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July 27, 2016

VIA HAND DELIVERY AND E-MAIL

Accepted / Filed

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554
Attention: Audio Division, Media Bureau

JUL 27 2016

Federal Communications Commission
Office of the Secretary

Re: Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as Amended

Dear Ms. Dortch:

Enclosed herewith, on behalf of Corvex Master Fund LP ("Corvex"), please find a Petition for Declaratory Ruling ("Petition") that it is in the public interest under Section 310(b)(4) of Communications Act, as amended, for Corvex to increase its present 4.95% non-controlling voting and equity interest in Pandora Media, Inc. ("Pandora Media"), the parent corporation of Pandora Radio LLC, up to and including a 9.99% non-controlling voting and equity interest in Pandora Media. By the Petition, Corvex also respectfully requests advance approval to acquire, at some point in the future, up to and including 14.99% of the voting and equity interests in Pandora Media.

Please do not hesitate to contact the undersigned with any questions regarding this matter.

Sincerely,



Tom W. Davidson, Esq.
Counsel to Corvex Master Fund LP

Enclosure

cc: Peter Doyle, Chief, Audio Division, Media Bureau, FCC
Lisa Scanlan, Deputy Division Chief, Audio Division, Media Bureau, FCC

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

2016 JUL 28 A 10:34

In the Matter of)
)
Corvex Master Fund LP)
)
Petition for Declaratory Ruling under)
Section 310(b)(4) of the Communications Act of)
1934, As Amended)
_____)

File No. _____

Accepted / Filed

JUL 27 2016

Federal Communications Commission
Office of the Secretary

**PETITION FOR DECLARATORY RULING UNDER
SECTION 310(B)(4) OF THE COMMUNICATIONS ACT OF 1934, AS AMENDED**

Corvex Master Fund LP (“Corvex”), by its attorneys, respectfully submits the instant petition (“Petition”)¹ to request a declaratory ruling from the Federal Communications Commission (“Commission” or “FCC”) that it is in the public interest for Corvex to exercise options and to acquire additional stock to increase its present 4.95% non-controlling voting and equity interest in Pandora Media, Inc. (“Pandora Media”), the parent corporation of Pandora Radio LLC (“Pandora Radio”),² up to and including a 9.99% non-controlling voting and equity interest in Pandora Media. In addition, Corvex requests advance approval from the

¹ The instant Petition is being submitted pursuant to Section 310(b)(4) of the Communications Act of 1934, as amended, and In the Matter of Pandora Radio LLC; Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as Amended, Declaratory Ruling, MB Docket 14-109, 30 FCC Rcd 5094, ¶ 19 (May 4, 2015) (“*Pandora Declaratory Ruling*”).

² Pandora Radio is the licensee of commercial radio station KXMZ(FM), Box Elder, South Dakota, Facility ID Number 164109.

Commission to increase its voting and equity interest in Pandora Media, at some future time, up to and including a non-controlling interest of 14.99% without further FCC approval.

Although Corvex is organized under the laws of the Cayman Islands for business purposes, it makes the vast majority of its investments in U.S. companies. Importantly, Corvex is ultimately controlled by a U.S. citizen through a series of intervening entities that are organized under Delaware law, and owned and controlled by U.S. citizens. Moreover, all of the limited partners of Corvex are fully insulated in accordance with the FCC's broadcast attribution rules. As explained herein, the instant Petition for Corvex to increase its non-controlling minority interest in Pandora Media by a modest amount does not increase the likelihood of foreign influence or control of Pandora Radio, nor does it raise any national security concerns. Rather, grant of the instant Petition will serve the public interest by enabling investment in the publicly traded parent corporation of a recent entrant to the broadcast radio market, as contemplated by the *Broadcast Foreign Ownership Ruling*.³ Favorable action on the Petition also will facilitate the efficient operation of the secondary markets for trading stocks of a publicly traded company, without increasing the likelihood of foreign influence or control. Accordingly, Corvex respectfully requests that the FCC expeditiously grant the Petition.

