

Federal Communications Commission Washington, D.C. 20554

February 15, 2019

In Reply Refer to: 325-NEW-20180614-00001

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

David Oxenford Paige Fronabarger Wilkinson Barker Knauer, LLP 1800 M Street, N.W., Suite 800N Washington, D.C. 20036

Information Request - Response Requested Within 30 Days

Dear Counsel:

On June 20, 2018, GLR Southern California, LLC, GLR Services, Inc., and H&H Group USA, LLC filed a revised application (Application) with the Commission seeking a permit to deliver programming to a foreign station for rebroadcast into the United States.¹ With the permit, GLR Southern California, LLC, under H&H Group USA, LLC ownership, will provide "a full range of Mandarin Chinese language programming on station XEWW-AM including music, entertainment, weather report, local (LA) traffic report and local Chinese community news." XEWW-AM is a radio station located in Rosarito, Baja California Norte, Mexico that broadcasts into the United States. GLR Southern California, LLC currently owns 49.00% of the licensee of XEWW-AM and 99% of the equity of W3 Comm Inmobiliaria, S.A. de C.V., which holds the operating assets of XEWW-AM." The programming will be sent to XEWW-AM from a transmission studio located at 3810 Durbin Street, Irwindale, California 91706. To complete the review of the Application and make the necessary public interest findings under Section 309 of the Communications Act of 1934, as amended (Act), we require additional information, documents, and clarifications of certain matters discussed in the Application and other information provided to us.⁴

Accordingly, pursuant to sections 4(i), 4(j), and 403 of the Act,⁵ we request that you provide written responses and supporting documents for each request set forth in the attached General Information and Document Request and, where appropriate, amend the application to reflect such responses. Each

¹ Form 308 Application for Permit to Deliver Programs to Foreign Broadcast Stations – GLR Southern, LLC – EXPEDITED APPROVAL REQUESTED (REVISED), File No. 325NEW2018061400001 (filed June 20, 2018), https://licensing.fcc.gov/myibfs/download.do?attachment_key=1448759 (Application).

² Application at 18.

³ Application at 16.

^{4 47} U.S.C. § 309.

⁵ 47 U.S.C. §§ 154(i), 154(j), and 403.

response or Document should clearly indicate the specific question or request to which it responds. Applicants may supplement their responses with additional relevant information pursuant to section 1.17 and 1.88 of the Commission's rules (Rules).⁶

In accordance with Section 1.16 of the Rules, we direct Applicants to support their responses with an affidavit or declaration under penalty of perjury, signed and dated by authorized officers of H&H and GLR with personal knowledge of the representations provided in Applicants' responses, verifying the truth and accuracy of the information therein, and confirming that all of the information requested which is in the Applicants' possession, custody, control, or knowledge has been produced. If multiple people contribute to the responses, in addition to such general affidavit or declaration of the authorized officers of Applicants noted above, and if such officer (or any other affiant or declarant) is relying on the personal knowledge of any other individual, rather than his or her own knowledge, then provide separate affidavits or declarations of each such individual with personal knowledge that identify clearly to which responses the affiant or declarant with such personal knowledge is attesting. To knowingly and willfully make any false statement or conceal any material fact in reply to this inquiry is punishable by fine or imprisonment.⁷

The response shall be organized and indexed according to the number of the specific inquiries. Applicants shall direct their responses to Federal Communications Commission, Office of the Secretary, 445 12th Street, S.W., Room TW-A325, Washington, D.C., with courtesy copies by email to Janice Shields and Brandon Moss, International Bureau.

We direct Applicants to provide their responses within **thirty** (30) days of the date of this letter. Failure to respond within the time period specified may result in the dismissal of the subject Application for failure to respond to official correspondence pursuant to section 73.35688 of the Commission's rules, or in our making a disposition based on the current record. We will defer action on the Application and Petition to Deny pending the receipt of the requested response.

Your response should be filed in IBFS 325-NEW-20180614-00001 via FCC Inbox-73.3545 on the ECFS Non-Docketed Filing page (https://www.fcc.gov/ecfs/filings/nodocket) or filed on paper pursuant to the Guidelines for Paper Filing, available at https://www.fcc.gov/secretary/guidelines-filing-paper-documents and https://www.fcc.gov/general/electronic-and-hard-copy-filing-address#block-menublock-4. Paper filings may be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. The filing hours for hand deliveries are 8:00 a.m. to 7:00 p.m. 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 FCC, 9050 Junction Drive, P.O. Box 179, Annapolis Junction, Maryland 20701. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission. The International Bureau also should receive at least two copies of all paper filings.

If you have any questions regarding this matter, please contact Brandon Moss at Brandon.moss@fcc.gov or (202) 418-2213.

