

Federal Communications Commission Washington, D.C. 20554

September 15, 2017

In Reply Refer to: 1800B3

Community Translator Network, Debtor-in-Possession 158 West 1600 South, Suite 200 P.O. Box 1194 St. George, UT 84771

John Christian Barlow, Esq. 529 North Main Street C318 Heber City, UT 84032

Michael Thomson, Esq., Chapter 7 Trustee Dorsey & Whitney 111 South Main Street, 21st Floor Salt Lake City, UT 84111

> In re: Community Translator Networks, Debtor-in-Possession

> > K261EN, Greenville, UT Facility ID No. 145194 BALFT-20170601AGD

K227CO, Logan, UT Facility ID No. 143532 File No. BAPFT-20170530ADH

K237GA, St. George, UT Facility ID No. 157333 File No. BALFT-20170530ADI

K227CP, Cheyenne, WY Facility ID No. 143430 File No. BALFT-20170531ADT

Applications for Assignment of License

Request for Dismissal

K261EN, Greenville, UT Facility ID No. 145194 File No. BALFT-20170725ABJ

K227CO, Logan, UT Facility ID No. 143532 File No. BAPFT-20170724ABK

K237GA, St. George, UT Facility ID No. 157333 File No. BALFT-20170725ABL

K227CP, Cheyenne, WY Facility ID No. 143430 File No. BALFT-20170725ABM

Applications for Assignment of License

Petition to Deny

Dear Licensee, Mr. Barlow, and Mr. Thomson:

The Media Bureau (Bureau) has before it the following applications for consent to voluntary assignment of FM translator licenses filed by Community Translator Network, Debtor-in-Possession (CTN): (1) an application to assign the licenses of FM Translator Stations K227CO, Logan, Utah and K237GA, St. George, Utah, from CTN to Frandsen Media Group, LLC; (2) an application to assign the license of FM Translator Station K227CP, Cheyenne, Wyoming, from CTN to Mountain Community Translators, Inc.; and (3) an application to assign the license of FM Translator Station K261EN, Greenville, Utah, from CTN to William H. Truae (collectively, the Voluntary Assignments). Each of these uncontested applications is the subject of a July 13, 2017, letter requesting dismissal (Dismissal Request) filed by CTN's owner and counsel, John Christian Barlow (Barlow). The Bureau also has before it: (4) the Applications for involuntary assignment of the licenses of each of those stations from CTN to Michael Thomson (Trustee), court-appointed Chapter 7 Bankruptcy Trustee (Involuntary Assignments); and (5) a Petition to Deny the Involuntary Assignments (Petition) filed by Barlow. For the reasons set forth below, we dismiss the Voluntary Assignments, deny the Petition, and grant the Involuntary Assignments.

Background. Community Translator Network, the holder of several FM translator authorizations, initially filed a voluntary petition for bankruptcy on December 1, 2015, and the Commission subsequently approved the assignment of its licenses from Community Translator Network

¹ These applications are accompanied by an order of the United States Bankruptcy Court for the District of Utah appointing Mr. Thomson as Interim Trustee of CTN and an order converting CTN's bankruptcy proceeding from a Chapter 11 case to a Chapter 7 case. *See* Involuntary Assignments, Exhibit 6.

² The Trustee filed an Opposition to the Petition on August 31, 2017.

to CTN in February of 2016.³ Subsequently, CTN sold several of its stations,⁴ retaining the four Stations involved here. In June of 2017, CTN filed the Voluntary Assignments referenced above, which subsequently Mr. Barlow requested be dismissed without stating a reason for the request. One month later, the Trustee filed the Involuntary Assignments. In his Petition, Barlow requests that the Commission dismiss the Involuntary Assignments because CTN is currently disputing whether Michael Thomson has control over CTN or its assets in United States District Court, and that grant of the Involuntary Assignments would be "contrary to FCC rules and case law." ⁵