I. BACKGROUND

On May 4, 2015, the Commission issued the *Pandora Declaratory Ruling* in which it determined that the public interest would be served by permitting foreign ownership of

³ See Commission Policies and Procedures Under Section 310(b)(4) of the Communications Act, Foreign Investment in Broadcast Licensees, MB Docket No. 13-50, Declaratory Ruling, 28 FCC Rcd 16244 (2013) ("*Broadcast Foreign Ownership Ruling*").

Pandora Media in excess of the 25% benchmark set forth in Section 310(b)(4) of the Communications Act, as amended (“Section 310(b)(4)”).⁴ In the *Pandora Declaratory Ruling*, the FCC stated that Pandora Media must obtain prior Commission approval for, *inter alia*, “any individual foreign investor or ‘group’ acquiring a greater than five percent voting or equity interest (or ten percent for certain institutional investors) in Pandora Media.”⁵ The instant Petition is being filed pursuant to this mandate, in order to obtain Commission approval for Corvex to exercise options and to acquire up to and including an additional 5.04% voting and equity interest in Pandora Media, thereby increasing its ownership position in Pandora Media from 4.95% up to and including 9.99%. In addition, Corvex seeks advance approval from the Commission to increase its voting and equity interests in Pandora Media, at some future time, up to and including a non-controlling voting and equity interest of 14.99%.

II. DESCRIPTION OF PETITIONER

Corvex is a limited partnership formed under the laws of the Cayman Islands for the primary purpose of investing in securities. As described below, Corvex is ultimately controlled by Keith Meister, a citizen of the United States, through a series of intermediary entities organized under Delaware law, and owned and controlled by U.S. citizens.

The sole general partner of Corvex is Corvex GP LP, a Delaware limited partnership (“Corvex GP”). As its sole general partner, Corvex GP holds 100% of the voting interests in Corvex. The limited partners of Corvex have been fully insulated in accordance with the Commission’s media attribution rules, and thus do not hold attributable interests in Pandora

⁴ *Pandora Declaratory Ruling* at ¶ 1.

⁵ *Pandora Declaratory Ruling* at ¶19.

Media.⁶ None of the general partner or the limited partners of Corvex holds a greater than 1% equity interest in Pandora Media.

Meister GP Holdings LLC, a Delaware limited liability company (“Meister Holdings”), is the sole general partner of Corvex GP. As such, all of the voting interests in Corvex GP are held by Meister Holdings. The limited partners of Corvex GP are all U.S. citizens. With the exception of Keith Meister, the individual that ultimately controls Corvex GP, the limited partners of Corvex GP are fully insulated in accordance with the Commission’s media attribution rules, and thus do not hold an attributable interest in Pandora Media. None of the general partner or the limited partners of Corvex GP holds a greater than 1% equity interest in Pandora Media.

The sole member and manager of Meister Holdings is Keith Meister, a citizen of the United States.

The principal business address of each of Corvex, Corvex GP, Meister Holdings and Mr. Meister is c/o: 667 Madison Avenue, New York, New York 10065.

Information regarding the ownership and control of Corvex is set forth on Exhibit A hereto. An organizational chart depicting Corvex’s control structure for its investment in Pandora Media is attached as Exhibit B hereto.

III. GRANT OF THIS PETITION IS IN THE PUBLIC INTEREST

In 2013, the Commission issued a declaratory ruling in which it held that Section 310(b)(4) authorizes it to evaluate, on a case-by-case basis, proposed foreign investment in

⁶ See 47 C.F.R. § 73.3555, Note 2(f).

the controlling U.S. parent of a broadcast licensee in excess of 25%.⁷ The FCC stated that applications for approval of foreign ownership beyond the statutory benchmark “may be granted unless the Commission finds that a denial will serve the public interest.”⁸ In articulating this policy, the FCC reasoned that a clear statement of its rules and policies regarding application of Section 310(b)(4) in the broadcast context could result in increased investment and greater capitalization of broadcast licensees.⁹

