

Federal Communications Commission Washington, D.C. 20554

February 24, 2015

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International Broadcasting Corporation Calle Bori #1554 Urb Caribe San Juan, PR 00927-6113

Angel O. Roman Lopez Condo Alta Vista II, Apt. 15-A Guaynabo, PR 00969

RE:

Transfer of Control Application WEKO(AM), Morovis, PR, et al. File. Nos. BTC-20140114ACT, et seq.

Dear Counsel and Applicants:

This letter is being sent regarding the above-captioned applications (collectively the "application") for consent to the transfer of control of numerous radio and televisions stations from Mr. Roman Collazo (deceased), to Mr. Angel Roman Lopez and Ruth E. Roman Lopez (collectively the "Applicants"). The application is not complete and must be amended in order to commence the staff's final review. We request that the deficiencies be rectified within 30 days of the date of this letter. In the alternative, the Applicants may request dismissal of their application.

We request that the application be amended as follows:

- The Applicants have requested a "satellite" exemption in order to continue operating television stations WVEO(TV) and WVOZ-TV as satellites of WTCV(TV), pursuant to Note 5 of Section 73.3555 of the Commission's rules (the "Rules").¹ The Applicants must amend their application to demonstrate all elements of the required "satellite" exemption showing in accordance with the Rules and Commission precedent.²
- 2. The Applicants have requested a waiver of the Commission's local radio ownership rule.³ The Applicants have requested for purposes of demonstrating compliance with the local radio ownership rule that Puerto Rico be considered three separate Metro markets instead of one, as

³ 47 C.F.R. § 73.3555(a).

¹File No. BTC-20140114ACT, Attachment 20 (Request for Waiver and Request for Continued Satellite Exemption) at 2 ("Ownership Exhibit").

² 47 C.F.R. § 73.3555, note 5; *Television Satellite Stations Review of Policies and Rules*, Report and Order, 6 FCC Rcd 4212, 4213-14 (1991).

Puerto Rico is currently considered by Arbitron.⁴ In order to properly evaluate the Applicants' waiver request, the application must be amended to properly demonstrate the three markets it wishes to define. The showing should include contour maps that demonstrate the relevant station contour overlap in the three proposed radio markets.

- 3. The Applicants contend that the Commission's local TV ownership rule should not be applied in the instant transaction because WTCV(TV)(and its satellite stations) are being acquired by will or intestacy, pursuant to Note 4 of Section 73.3555 of the Rules. This exception to the Commission's ownership rules only applies to transfer of control and assignment transactions where "no new or increased concentration of ownership will be created among commonly owned, operated or controlled media properties."⁵ In the proposed transaction a new concentration of ownership would be created between WTCV(TV), currently licensed to International Broadcasting Company, and WSJU-TV, San Juan, Puerto Rico, currently licensed to Aerco Broadcasting.⁶ If the Applicants continue to believe that Note 4 of Section 73.3555 applies to this transaction, we request that the application be amended to provide relevant case precedent. Absent this, we request that the application be amended to fully demonstrate compliance with the Commission's local television ownership rule.⁷ Assertions as to compliance with the top-four requirement of the local TV ownership rule, for instance, should be supported by relevant documentation.
- 4. The Applicants state that the transaction complies with the Commission's radio-TV cross-ownership rule.⁸ As discussed in item #3, the application does not adequately demonstrate compliance with the Commission's local TV ownership rule. In addition, as discussed in item #2, the application does not provide the necessary information needed to fully evaluate the local radio ownership showing. These showings must be amended in order to determine whether the Applicants are in compliance with the Commission's radio-TV cross-ownership showing as well. If a waiver of the Commission's local radio ownership rule is needed, the Applicants must amend the application to request waiver of the radio portion of the Commission's radio-TV cross-ownership rule or explain why for purposes of the cross-ownership rule waiver is not required.
- 5. In the radio-TV cross-ownership showing provided, the Applicants contend that twenty-two (22) independently owned media voices would remain in the market post-merger.⁹ As noted above, the Applicants' request that Puerto Rico should be considered as three separate Metro markets for purposes of determining compliance with the local radio ownership rule. Likewise, in demonstrating compliance with the voice count portion of the radio-TV cross-ownership rule, the Applicants must provide a showing that complies with the same definition of radio Metros as