^{6 47} CFR §§ 1.17, 1.88.

⁷ See 18 U.S.C. § 1001; see also 47 CFR §1.17.

^{8 47} CFR § 73.3568.

Sincerely,

Thomas Sullivan

Chief

International Bureau

Federal Communications Commission

cc: GLR Southern California, LLC 6 the Drawbridge

Woodbury, NY 11797

GLR Services, Inc. 2100 Coral Way, Suite 200

Miami, FL 33145

H&H Group USA, LLC 28th Floor, 40 Wall Street New York, NY 10005

Reid Avett Duane Morris, LLP 505 9th Street, N.W., Suite 1000 Washington, D.C. 20004-2166

James L. Winston Rubin, Winston, Diercks, Harris & Cooke, LLP 1201 Connecticut Avenue, N.W., Suite 200 Washington, D.C. 20036

Instructions

If any Applicant requests that any information or Documents, as defined herein, responsive to this letter be treated in a confidential manner, it shall submit, along with all responsive information and Documents, a statement in accordance with section 0.459 of the Commission's rules. Requests for confidential treatment must comply with the requirements of section 0.459, including the standards of specificity mandated by section 0.459(b). Accordingly, "blanket" requests for confidentiality of a large set of Documents are unacceptable. Pursuant to section 0.459(c), the Bureau will not consider requests that do not comply with the requirements of section 0.459.

If any Applicant withholds any information or Documents under claim of privilege, it shall submit, together with any claim of privilege, a schedule of the items withheld that states, individually as to each such item, the numbered inquiry to which each item responds and the type, title, specific subject matter, and date of the item; the names, addresses, positions, and organizations of all authors and recipients of the item; and the specific ground(s) for claiming the item is privileged.

Each requested Document shall be submitted in its entirety, even if only a portion of that Document is responsive to an inquiry made herein. This means that the Document shall not be edited, cut, or expunged, and shall include all appendices, tables, or other attachments, and all other Documents referred to in the Document or attachments. All written materials necessary to understand any Document responsive to these inquiries must also be submitted.

If a Document responsive to any inquiry made herein existed but it no longer available, or if any Applicant is unable for any reason to produce a Document responsive to any inquiry, identify each such Document by author, recipient, date, title, and specific subject matter, and explain fully why the Document is no longer available or why the Applicant is otherwise unable to produce it.

With respect only to Documents responsive to the specific inquiries made herein and any other Documents relevant to those inquiries, Applicants are directed to retain the originals of those Documents for twelve (12) months from the date of this letter unless Applicants are directed or informed by the International Bureau in writing to retain such Documents for some shorter or longer period of time.

The specific inquires made herein are continuing in nature. Applicants are required to produce in the future any and all Documents and information that are responsive to the inquiries made herein but not initially produced at the time, date and place specified herein. In this regard, Applicants must supplement their responses: (a) if any Applicant learns that, in some material respect, the Documents and information initially disclosed were incomplete or incorrect or (b) if additional responsive Documents or information are acquired by or become known to any Applicant after the initial production. The requirement to update the record will continue for twelve (12) months from the date of this letter unless Applicants are directed or informed by the International Bureau in writing that their obligation to update the record will continue for some shorter or longer period of time.

For each Document or statement submitted in response to the inquiries below, indicate, by number, to which inquiry it is responsive and identify the person(s) from whose files the Document was

^{9 47} CFR § 0.459.

retrieved. If any Document is not dated, state the date on which it was prepared. If any Document does not identify its author(s) or recipient(s), state, if known, the name(s) of the author(s) or recipient(s). Applicants must identify with reasonable specificity all Documents provided in response to these inquiries.

Definitions

For the purposes of this letter, the following definitions apply:

"Any" shall be construed to include the word "all," and the word "all" shall be construed to include the word "any." Additionally, the word "or" shall be construed to include the word "and," and the word "and" shall be construed to include the word "each" shall be construed to include the word "every," and the word "every" shall be construed to include the word "each."

"Applicant" and "Applicants" shall both be construed to refer to H&H Group USA, LLC, GLR Services, Inc., and GLR Southern California, LLC collectively, as well as to H&H Group USA, LLC, GLR Services, Inc., and GLR Southern California, LLC individually.

"Consideration" shall mean anything of value, including but not limited to, bonuses, cash, checks, commissions, fees, honoraria, loans, monies, payments, per diem allowances, payment of third-party invoices, salary, and/or any other thing of value, from any source, or given by third parties, to another.

