

Before the  
Federal Communications Commission  
Washington, D.C. 20554

In the Matter of	)	
	)	
Involuntary Transfer of Control of Station	)	NAL Acct. No. 201541420028
WVOZ(AM), San Juan, Puerto Rico and	)	
International Broadcasting Corporation, Inc. to Mr.	)	File Nos. BTC-20111212AHF, BTC-
Angel O. Roman Lopez as Legal Guardian	)	20111212AGU et al.
	)	
and	)	
	)	
Applications for License Renewal of Stations	)	File Nos. BRCDT-20121001AVQ, BRCDT-
WVEO(TV), Aguadilla, Puerto Rico; WVOZ-TV,	)	20121001AVR, and BRCDT-20121001AVL
Ponce, Puerto Rico; and WTCV(TV), San Juan,	)	Facility ID Nos. 61573, 2900, and 28954
Puerto Rico	)	FRN: 0003736220
	)	
and	)	
	)	
Assignment of Stations WIOA(FM), San Juan,	)	File Nos. BALH-20150810ADQ et al.
Puerto Rico, WIOA-FM1, Ceiba, Puerto Rico,	)	
WIOC(FM), Ponce, Puerto Rico, and WZET(FM),	)	
Hormigueros, Puerto Rico from Spanish	)	
Broadcasting System to International Broadcasting	)	
Corporation, Inc.	)	

**ORDER**

**Adopted: October 26, 2015**

**Released: October 26, 2015**

By the Chief, Media Bureau:

1. In this Order, we adopt the attached Consent Decree entered into between International Broadcasting Corporation (“IBC”) the licensee of the television and radio stations listed in Appendix A,<sup>1</sup> Mr. Angel O. Roman Lopez, Ms. Ruth E. Roman Lopez (collectively the “Parties”) and the Media Bureau (“Bureau”) of the Federal Communications Commission (“Commission”). The Consent Decree resolves multiple investigations related to: (1) Section 310 of the Communications Act of 1934, as amended (the “Act”), and Section 73.3540 of the Rules involving the potential unauthorized transfer of control of the television and radio stations listed in Appendix A;<sup>2</sup> (2) Section 73.3555 of the Rules<sup>3</sup> due to potential violations of the Commission’s multiple ownership rules that may have resulted from the unauthorized transfer of control of the television and radio stations listed in Appendix A, as well as Mr. Lopez and Ms. Lopez’s ownership interest in Aerco Broadcasting, licensee of radio station WQBS(AM), San Juan,

<sup>1</sup> All stations listed in Appendix A are licensed to IBC except WVOZ(AM), San Juan, Puerto Rico, which is licensed in the name of Mr. Pedro Roman Collazo (deceased). Mr. Collazo was the 100% interest holder in IBC.

<sup>2</sup> 47 U.S.C. § 310; 47 C.F.R. § 73.3540.

<sup>3</sup> See generally 47 C.F.R. § 73.3555.

Puerto and television station WSJU-TV, San Juan, Puerto Rico;<sup>4</sup> (3) Section 73.3555 of the Rules<sup>5</sup> due to potential violations of the Commission's multiple ownership rules that may have resulted from a time brokerage agreement entered into between IBC and Spanish Broadcasting System involving Stations WIOA(FM), San Juan, Puerto Rico, WIOA-FM1, Ceiba, Puerto Rico, WIOC(FM), Ponce, Puerto Rico, and WZET(FM), Hormigueros, Puerto Rico, all of which are licensed to SBS;<sup>6</sup> and (4) Section 73.3526 of the Commission's Rules for IBC's failure to maintain adequate local public inspection files for its television stations, including the preparation of quarterly TV issues/program lists.<sup>7</sup>

2. The Bureau and the Parties have negotiated the terms of the Consent Decree that terminates all investigations into the above referenced matters. After reviewing the terms of the Consent Decree and evaluating the facts before us, we find that the public interest would be served by adopting the Consent Decree. As part of the Consent Decree, IBC has agreed to make a voluntary contribution of \$61,500 (sixty-one thousand, five hundred dollars) to the U.S. Treasury, as well as a Compliance Plan to ensure future compliance with the Rules and the Act. A copy of the Consent Decree is attached and incorporated by reference.

3. In light of the foregoing we find that grant of IBC's pending broadcast television license renewal applications are appropriate under Section 309(k)(2) of the Act.<sup>8</sup> As a result, we need not determine whether IBC has committed "serious violations" of our rules or violations that constituted a "pattern of abuse" for purposes of Section 309(k)(1) of the Act.<sup>9</sup> Therefore, we conclude that there are no substantial and material questions of fact at issue and grant the broadcast television license renewal applications for Stations WVEO(TV), Aguadilla, Puerto Rico; WVOZ-TV, Ponce, Puerto Rico; and WTCV(TV), San Juan, Puerto Rico, subject to the specific representations and commitments contained in the Consent Decree. We also conclude that as a result of the Consent Decree the matters referenced above do not raise any substantial or material questions of fact as to whether the Licensee possesses the basic qualifications, including those related to character, to hold a Commission license or authorization.

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<sup>4</sup> Mr. Lopez has a 100% voting interest and a 50% equity interest in Aerco Broadcasting. His sister, Ms. Ruth E. Roman Lopez has a 50% equity interest in Aerco Broadcasting. See FCC File No. BOA-20131021AGH.

<sup>5</sup> See generally 47 C.F.R. § 73.3555.

