

Janeese Parker

From: Janeese Parker
Sent: Friday, February 27, 2009 1:30 PM
To: 'firm@tkcrowe.com'; 'Tmoorman@woodsaiifken.com'
Cc: George Li; David Krech; Susan OConnell; JoAnn Sutton; James Ball; Veronica Garcia-Ulloa; 'Damian, Alex (DHS)'; 'Pinto, Greg (DHS)'; 'Daniels, Douglas'; 'TTelecom'; 'Thomas Doyle'; 'Rockoff, Jennifer'; 'Orgman, Joanne'; 'Dupuy, Siobhan'; 'Richard.Soffield2@usdoj.gov'; 'douglas.klein@ic.fbi.gov'; 'Christina.saari@associates.hq.dhs.gov'
Subject: FCC Section 214 Removed from Streamlined
Attachments: DOC-288930A1.pdf

Celine, Inc.
ITC-214-20090127-00030

CableCo
ITC-T/C-20090116-00031

The above referenced application was placed on Public Notice on February 13, 2009 for streamlined processing. Since the Public Notice was released, the Commission has been requested by the Executive Branch agencies of the United States that we remove the subject application from streamlined processing because of foreign ownership issues. Therefore, pursuant to Section 63.12(c)(3) of the Commission's Rules, we have removed this application from streamlined processing.

Please be advised that your company may not commence operations until the Section 214 authorization is granted. See Section 63.12(d) of the rules, 47 C.F.R. Section 63.12(d). The Executive Branch will contact you or the "Contact" listed on your application directly for further information. You can be assured that your application will be processed expeditiously upon completion of Executive Branch's review. We will notify you by e-mail when your application is granted.

The Public Notice Report No. TEL-01347S (released February 27, 2009), is attached. If you have any questions, please email: JoAnn.Sutton@fcc.gov, Susan.OConnell@fcc.gov, David.Krech@fcc.gov, and George.Li@fcc.gov or fax to 202-418-2824.

Thank you.

Janeese Parker
Federal Communications Commission
International Bureau/Policy Division
Phone: (202) 418-0707
E-mail: Janeese.Parker@fcc.gov

2/27/2009

Janeese Parker

From: George Li
Sent: Friday, March 13, 2009 11:55 AM
To: Jodie May
Cc: James Ball; David Krech; JoAnn Sutton; Susan OConnell; Janeese Parker
Subject: RE: TT Clearance: **Cable Co. ITC-T/C-20061107-00508**

Thank you Jodie. **We will wait for your green light to grant ours.** Have a great weekend.

From: Jodie May
Sent: Friday, March 13, 2009 11:45 AM
To: George Li
Subject: RE: TT Clearance: Cable Co. ITC-T/C-20061107-00508

Thanks, George. Just wanted to note that, in addition to the DOJ hold, we have comments filed against this one, so I'm not sure when we will grant.

From: George Li
Sent: Fri 3/13/2009 11:39 AM
To: 'Brown, Tyrone'; David Krech; 'Sofield, Richard'; Janeese Parker; JoAnn Sutton; Susan OConnell; 'Wheaton, Mary (NSD)'
Cc: Jodie May; James Ball
Subject: RE: TT Clearance: Cable Co. ITC-T/C-20061107-00508

Hi Ty; Just to double check.
Have you withdrawn your request to defer grant of Corona/ZM application filed Feb. 25,2009 under WC Docket No. 08-254 ? (Ref: EB 2009-04, Feb. 4,2009)
Have a nice day and great weekend.

From: Brown, Tyrone [mailto:Tyrone.Brown@usdoj.gov]
Sent: Thursday, March 12, 2009 4:37 PM
To: David Krech; Sofield, Richard; George Li; Janeese Parker; JoAnn Sutton; Susan OConnell; Wheaton, Mary (NSD)
Subject: RE: TT Clearance: Cable Co. ITC-T/C-20061107-00508

Yes. That's the one. I put a different number on the form.
Thanks
Ty

From: David Krech [mailto:David.Krech@fcc.gov]
Sent: Thursday, March 12, 2009 4:36 PM
To: Sofield, Richard; George Li; Janeese Parker; JoAnn Sutton; Susan OConnell; Wheaton, Mary (NSD)
Cc: Brown, Tyrone
Subject: RE: TT Clearance: Cable Co. ITC-T/C-20061107-00508

Do you mean ITC-T/C-20090116-00031 (CableCo)?