"Document" shall mean the complete original (or in lieu thereof, exact copies of the original) and any non-identical copy (whether different from the original because of notations on the copy or otherwise), regardless of origin or location, of any written, typed, printed, transcribed, taped, recorded, filmed, punched, computer-stored, or graphic matter of every type and description, however and by whomever prepared, produced, disseminated, or made, including but not limited to any advertisement, book, pamphlet, periodical, contract, correspondence, facsimile, e-mail, file, invoice, memorandum, note, telegram, report, record, handwritten note, working paper, routing slip, chart, graph, photograph, paper, index, map, tabulation, manual, guide, outline, script, abstract, history, calendar, diary, agenda, minute, marketing plan, research paper, preliminary drafts, or versions of all of the above, and computer material (print-outs, cards, magnetic or electronic tapes, disks and such codes or instructions as will transform such computer materials into easily understandable form). "Document" shall also include the terms of any oral agreement or understanding. If a matter responsive to a request for Documents is unwritten, Applicants should so state, and provide a written narrative of the operative provisions of the oral agreement, identifying the date, parties, and terms.

"GLR" shall mean GLR Southern California, LLC, and any affiliate, parent company, subsidiary, other affiliated company or business controlled by GLR Southern California, LLC, together with and all trustees, members, owners, including but not limited to, partners or principals, and all directors, officers, managing members, employees, or agents, including consultants and any other persons working for or on behalf of the foregoing at any time during the period covered by this letter.

"H&H" shall mean H&H Group USA, LLC, and any affiliate, parent company, subsidiary, other affiliated company or business controlled by H&H Group USA, LLC, together with and all trustees, members, owners, including but not limited to, partners or principals, and all directors, officers, managing members, employees, or agents, including consultants and any other persons working for or on behalf of the foregoing at any time during the period covered by this letter.

"Phoenix" shall mean Phoenix Radio, LLC, and any affiliate, parent company, subsidiary, other affiliated company or business controlled by Phoenix Radio, LLC, together with all trustees, members, owners, including but not limited to, partners or principals, and all directors, officers, managing members,

employees, or agents, including consultants and any other persons working for or on behalf of the foregoing at any time during the period covered by this letter.

"Programming Arrangement" shall refer to any programming arrangement between Phoenix and Applicants, including any that requires Phoenix to comply with Applicants' programming standards.

"Station" shall mean Mexican radio station XEWW(AM) located in Rosarito, Baja California Norte, Mexico.

"Studio" shall mean the offices at 3810 Durbin Street, Irwindale, California 91706 from where programming will be transmitted across the United States-Mexico border.

Inquiries: Documents and Information to be Provided

- 1. Provide a copy of any Programming Arrangement or Arrangements between Applicants and Phoenix.
- 2. Provide a copy of any and all contracts, and a description of any oral understandings, between and among H&H, GLR, and Phoenix, including their respective predecessors-in-interest.
- 3. Provide a complete copy of the purchase agreement whereby H&H acquired the assets of GLR Southern California, LLC and any other Documents that set forth arrangements between GLR Services, Inc. and H&H relating to the purchase of GLR Southern California, LLC.
- 4. Provide a copy of GLR's programming standards with which Phoenix must comply.
- 5. Provide any Documents that set forth any arrangements relating to the transmission of programming from the Studio to the Station's facilities in Mexico, including any Documents setting forth any arrangements with the GLR agent who accepts programming from Phoenix for transmission to the Station's facilities in Mexico.
- 6. Provide a copy of all Documents relating to the acquisition of all equipment used for the transmission of programming from the Studio to the Station's facilities in Mexico, including copies of all invoices, bills, rental/lease agreements, checks written or received, credit card charges, wire transfers or deposits of funds.
- 7. Provide any Documents relating to the preparation and filing of the initial application for a permit to deliver programs to a foreign broadcast station on June 14, 2018 and the revised application on June 20, 2018.
- 8. Provide any Documents relating to the control of the Studio's operations since July 25, 2018. State whether Applicants have communicated with Phoenix regarding management or operation of the Studio, and if so, state the date and describe the nature of each such communication.
- 9. What actions does GLR take to transmit programming to XEWW-AM?
- 10. What policies do H&H and GLR have in place regarding the timing and frequency of review of Phoenix's programming?
- 11. Do H&H and GLR have the right to alter or make changes to the programming? If so, please explain.
- 12. Do H&H and GLR have the right to direct Phoenix to provide programming covering certain content or programming in a certain format? If so, please explain.
- 13. How are Phoenix's employees who assemble the programming made aware of GLR's programming standards or changes thereto?
- 14. Is Phoenix the only programming provider contracted by the Applicants?