<sup>6</sup> The applications related to this transaction will be acted on in a separate proceeding. These applications are captioned solely for the purpose of addressing the potential violation of the Commission's local radio ownership rule, 47 C.F.R. § 73.3555(a), resulting from a time brokerage agreement ("TBA"). While the parties have not terminated the TBA, they have amended it to state that the TBA will terminate upon consummation of the transaction, termination of the Asset Purchase/Swap Agreement, or one year from exercise of the Option Agreement, whichever occurs first. See e.g., File No. BALH-20150810ADQ, Attachment 5 ("First Amendment to Radio Programming Agreement").

<sup>7</sup> See generally 47 C.F.R. § 73.3526.

<sup>8</sup> 47 U.S.C. § 309(k). Section 309(k) of the Act provides that if, upon consideration of the application and pleadings, we find that (1) the station has served the public interest, convenience, and necessity; (2) there have been no serious violations of the Act or the Rules; and (3) there have been no other violations which, taken together, constitute a pattern of abuse, we are to grant the renewal application. If, however, the licensee fails to meet that standard, the Commission may deny the application—after notice and opportunity for a hearing under Section 309(e) of the Act, 47 U.S.C. § 309(e)—or grant the application "on terms and conditions that are appropriate, including a renewal for a term less than the maximum otherwise permitted." 47 U.S.C. § 309(k)(2).

<sup>9</sup> See 47 U.S.C. §§309(k)(1),(2): *Shareholders of Univision Communications Inc.*, Memorandum Opinion and Order, 22 FCC Rcd 5842, 5859, n. 113 (2007).

4. Accordingly, **IT IS ORDERED** that, pursuant to Sections 4(i), 4(j), and 503(b) of the Communications Act of 1934, as amended,<sup>10</sup> and Sections 0.111 and 0.311 of the Commission's Rules,<sup>11</sup> the Consent Decree attached to this Order **IS ADOPTED**.

5. **IT IS FURTHER ORDERED** that, pursuant to Section 309(k)(2) of the Communications Act of 1934,<sup>12</sup> the applications to renew the broadcast licenses of Stations WVEO(TV), Aguadilla, Puerto Rico (File No. BRCDT-20121001AVQ); WVOZ-TV, Ponce, Puerto Rico (File No. BRCDT-20121001AVR); and WTCV(TV), San Juan, Puerto Rico (File No. BRCDT-20121001AVL), **ARE GRANTED**.

6. **IT IS FURTHER ORDERED** that, the applications for the involuntary transfer of control of International Broadcasting Corporation, Inc. to Mr. Angel O. Roman Lopez as legal guardian, as listed in Appendix B, **ARE DISMISSED** as moot.

7. **IT IS FURTHER ORDERED** that, the application for the involuntary assignment of Station WVOZ(AM), San Juan, Puerto Rico from Mr. Pedro Roman Collazo to Mr. Angel O. Roman Lopez as legal guardian, as listed in Appendix B, **IS DISMISSED** as moot.

8. **IT IS FURTHER ORDERED** that, a copy of this Order and Consent Decree shall be sent by both First Class mail and Certified Mail, Return Receipt Requested, to Licensee's counsel, Davina Sashkin, Esq., Fletcher, Heald & Hildreth, 1300 N. 17<sup>th</sup> Street, Suite 1100, Arlington, Virginia, 22209.

FEDERAL COMMUNICATIONS COMMISSION



William T. Lake  
Chief, Media Bureau

<sup>10</sup> 47 U.S.C. §§ 154(i), 154(j), 503(b).

<sup>11</sup> 47 C.F.R. §§ 0.111, 0.311.

<sup>12</sup> 47 C.F.R. § 309(k)(2).

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WVEO(TV), Aguadilla, Puerto Rico; WVOZ-TV,	)	20121001AVR, and BRCDT-20121001AVL
Ponce, Puerto Rico; and WTCV(TV), San Juan,	)	Facility ID Nos. 61573, 2900, and 28954
Puerto Rico	)	FRN: 0003736220
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Assignment of Stations WIOA(FM), San Juan,	)	File Nos. BALH-20150810ADQ et al.
Puerto Rico, WIOA-FM1, Ceiba, Puerto Rico,	)	
WIOC(FM), Ponce, Puerto Rico, and WZET(FM),	)	
Hormigueros, Puerto Rico from Spanish	)	
Broadcasting System to International Broadcasting	)	
Corporation, Inc.	)	

**CONSENT DECREE**

1. The Media Bureau of the Federal Communications Commission and International Broadcasting Company, Mr. Angel O. Roman Lopez, and Ms. Ruth E. Roman Lopez, hereby enter into this Consent Decree for the purpose of terminating the investigation into possible violations of Section 310 of the Act and Sections 73.3526, 73.3540, and 73.3555 of the Rules.

**I. DEFINITIONS**

2. For the purposes of this Consent Decree, the following definitions shall apply:
- a) "Act" means the Communications Act of 1934, as amended, 47 U.S.C. § 151 et seq.
  - b) "Adopting Order" means the Order of the Bureau adopting the terms of this Consent Decree without change, addition, deletion, or modification.
  - c) "Agreement" means both the Option Agreement and Asset Swap/Purchase Agreement entered into on September 1, 2014, between IBC and SBS.
  - d) "Bureau" means the Media Bureau of the Federal Communication Commission.
  - e) "Commission" and "FCC" mean the Federal Communications Commission and all of its bureaus and offices.
  - f) "Communications Laws" means, collectively, the Act, the Rules, and the published and promulgated orders and decisions of the Commission to which International Broadcasting Corporation, Inc., Mr. Angel O. Roman Lopez and Ms. Ruth E. Roman Lopez are subject by virtue of being a Commission licensee, and/or controlling party of a Commission

licensee, including but not limited to 47 C.F.R. §§ 73.3526, 73.3540, 73.5555 and 47 U.S.C. § 310.

