the 25 percent benchmark of Section 310(b)(4)). [↑](#footnote-ref-7)
7. *Pandora Radio LLC Seeks Foreign Ownership Ruling Pursuant to Section 310(b)(4) of the Communications Act of 1934, as Amended*, Public Notice, 29 FCC Rcd 9094 (MB 2014). The National Association of Broadcasters and Multicultural Media and Telecom and Internet Council filed comments urging general reform of the broadcast standard for demonstrating compliance with the Section 310(b)(4) benchmarks, but did not take a position on the Petition for Declaratory Ruling. Charles Pickney also filed a brief informal comment in support of the Petition for Declaratory Ruling. [↑](#footnote-ref-8)
8. *Declaratory Ruling*, 30 FCC Rcd at 5096. [↑](#footnote-ref-9)
9. *Id*. at 5102-3. [↑](#footnote-ref-10)
10. *Letter Decision* at 7. [↑](#footnote-ref-11)
11. *Id*.at 5-6 (citing *Chet-5 Broadcasting, L.P.*, Memorandum Opinion and Order, 14 FCC Rcd 13041, 13042 (1999)). [↑](#footnote-ref-12)
12. *Letter Decision* at 6. [↑](#footnote-ref-13)
13. *Id*.at 6. [↑](#footnote-ref-14)
14. *Id.* at 6-7. [↑](#footnote-ref-15)
15. 47 C.F.R. § 73.3587. [↑](#footnote-ref-16)
16. ASCAP does not pursue on reconsideration its alternative claim of listener standing. [↑](#footnote-ref-17)
17. ASCAP also argues that dismissal of its public interest arguments was unfounded, because it disagrees with the Bureau’s conclusion that ASCAP’s alleged harms to its members are contingent on the independent actions of third parties. Assignment Petition at 3. We address this argument below, in connection with both the standing issue, and the substantive analysis of the scope of Section 310(d). [↑](#footnote-ref-18)
18. Assignment Petition at 2 (quoting *Nat’l Ass’n of Broadcasters v. FCC*, 2015 U.S. App. LEXIS 9866 (D.C. Cir. June 12, 2015) (“*NAB v. FCC*”), at 26). [↑](#footnote-ref-19)
19. Assignment Petition at 2 (emphasis added). [↑](#footnote-ref-20)
20. *Lujan v. Defenders of Wildlife*, 504 U.S. 555 (1992) (“*Lujan*”); *Letter Decision* at 6 (“To satisfy the stricter Article III standing standard, ASCAP must prove three elements: (1) it has suffered or will suffer injury-in-fact; (2) there is a causal link between the proposed assignment and the injury-in-fact; and (3) redressability, meaning that not granting the assignment would remedy the injury-in-fact.”); *NAB v. FCC* at 26 (“To establish its standing, [the petitioner] must show: (1) “an ‘injury in fact’ that is (a) concrete and particularized and (b) actual or imminent, not conjectural or hypothetical; (2) [that] the injury is fairly traceable to the challenged action of the defendant; and (3) [that] it is likely, as opposed to merely speculative, that the injury will be redressed by a favorable decision.”) (citing *Friends of the Earth, Inc. v. Laidlaw Envtl. Servs. (TOC), Inc.,* 528 U.S. 167, 180-81 (2000) (citing *Lujan*, 504 U.S. at 560-61)). [↑](#footnote-ref-21)
21. *NAB v. FCC* at 27. [↑](#footnote-ref-22)
22. Pandora states that these licensing matters are also being “squarely addressed” by Congress and other government agencies, as well as being the subject of ongoing contractual negotiations. Pandora Comments filed Sept. 29, 2014, in MB Docket No. 14-109, at 12. [↑](#footnote-ref-23)
23. *Lujan*, 504 U.S. at 560-61 (citing *Simon v. Eastern Ky. Welfare Rights Organization,* 426 U.S. 26, 41–42 (1976)). [↑](#footnote-ref-24)
24. *NAB v. FCC* at 27. [↑](#footnote-ref-25)
25. *In re Pandora Media, Inc.*, 6 F.Supp.3d 317, 320, 369-72 (S.D.N.Y. 2014), *aff'd per curiam sub nom.* *Pandora Media, Inc. v. Am. Soc. of Composers, Authors & Publishers*, 785 F.3d 73 (2d Cir. 2015) (“*Pandora v. ASCAP*”) (setting Pandora’s licensing rate at 1.85 percent of revenues through 2015, slightly higher than the 1.70 percent RMLC rate but lower than the higher rates advocated by ASCAP for 2013-15). Instead, ASCAP bases its prediction on a 2013 report filed by Pandora with the Securities and Exchange Commission. Assignment Petition at 2, n.5. We also note that on July 29, 2015, the District Court refused to lower the (non-RMLC) licensing rate it had set earlier in the year between Pandora and another music licensing group, Broadcast Media, Inc. (“BMI”), rejecting, Pandora’s argument that its acquisition of KXMZ qualified it for the RMLC rate. *See BMI v. Pandora Media, Inc.*, No. 13 CIV. 4037 LLS (S.D.N.Y. July 29, 2015) (appeal pending). [↑](#footnote-ref-26)