⁶ Mr. Angel Roman Lopez holds a 100% voting interest and 50% equity interest in Aerco Broadcasting and Ruth E. Roman-Lopez holds a 50% equity interest in Aerco Broadcasting. *See* File No. BOA-20131021AGH.

⁸ Ownership Exhibit at 11-12. Pursuant to Section 73.3555(c)(2) of the Rules, 47 C.F.R. § 73.3555(c)(2), an entity may directly or indirectly own, operate, or control up to two commercial television stations, to the extent permitted by Section 73.3555(b), and six commercial radio stations, to the extent permitted by Section 73.3555(a), if a least 20 independently-owned media voices would remain in the market post-merger.

⁹ Ownership Exhibit at11-12. See 47 C.F.R. § 73.3555(c)(3)(establishing a means for calculating remaining media voices in a market post-merger).

⁴ Ownership Exhibit at 3-9.

⁵ 47 C.F.R. § 73.3555, note 4 (emphasis added). Ownership Exhibit at 9-10.

⁷ 47 C.F.R. § 73.3555(b).

used in the local radio ownership showing. The Applicants definition of relevant radio or television markets for purposes of the radio-TV cross-ownership rule should be consistent with those used elsewhere in the application.

6. The application has been filed as a result of the death of Mr. Pedro Roman Collazo, the sole interest holder in International Broadcasting Company ("IBC"). According to the application, on August 10, 2012, Mr. Angel Roman Lopez and Ms. Ruth Roman Lopez (the transferees) were declared by a court of competent jurisdiction as sole and universal heirs of Mr. Collazo's estate.¹⁰ Prior to the issuance of the court order, in a letter dated February 9, 2012, counsel for IBC notified the Commission that Mr. Collazo had passed away and that "additional information concerning the ownership of Sr. Collazo's stations will be provided to the Commission when it becomes available."¹¹ While a short form transfer of control application was filed with the Commission in December 2011 requesting the involuntary transfer of Mr. Collazo's controlling interest in IBC to a court appointed individual (Mr. Lopez),¹² following Mr. Collazo's death this application was never amended. The short form transfer of control application remains pending. Furthermore, no information concerning ownership of Mr. Collazo's stations was provided until the filing of the instant application in January 2014. The Applicants must provide an amendment explaining who has been in control of the stations licensed to IBC between October 3, 2011, when a Puerto Rico court appointed Mr. Lopez as legal guardian for Mr. Collazo, and present. Furthermore, the Applicants should explain the apparent delays in making and/or amending appropriate applications following Mr. Collazo's death.

Failure to provide the requested amendments or explain why such amendments are not necessary will result in the application being dismissed as incomplete.¹³ We encourage the Applicants to review their certifications to all other questions for accuracy and remind them of their responsibility to maintain the accuracy and completeness of all information provided to the Commission in an application. Any required amendments, absent a showing of good cause, must be made within thirty (30) days of the date of this letter. Given the facts and circumstances of this case sanction may be appropriate. Nonetheless, before taking any such action we will review all information provided in response to this letter.

Sincerely,

Barbara A. Kreisman Chief, Video Division Media Bureau

¹⁰ File. No. BTC-20140114ACT, Attachment 7 (Court Orders).

¹¹ Id., Attachment 7 (Notice to FCC re Death of Mr. Roman Collazo).

¹² File No. BTC-20111212AGU.

¹³ 47 C.F.R. § 1.748 (permitting dismissal of applications for failing to comply or justifying non-compliance with Commission requests for additional information).