- a. If so, do the Applicants currently plan to contract with additional programming providers?
- b. If Phoenix is not the only programming provider contracted by the Applicants, identify the other programming providers and provide copies of any and all agreements with such programming providers.
- 15. What policies do H&H or GLR have in place regarding (a) the maintenance of existing transmission equipment used to transmit the Station signal to the U.S. and transmission equipment used to transmit programming from the Studio to the Station, and (b) the purchase of additional transmission equipment?
- 16. State whether Phoenix personnel have ever communicated with Station, GLR, or H&H personnel about transmission equipment owned by GLR/H&H or other aspects of Station operations, and if so, state the date and describe the nature of the communications.
- 17. By whom is the H&H-appointed agent responsible for transmitting the programming to XEWW-AM recruited, hired, employed, supervised, and directed?
 - a. If there is more than one agent, state how many there are and by whom each agent is recruited, hired, employed, supervised, and directed.
- 18. Identify all employees of Applicants, including any employees that are provided to Applicants by Phoenix or another entity through a lease or other arrangement.
 - a. For the period from July 25, 2018 to the present, for each employee, state where the employee works, describe the employee's duties, and identify any third party that provides the employee to an Applicant.
 - b. Provide all contracts relating thereto, including Documents containing the terms of or discussing or describing the operation of any employee lease or other arrangement by which a third party provides an employee to an Applicant.
 - c. For each employee identified in subpart (a), state whether the employee works for or has any contractual relationship with Phoenix.
- 19. Are H&H and GLR involved in recruiting, hiring, supervision, management, promotion, or termination of any personnel at the Studio? If so, please explain.
- 20. Describe with specificity the extent to which Phoenix, including any agent of Phoenix, participates or has participated in the hiring, supervision, promotion, or termination of Station, GLR, or H&H employees, including recruitment, processing of employment applications, interviews of prospective employees, recommending candidates to GLR or H&H, extending offers to prospective employees, training employees, reviewing employee performance, and signing payroll checks or otherwise authorizing payroll disbursements.
- 21. Identify all sources and amounts of financing, including any equity or debt financing obtained in connection with any purchase, for the purchase of GLR, the purchase of assets, if any, used to deliver programming from the Studio to the Station's facilities in Mexico, and the purchase of assets, if any, used to operate the Station following the purchase of GLR by H&H.

- 22. State who establishes the operating budget for the Station and GLR, including the programming budget.
 - a. State whether any person identified in response to this question receives any direction or input from persons or entities other than Applicants, and if the answer is yes, identify such persons or entities providing direction or input and provide all Documents relating thereto.
- 23. Identify and quantify all sources of income to the Station and GLR.
- 24. Has any person or entity paid or promised to pay Consideration in exchange for airing or granting such entity the right to air any programming on XEWW-AM now or in the future?
 - a. If so, describe the circumstances in detail, and provide the form, nature, and value of the Consideration paid or promised to be paid, specifying the date(s) on which it was paid and the retail value on such date(s).
 - b. Provide all Documents including but not limited to the contracts, agreements, or arrangements described in your response to Inquiry 24a that relate to the broadcast or future broadcast of programming on XEWW-AM in exchange for Consideration. If such agreements are oral, provide a full summary of such oral agreements, including identifying the parties thereto, the date of such agreement, and all material terms and conditions of any such agreement.
 - c. State whether any person or entity has disclosed to the Applicants that the entity received Consideration for programming provided to Applicants.
 - d. If any person or entity made such a disclosure, provide a summary of any oral disclosure and a copy of any Document containing or relating to such disclosure; identify the person(s) who tendered the disclosure to Applicants and the date(s) on which such person(s) did so.
 - e. Have the Applicants inquired of any supplier of programming as to whether that supplier has received Consideration from any third party with respect to the broadcast of such programming? If so, describe the terms and conditions relating thereto and provide any Documents received by Applicants relating to such matter.
 - f. State whether the Station or XEWW-AM have broadcast any sponsorship identification announcements since July 2018 relating to its programming or programming subject to a disclosure set forth in the response to Inquiry 24c-e, and, if so, specify the date(s) and time(s) that each announcement was broadcast. If the Applicants assert that sponsorship identifications were not required in connection with programming aired in exchange for Consideration, explain fully the basis for such assertions.
- 25. Describe any relationship that GLR, H&H, Phoenix, or any of their owners, principals, or agents have with any foreign government, whether any of the foregoing is a representative of a foreign government, and if not, state the basis for your conclusion. Address the applicability of Article 11 of China's 2015 National Security Law and Article 7 of its 2017 National Intelligence Law to each of the foregoing and explain how any such application relates to the question whether any of them is a representative of a foreign government.
- 26. Provide an organization chart showing the complete ownership structure of Phoenix.

27. Provide copies of all Documents that relate to any of the responses to all the Inquiries above, to the extent not already provided.