- g) “Division” means the Video Division of the Media Bureau.
- h) “Effective Date” means the date on which the Bureau releases the Adopting Order.
- i) “IBC” means International Broadcasting Corporation, Inc., and its subsidiaries, successors, assigns, and/or transferees.
- j) “Investigation” means the Media Bureau’s investigation of IBC’s potential violations of Section 310 of the Communications Act of 1934 and Sections 73.3555, 73.3526, and 73.3540 of the Rules.
- k) “Involuntary Transfer Applications” means the transfer of control applications (FCC Form 316) listed in Appendix B to the Adopting Order.
- l) “License Renewal Applications” means File Nos. BRC DT-20121001AVQ, BRC DT-20121001AVR, and BRC DT-20121001AVL.
- m) “Local Radio Ownership Rule” means Section 73.3555(a) of the Rules.
- n) “Local Television Ownership Rule” means Section 73.3555(b) of the Rules.
- o) “Multiple Ownership Rules” means Section 73.3555 of the Rules, generally.
- p) “Parties” means IBC, Mr. Angel Roman Lopez, Ms. Ruth Roman Lopez, and the Bureau, each of which is a “Party.”
- q) “Radio-TV Cross Ownership Rule” means Section 73.3555(c) of the Rules.
- r) “Rules” means the Commission’s regulations found in Title 47 of the Code of Federal Regulations.
- s) “SBS” means Spanish Broadcasting System Holding Company, Inc. and its subsidiaries, successors, assigns, and/or transferees.
- t) “Stations” means all television and radio stations licensed to IBC and formerly licensed individually to Mr. Pedro Roman Collazo, including WVEO(TV), Aguadilla, Puerto Rico; WVOZ-TV, Ponce, Puerto Rico; WTCV(TV), San Juan, Puerto Rico; WIVE-LP, Ceiba, Puerto Rico; WEKO(AM), Morovis, Puerto Rico; WGIT(AM), Canovanas, Puerto Rico; WIBS(AM), Guayama, Puerto Rico; WVOZ-FM, Carolina, Puerto Rico; WGYA(AM), Guayama, Puerto Rico;<sup>1</sup> WRSJ(AM), Bayamon, Puerto Rico; WVOZ-FM1, Juana Diaz, Puerto Rico, Puerto Rico; and WVOZ(AM) San Juan, Puerto Rico.<sup>2</sup>
- u) “TBA” means Time Brokerage Agreement as defined by Note 2(j) to Section 73.3555 of the Rules and in this instance refers to the TBA entered into between IBC and SBS involving IBC’s programming of Stations WIOA(FM), San Juan, Puerto Rico, WIOA-FM1, Ceiba, Puerto Rico, WIOC(FM), Ponce, Puerto Rico, and WZET(FM), Hormigueros, Puerto Rico, all of which are licensed to SBS.
- v) “Transfer Applications” means the transfer of control applications (FCC Form 315) listed in Appendix A of the Adopting Order.

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<sup>1</sup> Formerly WXRf(AM).

<sup>2</sup> Licensed in the name of Mr. Pedro Roman Collazo.

## II. DISCUSSION

### A. Involuntary Transfer Applications and Transfer of Control Applications

3. Mr. Pedro Roman Collazo (deceased) is the name licensee of WVOZ(AM), San Juan, Puerto Rico and the sole member of IBC, which is the licensee of two FM stations, five AM stations and three full power television stations (two of which are considered satellite stations). On April 25, 2011, Mr. Angel Roman Lopez petitioned a court of competent jurisdiction in the Commonwealth of Puerto Rico requesting that Mr. Collazo, his uncle, be declared disabled and that Mr. Lopez be appointed his legal guardian. According to expert testimony cited in the Court Order, Mr. Collazo had been diagnosed with dementia resulting from Alzheimers and was unable to meet his basic needs or identify and value his assets. On October 3, 2011, the court appointed Mr. Lopez legal guardian for Mr. Collazo.<sup>3</sup>

4. On December 12, 2011, over two months after Mr. Lopez was appointed legal guardian, the Involuntary Transfer Applications were filed requesting Commission consent to involuntary transfer a controlling interest in the Stations from Mr. Collazo to his nephew Mr. Lopez. Mr. Lopez has an attributable interest in Aerco Broadcasting Corporation, the licensee of radio station WQBS(AM), San Juan, Puerto Rico ("WQBS") and television station WSJU-TV, San Juan, Puerto Rico ("WSJU-TV").<sup>4</sup> Shortly after filing Division staff inquired with counsel for IBC by phone as to the open-ended nature of Mr. Lopez's court appointment as legal guardian, especially in light of his ownership interests in WQBS and WSJU-TV. As part of this inquiry Division staff requested a showing addressing whether any multiple ownership rules would be violated if Mr. Lopez were to control the Stations in addition to his interests in WBQS and WSJU-TV. Such a showing was never provided and as a result the Involuntary Transfer Applications remained pending.<sup>5</sup>

5. On February 9, 2012, the Commission received a letter from counsel for IBC notifying the Commission that on February 2, 2012, Mr. Collazo passed away. The letter stated that "additional information concerning the ownership of Sr. Collazo's stations will be provided to the Commission when it becomes available."<sup>6</sup> No further information concerning ownership of the Stations was filed with the Commission until January 11, 2014, when the Transfer Applications were filed requesting Commission consent to transfer the control of the Stations from Mr. Collazo to his court appointed heirs: Mr. Lopez and Mr. Collazo's niece Ms. Ruth Roman Lopez.<sup>7</sup> Following several telephone conversations and e-mail

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<sup>3</sup> See Involuntary Transfer Applications at Attachment 6 ("Appointment of Legal Guardian").