Subsequent to its issuance of the *Broadcast Foreign Ownership Ruling*, in March 2015, the Commission authorized foreign ownership of Pandora Media in excess of 25%.¹⁰ In so doing, the FCC observed that approving more than 25% foreign ownership of Pandora Media would provide it with capital to enable Pandora Radio to operate as “a new and independent entrant to the broadcast industry”, thereby advancing the policy goals articulated in the *Broadcast Foreign Ownership Ruling*.¹¹ The Commission also stated that, absent “any facts indicating a likelihood of foreign influence or control, and based on the widespread distribution of Pandora Media’s foreign-owned shares”, the proposed foreign ownership of Pandora Media was compatible with the objectives of Section 310(b)(4).¹² Importantly, the *Pandora Declaratory Ruling* expressly permits the company to accept additional foreign

⁷ See *Broadcast Foreign Ownership Ruling* at ¶ 10.

⁸ *Id.*

⁹ *Id.*

¹⁰ See *Pandora Declaratory Ruling* at ¶ 18.

¹¹ *Id.*

¹² *Pandora Declaratory Ruling* at ¶ 15.

investment by investors, subject only to the condition that the FCC first approve any individual foreign investments in excess of 5% of the stock of Pandora Media.¹³

The proposed transaction is consistent with both the *Broadcast Foreign Ownership Ruling* and the *Pandora Declaratory Ruling* because the proposed increase in Corvex's interest in Pandora Media not only facilitates Corvex's investment in a recent entrant to the broadcast radio market, but also does not increase the "likelihood of foreign influence or control" of Pandora Radio.¹⁴ Indeed, the proposed transaction does not present any significant foreign ownership or national security concerns, but rather simply permits a U.S.-controlled entity that already invests in Pandora Media to exercise options and to acquire additional stock in the company, without changing its status as a non-controlling, minority investor in Pandora Media.

Corvex presently holds a small, non-controlling interest in Pandora Media, and does not have the ability to significantly influence the management or operations of Pandora Radio. Assuming FCC approval of the instant Petition, at this time, Corvex intends to increase its position in Pandora Media by up to and including 5.04%, such that, even after exercise of options and its acquisition of additional stock, Corvex will continue to hold only a minority, non-controlling interest in Pandora Media. Indeed, even if Corvex ultimately increases its stock ownership of Pandora Media to 14.99%, its minority positional interest will be well below 50%, and thus will not confer upon Corvex the ability to manage or control the day-to-day operations of Pandora Media.

¹³ *Pandora Declaratory Ruling* at ¶ 19. This Petition is being submitted consistent with this mandate.

¹⁴ *Pandora Declaratory Ruling* at ¶ 14.

Moreover and importantly, Corvex is ultimately controlled by a citizen of the United States through two intervening entities organized under Delaware law, the members and limited partners of which are all U.S. citizens. While Corvex is deemed “foreign” due to fact that it was formed as a Cayman Islands entity, it invests primarily in companies domiciled, controlled and operated in the U.S.¹⁵ Indeed, it is not uncommon for investment funds, such as Corvex, to be domiciled in the Cayman Islands for business reasons, notwithstanding that the fund itself is ultimately managed and controlled by U.S. entities and individuals.

Not only is Corvex ultimately controlled by a U.S. citizen, thereby alleviating foreign ownership concerns, none of its foreign limited partners (all of which are fully insulated under the FCC’s media attribution rules) hold a 5% or greater indirect voting or equity interest in Pandora Media.¹⁶ This will continue to be the case after Corvex exercises options and it acquires additional stock to increase its ownership up to and including 9.99% of the stock of Pandora Media, as well as if Corvex determines, at some future time, to increase its ownership of Pandora Media to 14.99%.

