



PUBLIC NOTICE

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Non Streamlined International Applications/Petitions Accepted For Filing

Section 214 Applications (47 C.F.R. §§ 63.18, 63.24); Section 310(b) Petitions (47 C.F.R. § 1.5000)

Unless otherwise specified, the following procedures apply to the applications listed below:

The applications listed below have been found, upon initial review, to be acceptable for filing. These applications are not subject to the streamlined processing procedures set forth in Section 63.12 of the Commission's rules, 47 C.F.R. § 63.12. These applications shall not be deemed granted until the Commission affirmatively acts upon the application, either by public notice or by written order. Operation for which authorization is sought may not commence except in accordance with any terms or conditions imposed by the Commission. Pursuant to Section 1.1910(b)(2) of the rules, action will be withheld on any application by any entity found to be delinquent in its debts to the Commission. Applicants should check the Red Light Display System's website at www.fcc.gov/redlight to determine if they are delinquent in a debt to the Commission and for information on how to pay the debt.

Unless otherwise specified, interested parties may file comments with respect to these applications within 28 days of the date of this public notice. We request that such comments refer to the application file number shown below. No application listed below shall be granted by the Commission earlier than the day after the date specified in this public notice for the filing of comments.

Unless otherwise specified, ex parte communications between outside parties and Commission staff concerning these applications are permitted subject to the Commission's rules for "permit-but-disclose proceedings." See 47 C.F.R. § 1.1206.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 1-888-835-5322 (tty). All applications listed are subject to further consideration and review, and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations, and other requirements.

Petition for Declaratory Ruling

Channel 51 License Co LLC (Channel 51 Licensee or Petitioner) has filed a petition for declaratory ruling (Petition), pursuant to section 1.5000(a)(1) of the Commission's rules, 47 CFR § 1.5000(a)(1), asking the Commission to permit foreign ownership of Channel 51 Licensee's controlling U.S. parent, Channel 51, LLC (Channel 51 Parent), to exceed the 25 percent benchmark in section 310(b)(4) of the Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 310(b)(4). Channel 51 Licensee filed its petition to qualify to bid in Auction 1002. On April 13, 2017, Petitioner was announced as a winning bidder in Auction 1002 (Public Notice, DA 17-314 (WTB 2017)). It filed its long-form application (FCC Form 601) on April 27, 2017 (ULS File No. 0007753604) and an updated Petition on May 11, 2017 (supplemented on September 13, 2017; corrected on November 21, 2017).

According to the Petition, Channel 51 Licensee is wholly owned and controlled by Channel 51 Parent, both of which are limited liability companies organized in Delaware. The sole managing member of Channel 51 Parent is Mr. Paul Chisolm, a U.S. citizen. Petitioner asserts that Mr. Chisolm is vested with exclusive and full operational control over Channel 51 Parent and holds 0.52% of its equity interests in the form of Class A and Class B equity.

The Petition states that Channel 51 recruited passive investors to finance the licenses it won at auction and created a "waterfall" investment structure with three classes of investors: Class A, Class B, and Class C. According to the Petition, two groups of such investors hold, directly and indirectly, equity interests of 10 percent or more in Channel 51 Parent: the Columbia Parties (an aggregate 19.79%, consisting of Classes A, B, and C equity) and the Future Fund Parties (an aggregate 48.21%, consisting of Classes A and B equity).

The Petition explains that the Columbia Parties are organized in Delaware and commonly controlled by Columbia Capital, a U.S. venture capital firm founded in 1989 with headquarters in Alexandria, Virginia. There are two branches of Columbia-controlled investment in Channel 51 Parent: one in Classes A and B, controlled by Columbia Capital VI, LLC (Columbia VI), and one in Class C, controlled by Columbia Spectrum, LLC (Columbia Spectrum).