<sup>4</sup> *Id.* at Exhibit 14 ("Other Authorizations"). Mr. Lopez has a 100% voting interest and a 50% equity interest in Aerco Broadcasting. His sister, Ms. Ruth E. Roman Lopez has a 50% equity interest in Aerco Broadcasting. See FCC File No. BOA-20131021AGH.

<sup>5</sup> IBC contends that the first contact by Division staff regarding the sufficiency of the Involuntary Transfer Applications was not made until the fall of 2013. Transfer Application at Attachment 1 ("Explanation of Control and Timeline"). This Consent Decree negates the need to determine precisely when a request for information was made and if in fact IBC failed to respond to a request for information by Commission staff and as such the Adopting Order dismisses the Involuntary Transfer Applications as moot.

<sup>6</sup> Letter from Richard F. Swift, Esq., counsel for International Broadcasting Corp. and Pedro Roman Collazo to Marlene H. Dortch, Secretary, Federal Communications Commission (filed Feb. 9, 2012).

<sup>7</sup> Mr. Lopez and Ms. Lopez did not file an application to assign Station WVOZ(AM) out of Mr. Collazo's name to either their names or IBC. As of the date of this item only an involuntary assignment application has been filed and granted to assign the license from Mr. Collazo to Mr. Lopez and Ms. Lopez as court appointed heirs. A subsequent long form assignment application will need to be filed to place the license either in the name of Mr. Lopez and Ms. Lopez as individuals or another entity, such as IBC. In addition the Transfer Applications will be acted on as part of a separate proceeding. Per the Adopting Order the Involuntary Transfer Applications have been dismissed as moot.

exchanges between staff and counsel for IBC, the Division sent a formal letter on February 24, 2015 outlining all issues preventing processing of the Transfer Applications and requesting that IBC file an amendment within thirty (30) days. The letter specifically requested revisions to the multiple ownership showings made in the Transfer Applications and requested clarification as to who has been in actual control of the Stations operations since December 2011. IBC filed a timely amendment and responded to all questions posed in the letter.

6. Upon review of the amended Transfer Applications it appears the actions of IBC, Mr. Lopez and Ms. Lopez not only have resulted in two unauthorized transfers of control of the Stations, but the combination of stations created by Mr. Lopez's existing interest in WBQS and WSJU-TV may have also resulted in violations of the Commission's multiple ownership rules.

7. According to the Transfer Applications, Mr. Lopez and Ms. Lopez were in fact declared heirs of Mr. Collazo's estate by a court of competent jurisdiction in the Commonwealth of Puerto Rico on August 10, 2012.<sup>8</sup> This is approximately sixteen months before the Transfer Applications were filed. The Transfer Applications also state that because Mr. Collazo died intestate and no executor or trustee was named or appointed during the pendency of the court proceeding to determine Mr. Collazo's heirs, Mr. Lopez continued to control the Stations pursuant to his prior court appointment as legal guardian.<sup>9</sup> Even if Puerto Rico law permitted Mr. Lopez, as the former legal guardian of Mr. Collazo, to continue to manage Mr. Collazo's assets and control the Stations following Mr. Collazo's death, the pending Involuntary Transfer Applications were not amended to reflect this fact nor in the alternative, was a new involuntary transfer of control application filed. IBC admits to this oversight in its Transfer Applications.<sup>10</sup> Accordingly, an unauthorized transfer of control of the Stations may have occurred both immediately following the passing of Mr. Collazo in February 2012 and upon declaration of Mr. Lopez and Ms. Lopez as heirs to Mr. Collazo's estate in August 2012. Furthermore, as a result of one or both of these potential unauthorized transfers of control, possible violations of the Commission's multiple ownership rules may have occurred.

8. In the Transfer Applications IBC was required to demonstrate compliance with the Commission's local television ownership rule,<sup>11</sup> local radio ownership rule,<sup>12</sup> and radio-TV cross ownership rule.<sup>13</sup> Since filing the Transfer Applications IBC has filed applications to assign its interests in two radio stations and all three of its television stations;<sup>14</sup> however, violations of the Commission's

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<sup>8</sup> Transfer Applications at Attachment 7 ("Court Orders") and Attachment 1 ("Explanation of Control and Timeline").

<sup>9</sup> Transfer Applications at Attachment 1 ("Explanation of Control and Timeline").

<sup>10</sup> *Id.*

<sup>11</sup> Transfer Applications at Attachment 1 ("Local TV Ownership Rule Compliance- Duopoly Analysis"). IBC also has requested continued satellite exemptions for WVEO(TV), Aguadilla, PR and WVOZ-TV, Ponce, PR, both satellites of WTCV(TV), San Juan, PR. IBC also requests a continuing "satellite exemption" of the Commission's local television ownership rule. *Id.* at Attachment 1 ("Request for Continued Satellite Exemptions").

<sup>12</sup> Transfer Applications at Attachment 1 ("Radio Multiple Ownership Compliance Showing").

<sup>13</sup> Transfer Applications at Attachment 1 ("Cross-Ownership Compliance Showing").

<sup>14</sup> IBC has been granted consent for the assignment of stations WGIT(AM) and WGYA(AM) to third parties. File Nos. BAL-20141229ACU and BAL-20130827ABD. IBC has also requested consent for the assignment of stations WVEO(TV), Aguadilla, Puerto Rico; WVOZ-TV, Ponce, Puerto Rico; and WTCV(TV), San Juan, Puerto Rico as part of a station swap with Spanish Broadcasting System, in which IBC will receive stations WIOA(FM), San Juan, Puerto Rico, WIOA-FM1, Ceiba, Puerto Rico, WIOC(FM), Ponce, Puerto Rico, and WZET(FM), Hormigueros, Puerto Rico. File Nos. BALDT-20150810ADK et al. These applications we be acted on in a separate proceeding.

multiple ownership rules may have already occurred following the potential unauthorized transfers of control in February 2012 and/or in August 2012.