In short, there is nothing about the ownership composition of Corvex that raises significant foreign ownership or national security issues, or increases the likelihood of foreign influence or control of Pandora Radio. Moreover and importantly, grant of the instant Petition will facilitate investment in the publicly traded parent corporation of a recent entrant to the

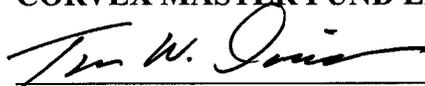
¹⁵ Corvex has entered into a contractual Investment Management Agreement with Corvex Management LP, a Delaware partnership, the general partner of which is controlled by Mr. Meister, pursuant to which the investment decisions for Corvex are made by Corvex Management LP. All of entities and individuals in the chain of ownership of Corvex Management LP are either entities organized in the U.S. or U.S. citizens, as are all of the limited partners of Corvex Management LP.

¹⁶ In fact, none of the limited partners of Corvex holds a greater than 1% equity interest in Pandora Media. *See supra* at Section II.

broadcast radio market, as envisioned by the *Broadcast Foreign Ownership Ruling*.¹⁷ Grant of the instant Petition also will facilitate the efficient operation of the secondary markets for trading stocks of a publicly traded company, without increasing the likelihood of foreign influence or control. Accordingly, Corvex respectfully requests that the FCC expeditiously grant the instant Petition, thereby authorizing Corvex to (1) exercise options and to acquire up to and including an additional 5.04% voting and equity interest in Pandora Media, thereby increasing its ownership position in Pandora Media from 4.95% up to and including 9.99% and (2) acquire, at some future time, additional voting and equity interests in Pandora Media up to and including a minority, non-controlling interest of 14.99%.¹⁸

Respectfully submitted,

CORVEX MASTER FUND LP



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Counsel to Corvex Master Fund LP

Dated: July 27, 2016

¹⁷ See, e.g., *Broadcast Foreign Ownership Ruling* at ¶ 10. See also *Pandora Declaratory Ruling* at ¶ 18.

¹⁸ At the time the *Pandora Declaratory Ruling* was issued, it was estimated that U.S. citizens (or entities controlled by U.S. citizens) held approximately 82% of the voting stock of Pandora Media, and beneficially owned approximately 84% of the company. *Pandora Declaratory Ruling* at ¶ 10. Corvex has no knowledge that the ownership composition of Pandora Media is not substantially similar to the ownership as approved by the FCC in March 2015, such that the aggregate foreign voting and equity interests of Pandora Media will not exceed 49.99%, even if Corvex increases its interest in the company to 14.99%.

Exhibit A

Pursuant to Section 310(b)(4) of the Communications Act of 1934, as amended, and paragraph 19 of the *Pandora Declaratory Ruling*, Corvex Master Fund LP respectfully requests that the Federal Communications Commission (“FCC”) issue a declaratory ruling for it to increase its ownership of Pandora Media, Inc., as described herein. Specifically, Corvex Master Fund LP requests specific approval from the FCC for it to exercise options and to acquire up to and including an additional 5.04% voting and equity interest in Pandora Media, Inc., thereby increasing its ownership position in Pandora Media, Inc. from 4.95% up to and including 9.99%. In addition, Corvex Master Fund LP requests advance approval from the FCC for it to acquire, at some future time, additional voting and equity interests in Pandora Media, Inc. up to and including a non-controlling interest of 14.99%. The fully insulated limited partners of Corvex Master Fund LP and its general partner, Corvex GP LP, do not, and will not, hold a 5% or greater indirect equity and voting interest in Pandora Media, Inc. In addition, as set forth herein, all entities and individuals in the vertical ownership chain of Corvex Master Fund LP with an attributable interest in Pandora Media, Inc. are domestically organized or U.S. citizens, such that specific FCC approval is not required for these entities and individuals to increase their indirect, non-controlling interests in Pandora Media, Inc. up to and including 9.99% as a result of the exercise of Corvex Master Fund LP’s option and its acquisition of additional voting and equity interests, nor is specific approval required for these parties if Corvex Master Fund LP elects, at some point in the future, to increase its ownership of Pandora Media, Inc. up to and including 14.99%.