According to Petitioner, the Columbia VI investment is held directly by Columbia Capital Equity Partners VI (QP), L.P. (CCEP) (4.38% equity) and indirectly by its general partner, Columbia Capital Equity Partners VI L.P. (CCEP VI) (0.73% equity). The general partner of CCEP VI, Columbia VI, controls additional direct equity investment in Channel 51 Parent (0.03%, in the form of Class A interests, and 2.58%, in the form of Class B interests), bringing the total Columbia VI-controlled investment in Channel 51 Parent to 7.72%. Petitioner states that all of the limited partnership interests in CCEP VI are insulated within the meaning of section 1.5003 of the rules. It also asserts that, although nine of the limited partnership interests in CCEP are not insulated, the limited partners that hold these interests are U.S. citizens.

Petitioner further explains that the Columbia Spectrum investment is held directly by Columbia Spectrum Partners I-A, L.P. (Columbia Spectrum I-A) (11.50%) and indirectly by its general partner, Columbia Spectrum Partners G.P., L.P. (Columbia Spectrum Partners) (0.57%), bringing the total Columbia Spectrum-controlled investment in Channel 51 Parent to 12.07%. Petitioner states that all of the limited partnership interests in Columbia Spectrum I-A are insulated within the meaning of section 1.5003 of the rules (and, according to the Petition, there is no foreign ownership in Columbia Spectrum I-A). It asserts that, although the limited partnership interests in Columbia Spectrum Partners are not insulated, the limited partners that hold these interests are U.S. citizens.

According to the Petition, each of Columbia VI and Columbia Spectrum is controlled by its managing members, James B. Fleming, Jr. and John T. Siegel, Jr. Messrs. Fleming and Siegel are U.S. citizens and share control of the Columbia Parties' aggregate 19.79% equity investment in Channel 51 (7.72% + 12.07%). Columbia VI and Columbia Spectrum each have four non-managing members, all of whom are U.S. citizens.

The Petition states that the Future Fund Parties consist of Future Fund Investment Company No.5 Pty Ltd (FFIC5) (an Australian sovereign wealth fund) and its sole beneficial member, Future Fund Board of Guardians (FFBG) (a statutory body corporate established by the Future Fund Act of 2006 (Commonwealth of Australia)). FFIC5 holds directly 46.60% equity investment in Channel 51 and indirectly an additional 0.59%, both in the form of Class B equity for a total equity interest of 47.19%. FFBG, in turn, indirectly holds FFIC5's 47.19% equity interest and it holds an additional 1.02% equity interest in Channel 51, in the form of Class A equity, through another wholly-owned subsidiary. Thus, Petitioner states, FFBG holds an aggregate 48.21% equity interest in Channel 51.

According to the Petition, FFBG, supported by the Future Fund Management Agency, has responsibility for investing and managing Future Fund assets. Petitioner states that, while FFBG holds Future Fund assets for and on behalf of the Commonwealth of Australia, FFBG is responsible for specific investment decisions and any control exercised in respect of those investments within the framework of the Act is exercised independently of the Government of Australia. FFBG holds all of the shares of FFIC5 through its custodian The Northern Trust Company (TNTC, organized in the State of Illinois). Likewise, FFIC5 has appointed TNTC to hold legal title to its interests in Channel 51 Parent. Petitioner states that, in relation to the investment in Channel 51, TNTC has no power or authority in respect of the investment except to the extent it is specifically directed to take action by FFIC5.

Petitioner estimates that other foreign investors hold directly an aggregate 11.62% equity interest in Channel 51. It also estimates an additional 7.60% aggregate amount of indirect foreign investment.

Pursuant to section 1.5001(i) of the rules, Petitioner requests that the Commission specifically approve the (1) 47.19% direct and indirect equity investment in Channel 51 Parent by FFIC5 and (2) the 48.21% indirect equity investment by FFBG.

Channel 51 Licensee asserts that the public interest would be served by granting the Petition.

Interested parties may file comments on or before January 22, 2018, and reply comments on or before January 29, 2018.

REMINDER:

Applicants must certify that neither the applicant nor any party to the application is subject to a denial of federal benefits by federal and/or state courts under authority granted in 21 U.S.C. § 862. See 47 C.F.R. §§ 1.2001–.2003.