9. On October 2, 2015, at the request of Division staff, new involuntary transfer of control applications were filed by Mr. Lopez and Ms. Lopez requesting Commission consent to the involuntary transfer of control of all interest in the Stations to Mr. Lopez and Ms. Lopez as court-declared heirs of Mr. Collazo's estate.<sup>15</sup> In furtherance of the court's determination these applications were granted on October 9, 2015 by staff action. While grant and consummation of these applications may have stopped the continuing nature of the potential multiple ownership rule violations, it does not relieve IBC, Ms. Lopez or Mr. Lopez from liability for violations which may have already occurred.<sup>16</sup>

#### **B. Time Brokerage Agreement**

10. On September 1, 2014, IBC entered into an agreement with SBS providing SBS with an option to acquire Stations WVEO(TV), WVOZ-TV, and WTCV(TV). If SBS exercised its option, IBC would receive both monetary compensation and acquire Stations WIOA(FM), San Juan, Puerto Rico, WIOA-FM1, Ceiba, Puerto Rico, WIOC(FM), Ponce, Puerto Rico, and WZET(FM), Hormigueros, Puerto Rico, from SBS.<sup>17</sup> On June 19, 2015, SBS provided notice to IBC of the exercise of its option. On August 10, 2015, SBS and IBC filed applications seeking consent to assign the licenses to the stations listed in the Agreement.<sup>18</sup>

11. Pursuant to Note 2(j) of Section 73.3555 of the Rules, "where two radio stations are located in the same market," as defined by the local radio ownership rule, "and a party (including all parties under common control) with a cognizable interest in one such station brokers more than 15 percent of time per week of the other such station, that party shall be treated as if it has an interest in the brokered station...."<sup>19</sup> As part of the Agreement IBC and SBS entered into a TBA in which IBC would broker one-hundred percent (100%) of the programming and advertising for the aforementioned radio stations. At the time IBC entered in to the TBA, it had an attributable ownership interest in at least seven radio stations in Puerto Rico, eight if WQBS(AM) is included.<sup>20</sup>

12. In the applications seeking to assign the radio stations from SBS, IBC contends that a waiver of the local radio ownership rule permitting it to own the stations along with its current radio licenses is appropriate.<sup>21</sup> The Commission has determined that a station's Arbitron Metro market is the appropriate measure for assessing compliance with the local radio ownership rule.<sup>22</sup> Therefore, for

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<sup>15</sup> File Nos. BTC-20151002ACH et. al. and BAL-20151002ACS.

<sup>16</sup> See e.g., *International Broadcasting Corp.*, Memorandum Opinion and Order, 19 FCC 2d 793, 794 (1969) ("IBC MO&O") (permitting mitigation as an excuse based upon corrective action following a violation would "tend to encourage remedial rather than preventive action").

<sup>17</sup> See File No. BALH-20150810ADQ, Attachment 5 ("Option and Assets Swap/Purchase Agreement").

<sup>18</sup> File Nos. BALH-20150810ADQ et al. (radio stations) and BALCDT-20150810ADK et al. (television stations). The applications remain pending and will be acted on in a separate proceeding.

<sup>19</sup> 47 C.F.R. § 73.3555, note 2(j).

<sup>20</sup> As previously discussed, WQBS(AM) is licensed to Aerco Broadcasting. Both Mr. Lopez and Ms. Lopez have an attributable interest in Aerco Broadcasting. See *supra* note 4.

<sup>21</sup> File No. BALH-20150810ADQ, Attachment 18 ("Radio Multiple Ownership Exhibit- Revised").

<sup>22</sup> See 2002 Biennial Regulatory Review, Report and Order and Notice of Proposed Rule Making, 18 FCC Rcd 13620, 13724-13725 (2003).



purposes of the local radio ownership rule the entire island of Puerto Rico is treated as a single market.<sup>23</sup> However, IBC contends that Puerto Rico's geography supports a waiver of the local radio ownership rule by dividing the island into three markets for purposes of determining compliance, an approach that IBC states is consistent with Commission precedent.<sup>24</sup> While a waiver of the Commission's local radio ownership rule and use of the contour overlap approach may be warranted, IBC failed to make such a request at the time IBC and SBS entered into the TBA. This appears to have resulted in an ongoing violation of the Commission's local radio ownership rule.<sup>25</sup> Although grant and consummation of the transaction would stop the ongoing nature of the violation, as previously discussed, *post hoc* remedial action does not relieve a party of liability for violations that may have already occurred.<sup>26</sup>

### C. License Renewal Applications.

13. Upon submission of the License Renewal Applications, Division staff conducted a review of each application and each television station's online local public inspection file. Section 73.3526 of the Rules requires each commercial broadcast licensee to maintain a public inspection file containing specific types of information related to station operations.<sup>27</sup> In 2012 the Commission adopted rules requiring licensees to upload elements of stations' public files to an online Commission hosted website.<sup>28</sup> In particular, Section 73.3526(e)(11)(i) of the Rules requires every commercial television and Class A licensee to place in its public inspection file, on a quarterly basis, a list of issues and programs "that have provided the station's most significant treatment of community issues during the preceding three month period."<sup>29</sup> TV issues/programs lists must be placed in the Station's public file by the tenth day of the succeeding calendar quarter and copies must be retained until final action has been taken on the station's next license renewal application.<sup>30</sup>

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<sup>23</sup> Puerto Rico is rated as a single Arbitron Metro market. See Transfer Applications at Attachment 1 ("Radio Multiple Ownership Compliance Showing").