Information regarding Corvex Master Fund LP is as follows:

Name:	Corvex Master Fund LP
Address:	c/o: 667 Madison Avenue New York, New York 10065 (212) 474-6700 (tel) (212) 474-6715 (fax)
Place of Organization:	Cayman Islands
Form of Organization:	Limited Partnership
Principal Business:	Investing in Securities
Present attributable interest:	4.95% direct equity/voting
Proposed attributable interest:	9.99-14.99% direct equity/voting

Corvex Master Fund LP presently holds a 4.95% direct attributable voting and equity interest in Pandora Media, Inc. The limited partners of Corvex Master Fund LP are fully insulated in accordance with the FCC’s media attribution rules, and thus do not hold an attributable interest in Pandora Media, Inc. In addition, none of the limited partners of Corvex Master Fund LP holds, or will hold, a 5% or greater indirect equity or voting interest in Pandora Media, Inc.

The sole general partner of Corvex Master Fund LP is Corvex GP LP. Information regarding Corvex GP LP is as follows:

Name:	Corvex GP LP
Address:	c/o: 667 Madison Avenue New York, New York 10065
Place of Organization:	Delaware
Form of Organization:	Limited Partnership
Principal Business:	Managing Investments
Present attributable interest:	4.95% indirect voting; <1% indirect equity
Proposed attributable interest:	9.99-14.99% indirect voting; <1% indirect equity

Corvex GP LP presently holds a 4.95% indirect attributable voting interest in Pandora Media, Inc. With the exception of Keith Meister, the individual that ultimately controls Corvex GP LP, the limited partners of Corvex GP LP, all of whom are individual U.S. citizens, are fully insulated in accordance with the FCC's media attribution rules, and thus do not hold an attributable interest in Pandora Media, Inc. In addition, none of the limited partners of Corvex GP LP holds, or will hold, a 5% or greater indirect equity interest in Pandora Media, Inc. and, with the exception of Keith Meister, the individual that ultimately controls Corvex GP LP, none of the limited partners of Corvex GP LP holds, or will hold, a 5% or greater indirect voting interest in Pandora Media, Inc. The sole general partner of Corvex GP LP is Meister GP Holdings LLC. Information regarding Meister GP Holdings LLC is as follows:

Name:	Meister GP Holdings LLC
Address:	c/o: 667 Madison Avenue New York, New York 10065
Place of Organization:	Delaware
Form of Organization:	Limited Liability Company
Principal Business:	Managing Investments
Present attributable interest:	4.95% indirect voting; <1% indirect equity
Proposed attributable interest:	9.99-14.99% indirect voting; <1% indirect equity

Meister GP Holdings LLC presently holds a 4.95% indirect attributable voting interest in Pandora Media, Inc. The sole member and manager of Meister GP Holdings LLC is Keith Meister. Information regarding Mr. Meister is as follows:

Name:	Keith Meister
Address:	c/o: 667 Madison Avenue New York, New York 10065
Citizenship:	U.S.
Present attributable interest:	4.95% indirect voting; <1% indirect equity
Proposed attributable interest:	9.99-14.99% indirect voting; <1% indirect equity