26. *In re Pandora Media, Inc.,* No. 12 CIV. 8035 DLC, 2013 WL 5211927, at 7 (S.D.N.Y. Sept. 17, 2013), *aff'd sub nom. Pandora Media, Inc. v. Am. Soc. of Composers, Authors & Publishers*, 785 F.3d 73 (2d Cir. 2015) (“ASCAP did not have the right to permit the partial withdrawals of rights at issue and thereby acquiesce to a regime in which some music users could not obtain full public performance rights to works in the ASCAP repertory.”). [↑](#footnote-ref-27)
27. Opposition filed by ASCAP on August 28, 2014, in Docket No. 14-109, at 20. [↑](#footnote-ref-28)
28. *Letter Decision* at 7. [↑](#footnote-ref-29)
29. *Declaratory Ruling,* 30 FCC Rcdat 5101-2. [↑](#footnote-ref-30)
30. Assignment Petition at 6. [↑](#footnote-ref-31)
31. 47 U.S.C. § 310(d); *In the Matter of Review of the Commission's Regulations Governing Television Broadcasting*, Report and Order, 14 FCC Rcd 12903, 12907 (1999) (subsequent history omitted). To the extent that ASCAP suggests that these Section 310(d) public interest factors must form a part of every foreign ownership analysis under Section 310(b)(4), we note that such a requirement would be administratively unworkable and duplicative of the assignment application process. [↑](#footnote-ref-32)
32. Assignment Petition at 3. [↑](#footnote-ref-33)
33. *Letter Decision* at 8. [↑](#footnote-ref-34)
34. *Id.* [↑](#footnote-ref-35)
35. *See NAACP v. FPC,* 425 U.S. 662, 670 & n.7 (1976); *Community Television of Southern California v. Gottfried,* 459 U.S. 498 (1983). ASCAP’s argument that the Commission reviews how acquisitions will affect competition is inapposite. Under Section 310(d), it is well established that our public interest evaluations of proposed transactions encompass “the broad aims of the Communications Act,” which include preserving competition. *See, e.g., Applications of Comcast Corp, General Electric Co., and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees,* MB Docket No. 10-56, Memorandum Opinion and Order, 26 FCC Rcd 4238, 4248, ¶ 23 (2011). As noted above, ASCAP has failed to demonstrate how its concerns about Pandora’s music copyright royalty rates or rationale for this transaction are included within these broad aims. [↑](#footnote-ref-36)
36. *See* paragraph 7 and n.26, *supra.* [↑](#footnote-ref-37)
37. *Declaratory Ruling*,30 FCC Rcdat 5099. [↑](#footnote-ref-38)
38. Declaratory Ruling Petition at 1-2, 6. [↑](#footnote-ref-39)
39. *Id.* at 5-6. [↑](#footnote-ref-40)
40. *Id.* at 1-8. [↑](#footnote-ref-41)
41. *Declaratory Ruling*, 30 FCC Rcd at 5096. [↑](#footnote-ref-42)
42. *Id.* at 5097-8, 5101 (noting that all eight members of Pandora Media’s Board of Directors are U.S. citizens, as are all but two of its ten executive officers) (citations omitted). [↑](#footnote-ref-43)
43. *Id.* at 5097. [↑](#footnote-ref-44)
44. *Id.* at 5100. [↑](#footnote-ref-45)
45. *Clarification Order*, 28 FCC Rcd at 16249. [↑](#footnote-ref-46)
46. *See, e.g., Applications of SOFTBANK CORP., Starburst II, Inc., Sprint Nextel Corporation, and Clearwire Corporation,* Memorandum Opinion and Order, Declaratory Ruling, and Order on Reconsideration, 28 FCC Rcd 9642, 9693 (2013) (“When analyzing a transfer of control or assignment application *in which foreign investment is an issue*, we also consider public interest issues related to national security, law enforcement, foreign policy, or trade policy concerns.”) (emphasis added)); *Lockheed Martin Corp (Transfer of Comsat Licenses to Intelsat)*, Order and Authorization, 17 FCC Rcd 27732, 27762-63 (IB 2002); *see also Clarification Order*, 28 FCC Rcd at 16244 (“The Act’s foreign ownership restrictions were originally conceived to address homeland security interests during wartime. They were designed to protect the integrity of ship-to-shore and governmental communications and thwart the airing of foreign propaganda on broadcast stations.”). [↑](#footnote-ref-47)
47. *Clarification Order*, 28 FCC Rcd at 16252-3 (emphasis added). [↑](#footnote-ref-48)
48. *See Declaratory Ruling,* 30 FCC Rcd at 5099 (“The alleged harms to the performing rights system arise from Pandora’s proposed purchase of a radio station, not from the level of Pandora’s foreign ownership, and would exist whether or not Pandora was able to demonstrate compliance with Section 310(b)(4). Thus, ASCAP’s broader public interest argument is inapt in the context of this *Declaratory Ruling*, which exclusively concerns our statutory obligations under Section 310(b).”). [↑](#footnote-ref-49)
49. *Id.* at 5099. [↑](#footnote-ref-50)
50. *Id.* at 5099 (citing *Clarification Order,* 28 FCC Rcd at 16253). [↑](#footnote-ref-51)