<sup>24</sup> File No. BALH-20150810ADQ, Attachment 18 ("Radio Multiple Ownership Exhibit- Revised") at 2-4 citing *MSG Radio, Inc.*, Letter Decision, 27 FCC Rcd 7066 (Aud. Div. 2012)(acknowledging the limiting effect Puerto Rico's unique mountainous terrain has on signal propagation, preventing stations in the more populous areas around San Juan from serving the two other main areas of the island); *Luis A. Soto*, Letter Decision, 22 FCC Rcd 2549 (Aud. Div. 2007)(finding that the unique characteristics of Puerto Rico present a compelling case for departing from the Arbitron Metro as the presumptive definition of the local market in determining whether a transaction complies with the local radio station ownership rule).

<sup>25</sup> IBC and SBS have amended the terms of the TBA to terminate upon either consummation of the transaction, termination of the Agreement, or one year after SBS exercised its option, whichever occurs first. See e.g., File No. BALH-20150810ADQ, Attachment 5 ("First Amendment to Radio Programming Agreement").

<sup>26</sup> See supra note 15.

<sup>27</sup> 47 C.F.R. § 73.3526.

<sup>28</sup> *Standardized and Enhanced Disclosure Requirements for Television Broadcast Licensee Public Interest Obligations, Extension of the Filing Requirement for Children's Television Programming Report*, Second Report and Order, 27 FCC Rcd 4535 (2012) ("Second Report and Order")(requiring broadcast television stations to post their public inspection files, with limited exception, to an online Commission-hosted database).

<sup>29</sup> 47 C.F.R. § 73.3526(e)(11)(i).

<sup>30</sup> *Id.* In 2012 the Commission adopted rules which required licensees to upload elements of its local public inspection file, including its TV issues/programs lists to an online Commission hosted website. Broadcasters' on-line public file requirements were phased in between August 2012 and February 2013. See *Standardized and Enhanced Disclosure Requirements for Television Broadcast Licensee Public Interest Obligations, Extension of the Filing Requirement for Children's Television Programming Report*, Second Report and Order, 27 FCC Rcd 4535 (2012) requiring broadcast television stations to post their public inspection files, with limited exception, to an

(continued...)

14. During the preceding license period, IBC appears to have failed to prepare and/or place in its local public inspection file (online or physical) each television station's quarterly TV issues/programs lists from first quarter 2005 through fourth quarter 2011. This represents an apparent violation of the Commission's local public inspection file rule.<sup>31</sup>

### III. TERMS OF AGREEMENT

15. **Adopting Order.** The Parties agree that the provisions of this Consent Decree shall be subject to final approval by the Bureau by incorporation of such provisions by reference in the Adopting Order.

16. **Jurisdiction.** IBC, Mr. Lopez, and Ms. Lopez agree that the Bureau has jurisdiction over them and the matters contained in this Consent Decree and that the Bureau has the authority to enter into and adopt this Consent Decree.

17. **Effective Date.** The Parties agree that this Consent Decree shall become effective on the Effective Date as defined herein. As of the Effective Date, the Adopting Order and this Consent Decree shall have the same force and effect as any other order of the Commission.

18. **Violations.** The Parties agree that any violation of the Adopting Order or of the terms of this Consent Decree shall constitute a separate violation of a Commission order, entitling the Commission to exercise any rights and remedies attendant to the enforcement of a Commission order.

19. **Termination of Investigation; Grant of Renewal Applications.** In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate the Investigation. In consideration for the termination of the Investigation, IBC, Mr. Lopez, and Ms. Lopez agree to the terms and conditions contained herein. Furthermore, pursuant to Section 309(k)(2) of the Act, the Bureau agrees to grant, in conjunction and simultaneously with the adoption of this Consent Decree, the License Renewal Applications without any additional conditions beyond those set forth herein. The Bureau further agrees that in the absence of new material evidence, the Bureau will not use the facts developed in this Investigation through the Effective Date, or the existence of this Consent Decree, to institute on its own motion any new proceeding, formal or informal, or take any action on its own motion against IBC, Mr. Lopez, or Ms. Lopez concerning the matters that were the subject of the Investigation. The Bureau also agrees that in the absence of new material evidence it will not use the facts developed in the Investigation through the Effective Date, or the existence of this Consent Decree, to institute on its own motion any proceeding, formal or informal, or take any action on its own motion against IBC, Mr. Lopez, or Ms. Lopez with respect to basic qualifications, including their respective character qualifications, to be a Commission licensee or to hold Commission licenses or authorizations.

20. **Subsequent Investigations.** Nothing in this Consent Decree shall prevent the Commission or its delegated authority from adjudicating complaints or other adjudicatory pleadings filed against IBC, Mr. Lopez, or Ms. Lopez for alleged violations of the Act or the Commission's rules or for any other type of alleged misconduct, regardless of when such misconduct took place. The Commission's adjudication of any such complaints will be based solely on the record developed in that proceeding. Except as expressly provided herein, this Consent Decree shall not prevent the Commission from

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(...continued from previous page)

online Commission-hosted database); see also *See Effective Date Announced for Online Publication of Broadcast Television Public Inspection Files*, Public Notice, 27 FCC Rcd 7478 (2012)(announcing effective date of on-line public file rule).

<sup>31</sup> 47 C.F.R. § 73.3526(e)(11)(i).

investigating new evidence of noncompliance by IBC, Mr. Lopez, or Ms. Lopez with the Communications Laws.