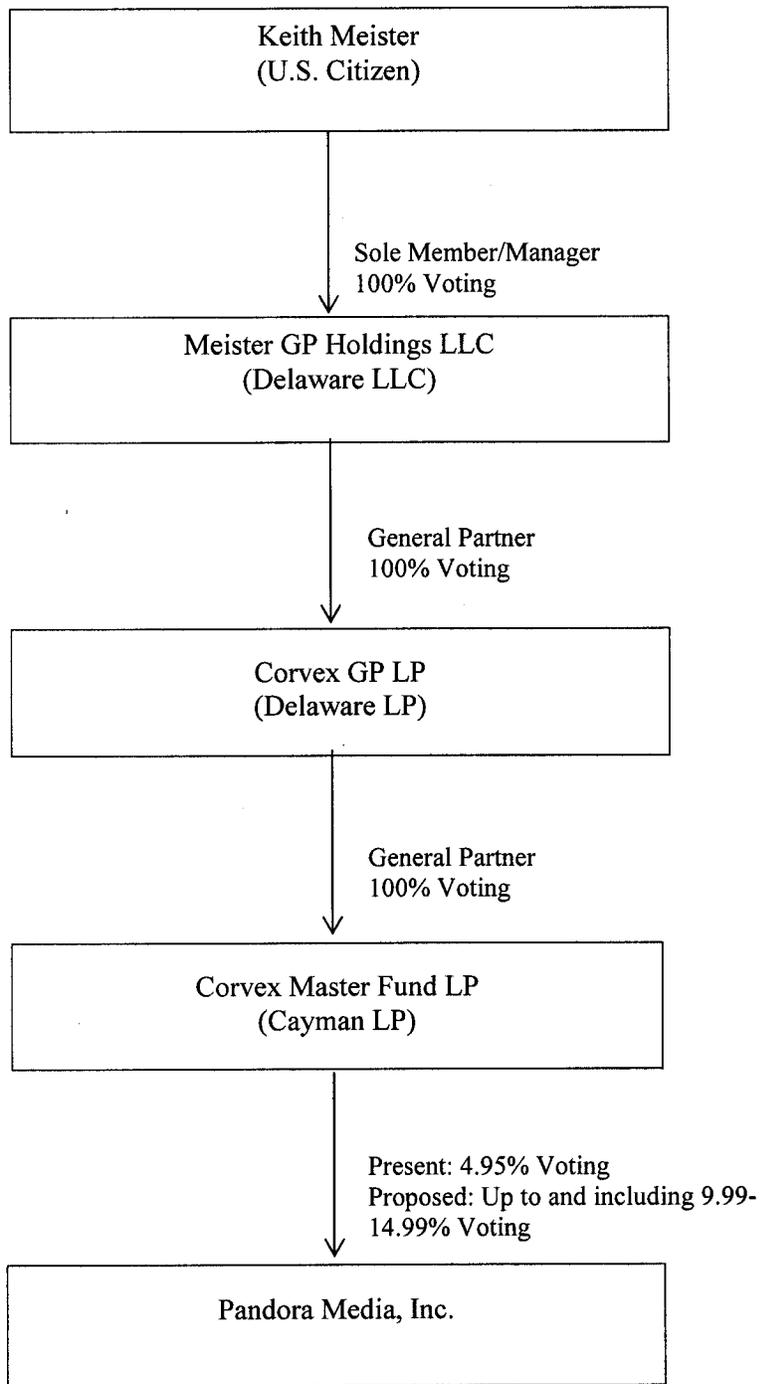
Mr. Meister presently holds a 4.95% indirect attributable voting interest in Pandora Media, Inc.

* * *

Correspondence concerning this Petition for Declaratory Ruling should be directed to legal counsel for Corvex Master Fund LP, as follows:

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Exhibit B
Control Structure of Corvex Master Fund LP*



* See Exhibit A for narrative description of ownership and control of Corvex Master Fund LP

DECLARATION OF PATRICK J. DOOLEY

I, Patrick J. Dooley, hereby declare, under penalty of perjury, that I am Chief Legal Officer and General Counsel of Corvex Management LP. The foregoing Petition for Declaratory Ruling ("Petition") has been prepared under my direction and supervision. I have reviewed the Petition and, as to factual matters, the information set forth therein is true and accurate to the best of my knowledge, information and belief.



Patrick J. Dooley
Chief Legal Officer and General Counsel
Corvex Management LP

July 27, 2016