



Federal Communications Commission
Washington, D.C. 20554

May 20, 2015

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Re: Application for Transfer of Control of License
KMBH(TV), Harlingen, Texas
File No. BTCCDT-20150205ADN
Facility ID No. 56079

Dear Counsel:

This is in regard to the above-referenced application for transfer of control of MBTV Texas Valley LLC ("MBTV Texas Valley"), licensee of KMBH(TV), Harlingen, Texas, from R Media Trust to R Communications Trust (collectively, "Applicants"). Susanna Groves, of Beyond Arts Magazine, submitted an email dated March 19, 2015, informally objecting to the transaction. MB Revolution LLC ("MB Revolution"), the sole member of MBTV Texas Valley, and R Media Trust, filed a joint opposition to the informal objection. We deny the informal objection submitted by Susanna Groves and grant the above-captioned application.

Background. Applicants propose the transfer of control of MBTV Texas Valley from R Media Trust to R Communications Trust. With the proposed transaction, R Media Trust is transferring all of its interest in MB Revolution, sole member of MBTV Texas Valley, to R Communications Trust. Roberto Gonzalez is the sole settlor, beneficiary and trustee of R Media Trust; he is also the primary beneficiary of R Communications Trust. Robert L. Reed is the sole trustee of R Communications Trust.¹

¹ File No. BALCDT-20140320ADL.

Ms. Groves cites three reasons for filing her informal objection. First, she claims that R Media Trust and R Communications Trust lack the appropriate incorporation status. Ms. Groves objects to R Media Trust and R Communications Trust being trusts headed by sole proprietors and is concerned that the Texas Department of Banking does not “charter or regulate business trusts....” She is also concerned that “unless there is an investigation into a trust by an entity such as the Department of Justice, the funds of a limited liability corporation are allowed to derive – legally or illegally - from any source.” Next, Ms. Groves disputes whether 75 percent of the board members of MBTV Texas Valley reside in the KMBH(TV) service area. Finally, Ms. Groves challenges whether the parties to the application are in control of the “organization.”² In support of this challenge, Ms. Groves supplies news clippings concerning alleged criminal activity and “ongoing investigations” by the U.S. Department of Justice into the Gonzales family.

In opposition to the informal objection, MB Revolution and R Media Trust state that there is no Commission rule that prohibits a trust from holding an FCC license or ownership interest in a licensee.³ With respect to Ms. Groves' concern that 75 percent of the board members of MBTV Texas Valley do not live in the KMBH(TV) service area, MB Revolution and R Media Trust explain that KMBH(TV) is a commercial television station and therefore there is no local residency requirement applicable to its owners or directors.⁴ Finally, concerning Ms. Groves' allegation that the parties to the application are not the entities in control of MBTV Texas Valley, MB Revolution and R Media Trust state that Ms. Groves fails to provide evidence to support this contention and that “[t]here is nothing in the various hearsay press articles and other information...” provided by Ms. Groves that indicates “that Revolution and its stations are controlled by anyone other than Roberto Gonzales.” MB Revolution and R Media Trust also explain that the Commission has consistently held that the press articles, such as the ones submitted by Ms. Groves, are “the equivalent of hearsay and do not satisfy Section 309(d) personal knowledge and specificity requirements”⁵ and that “it is well established that press accounts and adjudicated allegations of misconduct not involving the Communications Act or Commission rules and policies do not constitute the basis of a *prima facie* showing that an applicant lacks the character qualifications to be Commission licensee.”⁶ Moreover, MB Revolution and R Media Trust note that the press accounts provided by Ms. Groves, as well as her own commentary, do not allege that Roberto Gonzales is involved in any legal matters or wrongdoings.⁷

² It is unclear as to which entity Ms. Groves is referring to when she refers to “the organization.” For the purposes of this letter, we will assume she is referring to the licensee, MBTV Texas Valley LLC.

³ Opposition at 1.

⁴ Opposition at 2.

⁵ Opposition at 2 (citing *DSF Radio License, LLC*, 29 FCC Rcd 804, 810 (2014); *Pikes Peak Broadcasting Co.*, 12 FCC Rcd 4626, 4630 (1997)).

⁶ Opposition at 2 (citing *DSF Radio License* at 812).

⁷ Opposition at 3.

