



PUBLIC NOTICE

Federal Communications Commission
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DA 19-578
June 20, 2019

LEADING MEDIA GROUP CORP. AND GRUPO MULTIMEDIOS ESTRELLAS DE ORO S.A. DE C.V. SEEK FOREIGN OWNERSHIP RULING PURSUANT TO SECTION 310(b)(4) OF THE COMMUNICATIONS ACT OF 1934, AS AMENDED

PLEADING CYCLE ESTABLISHED

MB Docket No. 19-167

Comments Due: July 22, 2019

Replies Due: August 6, 2019

I. INTRODUCTION

Leading Media Group Corp. (LMG) and its parent entity, Grupo Multimedios Estrellas de Oro S.A. de C.V. (Multimedios) (collectively, the Petitioners), have filed a petition for declaratory ruling (Petition) with the Commission requesting that the Commission find, pursuant to section 310(b)(4) of the Communications Act of 1934, as amended,¹ the Commission's *Foreign Ownership Order*,² and section 1.5000(a)(1) of the Commission's rules,³ that it would serve the public interest to permit Multimedios, a Mexican company owned primarily by two Mexican shareholders, to hold a 100 percent voting and equity interest in LMG, the proposed new licensee of five radio stations in South Texas (the Stations).

The Petition is filed in connection with applications, filed on April 16, 2019,⁴ seeking Commission consent to (1) the assignment of the licenses of radio stations KBUC(FM), Raymondville, Texas, and KURV(AM), Edinburg, Texas, from MBM Texas Valley LLC to LMG;⁵ and (2) the assignment of the licenses of stations KBDR(FM), Mirando City, Texas, KNEX(FM), Laredo, Texas, and KBDR-FM1,

¹ 47 U.S.C. § 310(b)(4); *see also Commission Policies and Procedures Under Section 310(b)(4) of the Communications Act, Foreign Investment in Broadcast Licensees*, Declaratory Ruling, 28 FCC Rcd 16244 (2013).

² *Review of Foreign Ownership Policies for Broadcast, Common Carrier, and Aeronautical Radio Licensees Under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Report and Order, 31 FCC Rcd 11272 (2016) (*Foreign Ownership Order*).

³ 47 CFR § 1.5000(a)(1).

⁴ The Petition was amended on June 17, 2019, to correct the list of stations to be assigned.

⁵ *See* FCC File Nos. BALH-20190416ABY, BAL-20190416ABZ.

Laredo, Texas, from MBM Laredo LLC to LMG.⁶ LMG is a Delaware corporation, which is 100 percent owned by Multimedios, a privately-held Mexican corporation, which, in turn, is principally owned by two shareholders, who are citizens of Mexico: Francisco Antonio Gonzalez Sanchez (82.73 percent voting and equity interest) and Nora Patricia Albuérne de Gonzalez (16.77 percent voting and equity interest).⁷ The Petitioners assert that Multimedios' ownership "will permit LMG to serve the public interest in South Texas by bringing to the Stations its extensive broadcast experience and expertise and an influx of resources for technological upgrades and improved programming."⁸

In support of the Petition, the Petitioners explain that the Stations are located in resource-scarce and minority-populated Texas communities, and the Stations' service "is limited by the financial conditions affecting the current licensee."⁹ The Petitioners anticipate that they will be able to "improve program quality, adopt new technologies, improve the talent employed by the Stations, and promote economic and media cooperation in the local radio markets where the Stations operate."¹⁰ The Petitioners emphasize that Multimedios, a third-generation-family-owned company, owned by the Gonzalez family, "has been crucial to the evolution and growth of Mexican media."¹¹ According to the Petitioners, Multimedios, the third-largest producer of original Spanish-language programming in Mexico, is "known for its active role in the promotion of culture, sports, and participation in charity activities throughout the nation."¹² The Petitioners maintain that Mexican ownership poses no national security or law enforcement issues or concerns "given that the United States and the United Mexican States have amicable diplomatic, economic, and trade relations."¹³ Finally, the Petitioners assert that grant of the Petition would further the Commission's goals of allowing beneficial foreign investment in U.S. broadcast radio markets while also promoting greater investment opportunities and cultural exchange across the U.S.-Mexico border.¹⁴

II. *EX PARTE* STATUS OF THIS PROCEEDING

Pursuant to section 1.1200(a) of the Commission's rules,¹⁵ the Commission may adopt modified or more stringent *ex parte* procedures in particular proceedings if the public interest so requires. We announce that this proceeding will be governed by permit-but-disclose *ex parte* procedures that are applicable to non-restricted proceedings under section 1.1206 of the Commission's rules.¹⁶

⁶ See BALH-20190416ABV, BALFTB-20190416ABW, and BALH-20190416ABX.

⁷ The Petitioners state that "all other shareholders have a less than 1% interest in Multimedios." Petition at 2.

⁸ Petition at 5-6.

⁹ *Id.* at 6.