21. **Voluntary Contribution.** IBC, Mr. Lopez, and/or Ms. Lopez agree to make an aggregate voluntary contribution to the United States Treasury in the amount of sixty-one thousand, five hundred dollars (\$61,500) within thirty (30) calendar days after the Effective Date. IBC, Mr. Lopez, and/or Ms. Lopez shall also send electronic notification of payment to Evan Morris at [evan.morris@fcc.gov](mailto:evan.morris@fcc.gov) on the date said payment is made. Payment must be made by check or similar instrument, wire transfer, or credit card, and must reference FRN 0003736220. Regardless of the form of payment, a completed FCC Form 159 (Remittance Advice) must be submitted.<sup>32</sup> When completing the FCC Form 159, enter the Account Number in block number 23A (call sign/other ID) and enter the letters "FORF" in block number 24A (payment type code). Below are additional instructions you should follow based on the form of payment you select:<sup>33</sup>

- Payment by check or money order must be made payable to the order of the Federal Communications Commission. Such payments (along with the completed Form 159) must be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000, or sent via overnight mail to U.S. Bank – Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101.
- Payment by wire transfer must be made to ABA Number 021030004, receiving bank TREAS/NYC, and Account Number 27000001. To complete the wire transfer and ensure appropriate crediting of the wired funds, a completed Form 159 must be faxed to U.S. Bank at (314) 418-4232 on the same business day the wire transfer is initiated.
- Payment by credit card must be made by providing the required credit card information on FCC Form 159 and signing and dating the Form 159 to authorize the credit card payment. The completed Form 159 must then be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000, or sent via overnight mail to U.S. Bank – Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101.

22. **Compliance Plan.** The Parties represent that they will adopt and implement the attached Compliance Plan for the purpose of preventing future violations of the Act and of the Rules. The Parties agree, to the extent that they have not already done so, to immediately implement the Compliance Plan upon issuance of the Adopting Order and to keep such Compliance Plan in effect for three (3) years thereafter.

23. **Waivers.** The signatories waive any and all rights they may have to seek administrative or judicial reconsideration, review, appeal or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order, provided the Bureau issues an Adopting Order as defined herein. The signatories shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. If any Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Adopting Order, the signatories, including the Commission, shall not contest the validity of the Consent Decree or the Adopting Order, and IBC, Mr. Lopez, and Ms. Lopez shall waive any statutory right to a trial *de novo*. IBC, Mr. Lopez, and Ms. Lopez

<sup>32</sup> Payment may be made at the Commission's online Fee Filer website: <https://www.fcc.gov/encyclopedia/fee-filer>. Payment may also be made by FCC Form 159; detailed instructions for completing the form may be obtained at <http://www.fcc.gov/Forms/Form159/159.pdf>.

<sup>33</sup> For questions regarding payment procedures, contact the Financial Operations Group Help Desk by phone at 1-877-480-3201 or e-mail at [ARINQUIRIES@fcc.gov](mailto:ARINQUIRIES@fcc.gov).

hereby agree to waive any claims they may have under the Equal Access to Justice Act, 5 U.S.C. § 504 and 47 C.F.R. § 1.1501 *et seq.*, relating to the matters addressed in this Consent Decree.

24. **Liability.** IBC, Mr. Lopez, and Ms. Lopez admit, solely for the purpose of this Consent Decree and for Commission civil enforcement purposes, and in express reliance on the provisions of paragraph 19 hereof, that the facts discussed in paragraphs 3-14 above constitute violations of the Rules and the Act. Notwithstanding any other provision of this Consent Decree, it is expressly agreed and understood that if this Consent Decree, or paragraph 19 hereof, or both, are breached by the Bureau, or are invalidated or modified to the signatories' prejudice by the Commission, Bureau, or any court, then and in that event the provisions of the immediately-preceding sentence shall be of no force or effect, and IBC, Mr. Lopez and Ms. Lopez shall not, by virtue of that sentence or any other provision of this Consent Decree, be deemed to have made any admission concerning violations of the Rules or Act.

25. **Severability.** The Parties agree that if any of the provisions of the Consent Decree shall be held unenforceable by any court of competent jurisdiction, such unenforceability shall not render unenforceable the entire Consent Decree, but rather the entire Consent Decree shall be construed as if not containing the particular unenforceable provision or provisions, and the rights and obligations of the Parties shall be construed and enforced accordingly.

26. **Invalidity.** In the event that this Consent Decree in its entirety is rendered invalid by any court of competent jurisdiction, it shall become null and void and may not be used in any manner in any legal proceeding.

27. **Subsequent Rule or Order.** The Parties agree that if any provision of the Consent Decree conflicts with any subsequent rule or order adopted by the Commission (except an order specifically intended to revise the terms of this Consent Decree to which IBC does not expressly consent) that provision will be superseded by such rule or Commission order.

28. **Successors and Assigns.** IBC, Mr. Lopez, and Ms. Lopez agree that the provisions of this Consent Decree shall be binding on its successors, assigns, and transferees; provided, however, that any unrelated third-party purchaser(s) of any of the Stations for which a valid Commission consent(s) on a FCC Form 732 has been issued shall not be subject to the Compliance Plan.

29. **Final Settlement.** The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties with respect to the Investigation.

30. **Modifications.** This Consent Decree cannot be modified without the advance written consent of both Parties.

31. **Paragraph Headings.** The headings of the paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.

32. **Authorized Representative.** The individual signing this Consent Decree on behalf of IBC represents and warrants that he is authorized by IBC to execute this Consent Decree and to bind IBC to the obligations set forth herein. The FCC signatory represents that he is signing this Consent Decree in his official capacity and that he is authorized to execute this Consent Decree.