Discussion. The Commission applies a two-step analysis when it evaluates an informal objection under the public interest standard.⁸ First, we must determine whether the informal objection contains specific allegations of fact sufficient to show that granting the application would be *prima facie* inconsistent with the public interest.⁹ The first step “is much like that performed by a trial judge considering a motion for directed verdict: if all the supporting facts alleged . . . were true, could a reasonable fact finder conclude that the ultimate fact in dispute had been established.”¹⁰ If the specific allegations make a *prima facie* case, we next examine and weigh the evidence presented, to determine “whether the totality of the evidence raises a substantial and material question of fact justifying further inquiry.”¹¹ If no such question is raised, the Commission will deny the informal objection and grant the application if it concludes that such grant otherwise serves the public interest, convenience, and necessity. We find that no substantial and material question of fact has been raised concerning the application and, therefore, deny the Informal Objection.

Ms. Groves fails to meet the statutory burden. We agree with MB Revolution and R Media Trust that there is no Commission rule that prohibits a trust from holding an FCC license or ownership interest in a licensee. Furthermore, MBTV Texas Valley, the licensee, is a duly formed Texas limited liability company. Pursuant to Commission rules both an LLC and a trust can hold a Commission license or ownership interest in a licensee.¹²

With regards to Ms. Groves' concern that 75 percent of the board members of MBTV Texas Valley do not live in the KMBH(TV) service area, we again agree with MB Revolution and R Media Trust that there is no local requirement applicable to the owners or directors of KMBH(TV), a commercial television station.¹³ Although KMBH(TV) currently provides PBS programming, it does not operate on a reserved non-commercial educational (“NCE”) television channel.¹⁴

Finally, Ms. Groves provides no factual support for her allegation that the parties to the application are not the entities in control of MBTV Texas Valley. We agree with MB Revolution and R Media Trust that there is nothing in the various press articles or other information provided by Ms. Groves that indicates another entity is in fact controlling MBTV Texas Valley. There is also nothing in the press articles or other information provided by Ms. Groves that indicates that Roberto Gonzales, the primary beneficiary of R Communications Trust, is involved in any misconduct. The press articles and accounts relate to alleged members

⁸ 47 U.S.C. §309(d)(1), (2); *Astroline Communications Co. Ltd. Partnership v. FCC*, 857 F.2d 1556, 1561 (D.C. Cir. 1988).

⁹ 47 U.S.C. §§309(d)(1), 310(d).

¹⁰ *Gencom, Inc. v. FCC*, 832 F.2d 171, 181 (D.C. Cir. 1987).

¹¹ *Citizens for Jazz on WRVR v. FCC*, 775 F.2d 392, 395 (D.C. Cir. 1985).

¹² See 47 C.F.R. §73.3555, note 2.

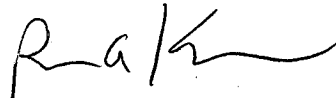
¹³ Opposition at 2.

¹⁴ File no. BMLCDT-20140130AEA (granted Feb. 2, 2014) (converting KMBH(TV)'s operations from a NCE reserved channel to one for commercial television use).

of Mr. Gonzales extended family. Furthermore, as correctly stated by MB Revolution and R Media Trust, press accounts are “the equivalent of hearsay and do not satisfy Section 309(d) personal knowledge and specificity requirements”¹⁵ and “press accounts and unadjudicated allegations of misconduct not involving the Communications Act or Commission rules and policies do not constitute the basis of a *prima facie* showing that an applicant lacks the character qualifications to be a Commission licensee.”¹⁶

For the reasons stated above, we conclude that R Communications Trust is fully qualified to hold the majority interest in MBTV Texas Valley LLC, licensee of KMBH(TV), Harlingen, Texas. Additionally, we find that grant of the application, File No. File No. BTCCDT-20150205ADN, will further the public interest, convenience and necessity. Accordingly, the informal objection filed by Susanna Groves **IS DENIED**, and the application to transfer of control of MBTV Texas Valley LLC, licensee of KMBH(TV), Harlingen, Texas, from R Media Trust to R Communications Trust (File No. BTCCDT-20150205ADN) **IS GRANTED**.¹⁷

Sincerely,



Barbara A. Kreisman
Chief, Video Division
Media Bureau

Cc:
Susanna Groves (via email)

¹⁵ Opposition at 2 (citing *DSF Radio License, LLC*, 29 FCC Rcd 804, 810 (2014); *Pikes Peak Broadcasting Co.*, 12 FCC Rcd 4626, 4630 (1997)).

¹⁶ *DSF Radio License* at 812.

¹⁷ Associated radio applications, BTCH-20150205ADO; BTCH-20150205AEC; BTCH-20150205ADU; and BTC-20150205AEA, are also granted.