¹⁰ *Id.*

¹¹ *Id.* at 3. According to the Petitioners, members of the Gonzalez family have been recognized as "leaders and valuable members of Mexican society for their role in the achievements of the Mexican media industry." *Id.*

¹² *Id.* at 3. The Petitioners state that Multimedios has both national and international experience as a television, radio, and printed news provider.

¹³ *Id.* at 6. The Petitioners also note that the Commission has previously approved Mexican nationals obtaining 100 percent interest in domestic radio stations. See *Grupo Multimedio LLC*, Declaratory Ruling and Memorandum Opinion and Order, 33 FCC Rcd 4465 (MB 2018).

¹⁴ Petition at 6.

¹⁵ 47 CFR § 1.1200(a).

¹⁶ 47 CFR § 1.1206.

Parties making oral *ex parte* presentations are directed to the Commission's *ex parte* rules. Parties are reminded that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed.¹⁷ More than a one- or two-sentence description of the views and arguments presented is generally required.¹⁸ Other rules pertaining to oral and written presentations are set forth in section 1.1206(b) as well.¹⁹

III. GENERAL INFORMATION

The Petition has been found, upon initial review, to be acceptable for filing. The Commission may require LMG and Multimédios to submit additional documents or statements of fact that in its judgment may be necessary, or to amend the underlying applications to make them "more definite and certain."²⁰ The Commission also reserves the right to return the Petition if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies.

Interested parties must file comments no later than July 22, 2019. Persons and entities that file comments become parties to the proceeding. They may participate fully in the proceeding, including seeking access to any confidential information that may be filed under a protective order, seeking reconsideration of decisions, and filing appeals of a final decision to the courts. Replies to such pleadings must be filed no later than August 6, 2019. All filings concerning matters referenced in this Public Notice should refer to MB Docket No. 19-167.

To allow the Commission to consider fully all substantive issues regarding the Petition and the underlying applications in as timely and efficient a manner as possible, commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.²¹ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

Under the Commission's current procedures for the submission of filings and other documents,²² submissions in this matter may be filed electronically through the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies.

- **If filed by ECFS,**²³ comments shall be sent as an electronic file via the Internet to <http://apps.fcc.gov/ecfs>. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket number.

¹⁷ See 47 CFR § 1.1206(b)(1).

¹⁸ See *id.*

¹⁹ 47 CFR § 1.1206(b).

²⁰ 47 CFR § 73.3514(b); see also *BBC License Subsidiary, L.P.*, Order, 10 FCC Rcd 2458, 2461 (MMB 1994).

²¹ See 47 CFR § 1.45(c).

²² See *FCC Announces Change in Filing Location for Paper Documents*, Public Notice, 24 FCC Rcd 14312 (2009).

²³ See *Electronic Filing of Documents in Rulemaking Proceedings*, GC Docket No. 97-113, Report and Order, 13 FCC Rcd 11322 (1998).

- **If filed by paper**, the original and one copy of each filing must be filed by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., SW, Room TW-A325, Washington, DC 20554. The filing hours at this location are 8:00 a.m. to 7:00 p.m. Eastern Time (ET). All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, S.W., Washington, D.C. 20554.

One copy of each pleading must be delivered electronically, by e-mail or facsimile, or if delivered as paper copy, by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (according to the procedures set forth above for paper filings), to: (1) Albert Shuldiner, Audio Division, Media Bureau, at albert.shuldiner@fcc.gov or (202) 418-1410 (facsimile); (2) Lisa Scanlan, Audio Division, Media Bureau, at lisa.scanlan@fcc.gov or (202) 418-1410 (facsimile); and (3) Amy Van de Kerckhove, Audio Division, Media Bureau, at amy.vandekerckhove@fcc.gov or (202) 418-1410 (facsimile). Any submission that is e-mailed to Albert Shuldiner, Lisa Scanlan, and Amy Van de Kerckhove should include in the subject line of the e-mail: (1) MB Docket No. 19-167; (2) the name of the submitting party; and (3) a brief description or title identifying the type of document being submitted (*e.g.*, MB Docket No. 19-167, [name of submitting party], Comments).

Copies of the Petition and any subsequently-filed documents in this matter are available for public inspection and copying during normal reference room hours at the following Commission office: FCC Reference Information Center, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. In addition, the Petition is available electronically through the Media Bureau's Consolidated Database System (CDBS), which may be accessed on the Commission's Internet website.

To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice) or (202) 418-0432 (TTY). Contact the FCC to request reasonable accommodations for filing comments (accessible format documents, sign language interpreters, CART, etc.) by email: FCC504@fcc.gov; phone: (202) 418-0530 or TTY: (202) 418-0432.

For further information, contact Amy Van de Kerckhove, Audio Division, Media Bureau, at (202) 418-2726. Press inquiries should be directed to Janice Wise, Media Bureau, (202) 418-8165 or (888) 835-5322.

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