33. **Counterparts.** This Consent Decree may be signed in any number of counterparts (including by facsimile), each of which, when executed and delivered, shall be an original, and all of which counterparts together shall constitute one and the same fully executed instrument.

Media Bureau  
Federal Communications Commission

By:

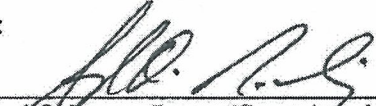


William T. Lake  
Chief

10-22-15  
Date

International Broadcasting Corporation, Inc.

By:

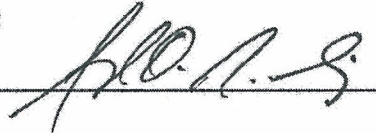


Angel O. Roman Lopez (Court-Appointed Heir)

\_\_\_\_\_  
Date

Angel O. Roman Lopez

By:



\_\_\_\_\_  
Date

Ruth E. Roman Lopez

By:



\_\_\_\_\_  
Date

## COMPLIANCE PLAN

In order to ensure future ongoing compliance with the Rules and the Act, the Parties will institute the following procedures for any television or radio station that is licensed, controlled or subsequently acquired by either IBC, Mr. Angel O. Roman Lopez, or Ms. Ruth E. Roman Lopez (the "Parties"). This Compliance Plan is meant to cover, but is not limited to the following stations: WVEO(TV), Aguadilla, PR; WVOZ-TV, Ponce, PR; WTCV(TV), San Juan, PR; WEKO(AM), Morovis, PR; WGIT(AM), Canovanas, PR, WIBS(AM), Guayama, PR; WVOZ-FM, Carolina, PR; WGYA(AM), Guayama, PR; WRSJ(AM), Bayamon, PR; WVOZ-FM, Juana Diaz, PR, Puerto Rico; WVOZ(AM) San Juan, PR; WQBS(AM), San Juan, Puerto Rico; and WSJU-TV, San Juan, Puerto Rico. Unless otherwise provided, all terms defined in the Consent Decree apply to this Compliance Plan.

1. The Parties will designate a Compliance Officer responsible for responding to employee questions, consulting with FCC Counsel regarding compliance matters, and ensuring all stations operate in compliance with FCC Rules and the Act.

1. The Compliance Officer will conduct training for all station employees and management at least once every twelve (12) months on compliance with FCC Rules applicable to his or her duties at the station. A certification that the aforementioned training has occurred shall be placed in the local public inspection file for each station within three (3) business days.

2. The Compliance Officer will train any new employee within five (5) business days of commencement of his or her duties at the station.

3. The Parties shall engage independent FCC Counsel on an ongoing basis to provide guidance to the Parties on FCC compliance issues, to provide regular updates and notices on developments in communications law applicable to the stations and the stations operations, and to review all applications, documents, and reports prior to filing with the FCC. In regard to the last matter, the Parties recognize and acknowledge that any and all information provided to the FCC must completely and candidly set forth all relevant facts and circumstances, regardless of whether such submission may disclose a violation of the Rules or the Act.

**APPENDIX A****List of Stations and Transfer Applications**

<b>Station</b>	<b>Facility ID</b>	<b>File Number</b>
WVOZ-TV, Ponce, Puerto Rico	29000	BTCCDT-20140114ADC
WTCV(TV), San Juan Puerto Rico	28954	BTCCDT-20140114ADK
WVEO(TV), Aguadilla, Puerto Rico	61573	BTCCDT-20140114ACZ
WIVE-LP, Ceiba, Puerto Rico	20578	BTCTT-20140114ACW
WEKO(AM), Morovis, Puerto Rico	72452	BTC-20140114ACT
WGIT(AM), Canovanas, Puerto Rico	87150	BTC-20140114ACU
WIBS(AM), Guayama, Puerto Rico	72384	BTC-20140114ACV
WVOZ-FM, Carolina, Puerto Rico	28921	BTC-20140114ADA
WGYA(AM), Guayama, Puerto Rico	25531	BTC-20140114ADD
WRSJ(AM), Bayamon, Puerto Rico	295	BTC-20140114ACX
WVOZ-FM1, Juana Diaz, Puerto Rico	136148	BTCFTB-20140114ADB
WVOZ(AM), San Juan, Puerto Rico	54958	N/A

**APPENDIX B****List of Involuntary Transfer Applications**

<b>Station</b>	<b>Facility ID</b>	<b>File Number</b>
WVOZ-TV, Ponce, Puerto Rico	29000	BTCCDT-20111212AHB
WTCV(TV), San Juan Puerto Rico	28954	BTCCDT-20111212AGY
WVEO(TV), Aguadilla, Puerto Rico	61573	BTCCDT-20111212AGZ
WIVE-LP, Ceiba, Puerto Rico	20578	BTCTT-20111212AGX
WEKO(AM), Morovis, Puerto Rico	72452	BTC-20111212AGU
WGIT(AM), Canovanas, Puerto Rico	87150	BTC-20111212AGV
WIBS(AM), Guayama, Puerto Rico	72384	BTC-20111212AGW
WVOZ-FM, Carolina, Puerto Rico	28921	BTC-20111212AHA
WGYA(AM), Guayama, Puerto Rico <sup>1</sup>	25531	BTC-20111212AHC
WRSJ(AM), Bayamon, Puerto Rico	295	BTC-20111212AHD
WVOZ-FM1, Juana Diaz, Puerto Rico	136148	BTCFTB-20111212AHE
WVOZ(AM), San Juan, Puerto Rico	54958	BTC-20111212AHF

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<sup>1</sup> Formerly WXRF(AM), Guayama, Puerto Rico.