Discussion. Section 310(d) of the Act⁶ requires the Commission to determine whether the proposed transfer or assignment of a broadcast license would be in the public interest. Pursuant to Section 309(d)(1) of the Act,⁷ any party in interest may file a petition to deny an application. To assess the merits of a petition to deny, a two-step analysis is required. First, the petition must make specific allegations of fact sufficient to demonstrate that the petitioner is a party in interest and that a grant of the application would be *prima facie* inconsistent with the public interest, convenience, and necessity.⁸ If the petition meets this threshold requirement, the Commission must then examine all of the material before it to determine whether there is a substantial and material question of fact calling for further inquiry and requiring resolution in a hearing.⁹ Barlow's Petition has not met the first requirement.

The Commission often defers to judicial determinations in many areas, including bankruptcy matters. We have consistently held that the Commission will not generally question the appointment of a bankruptcy trustee or receiver where a court is seeking to protect the creditors of a licensee. Our grant of an assignment application merely finds that the parties are qualified under, and the proposed transaction does not violate, the Act and the Commission's rules and policies. It is permissive only and does not prejudice any relief that the parties may ultimately be entitled to in that court proceeding.

³ See Application File No. BAPFT-20160108ABF et seg., granted by the staff on February 12, 2016.

⁴ See K262CM, Needles, CA, BAPFT-20150710ADE, granted by the staff on April 7, 2016 (Community Translator Network, LLC, Debtor-in-Possession, and Rubin Broad., Inc., Letter Order (MB Apr. 7, 2016)); K283CB, Ruidoso, NM, BAPFT-20150914AAB, granted by the staff on June 7, 2016 (Community Translator Network, LLC, Debtor-in Possession, and Adriana Aguirre, Letter Order (MB Jun. 7, 2016)); K294CP, Roseburg, OR, BAPFT-20160728AGM (granted Jan. 4, 2017); K299BU, Cedar City, UT, BAPFT-20161031AEJ (granted Jan. 4, 2016).

⁵ Petition at 2.

^{6 47} U.S.C. § 310(d).

⁷ 47 U.S.C. § 309(d)(1).

⁸ See id.; Astroline Communications Co. v. FCC, 857 F.2d 1556, 1561 (D.C. Cir. 1988).

^{9 47} U.S.C. § 309(d)(2).

¹⁰ See, e.g., Dale J. Parsons, Jr., (Assignor) & Howard R. Green, Receiver (Assignee), Memorandum Opinion and Order, 10 FCC Rcd 2718, 2721, para. 17 (1995).

¹¹ (quotations omitted) See, e.g., Station KDEW(AM), DeWitt, Arkansas, 11 FCC Rcd 13683, 13687, para. 10 (1996) (quoting D.H. Overmyer, 94 FCC 2d 117, 123 (1983) (stating "such disputes should be left to those tribunals which are specifically charged with reviewing such matters on appeal")).

¹² Cumulus Licensing LLC, Letter, 21 FCC Rcd 2998, 3007 (2006).

¹³ *Id*.

Conclusion/Actions. Barlow's Petition does not provide allegations of fact sufficient to establish a *prima facie* case that grant of the Involuntary Assignments is inconsistent with the public interest, convenience, and necessity. Additionally, we have evaluated the Involuntary Assignments, and find that they comply with all pertinent statutory and regulatory requirements; we also find that the public interest, convenience, and necessity will be served by their grant.

Accordingly, IT IS ORDERED that the Petition to Deny, filed August 21, 2017, by John Christian Barlow, IS DENIED.

IT IS FURTHER ORDERED, that the Voluntary Assignments, filed by John Christian Barlow, ARE DISMISSED.

IT IS FURTHER ORDERED, that the Involuntary Assignments, filed on behalf of Michael Thomson, court-appointed Chapter 7 Bankruptcy Trustee, ARE GRANTED.

Sincerely,

Peter H. Doyle Chief, Audio Division

Media Bureau