From: Sofield, Richard [mailto:Richard.Sofield2@usdoj.gov]

Sent: Thursday, March 12, 2009 4:16 PM

To: David Krech; Francis Gutierrez; George Li; Howard Griboff; James Ball; Janeese Parker; JoAnn Sutton; Jodi Cooper; Susan OConnell; Mary.Wheaton2@usdoj.gov

Cc: Brown, Tyrone

Subject: TT Clearance: Cable Co. ITC-T/C-20061107-00508

Team Telecom has no comment regarding the above-referenced matter.

If you require additional information please contact Ty Brown (cc'd).

Thank you.

Richard C. Sofield

Director

Foreign Investment Review Staff

National Security Division

United States Department of Justice

W-(202) 514-0945

M-(202) 598-3134

P-(877) 481-4512

F-(202) 353-3364

Janeese Parker

From: Janeese Parker
Sent: Friday, March 27, 2009 3:04 PM
To: 'imoorman@woodsaitken.com'
Cc: George Li; David Krech; Susan OConnell; JoAnn Sutton; James Ball; 'alex.daman@dhs.gov'; 'greg.pinto@dhs.gov'; 'Richard.Sofield2@usdoj.gov'; 'douglas.daniels@dhs.gov'; 'TTelecom@usdoj.gov'; 'Joanne.Ongman@usdoj.gov'; 'Jennifer.Rockoff@usdoj.gov'; 'letsw@state.gov'; 'Siobhan.Dupuy@usdoj.gov'; 'Mary.Wheaton2@usdoj.gov'; 'douglas.klein@ic.fbi.gov'; 'maydc@state.gov'; 'swentworth@ostp.eop.gov'; 'Katrina.Carllie@hq.dhs.gov'; 'glenn.kaminsky@hq.dhs.gov'
Subject: FCC Application Granted

CableCo
ITC-T/C-20090116-00031

We have received notification from Team Telecom that their evaluation of your application is complete. We have, therefore, granted the above applications in IBFS today March 27, 2009. This application will be included on our next Actions Taken Public Notice, which will be published on Thursday, April 9, 2009. You may obtain a copy of the Public Notice via IBFS upon release.

Janeese Parker
Federal Communications Commission
International Bureau/Policy Division
Phone: (202) 418-0707
E-mail: Janeese.Parker@fcc.gov

3/27/2009

Janeese Parker

From: Janeese Parker
Sent: Thursday, April 09, 2009 2:56 PM
To: 'jism@commlawgroup.com'; 'bolcott@ssd.com'; 'tmoorman@woodsaitken.com'; 'douglas.klein@ic.fbi.gov'; 'edward.hand@usdoj.gov'; 'hillary.Morgan@disa.mil'; 'jarnold@ntia.doc.gov'; 'vbarrish@askcalea.net'; 'maydc@state.gov'; 'lettsw@state.gov'; 'Stephen.heifetz@dhs.gov'; 'Christopher.Siefken@ic.fbi.gov'; 'swentworth@ostp.eop.gov'; 'Erica.Bomsey@dhs.gov'; 'Christina.saar@associates.hq.dhs.gov'; 'margaret.Dudek@dhs.gov'; 'CarrollD@state.gov'; 'Brian.williams@associates.dhs.gov'; 'greg.pinto@dhs.gov'; 'TTelecom@usdoj.gov'; 'Thomas.Doyle@associates.dhs.gov'; 'mary.wheaton2@usdoj.gov'; 'Stobhan.Dupuy@usdoj.gov'; 'alex.daman@dhs.gov'; 'Douglas.Daniels@dhs.gov'; 'Joanne.Ongman@usdoj.gov'; 'Jennifer.Rockoff@usdoj.gov'; 'jinchale@ustr.gov'; 'Richard.Sofield2@usdoj.gov'; 'Navin.Jaffer@dhs.gov'; 'glenn.kaminsky@hq.dhs.gov'; 'richard.gault@ic.fbi.gov'; 'Katrina.Carllie@hq.dhs.gov'

Subject: Section 214 Granted

Attachments: DA-09-799A1.pdf

ITC-214-20080825-00396
Concord Telecom LLC

ITC-214-20090105-00006
Pacific Networks Corp.

ITC-T/C-20090116-00031
CableCo

The above listed applications have been granted by Public Notice released **April 9, 2009**; Report No. **TEL-01353**, DA **09-799** (attached).

Janeese Parker
Federal Communications Commission
International Bureau/Policy Division
Phone: (202) 418-0707
E-mail: Janeese.Parker@fcc.gov

JoAnn Sutton

From: Sofield, Richard [Richard.Sofield2@usdoj.gov]
Sent: Wednesday, February 18, 2009 12:29 PM
To: Sofield, Richard; David Krech; Francis Gutierrez; George Li; Howard Griboff; James Ball; Janeesse Parker; JoAnn Sutton; Jodi Cooper; Susan OConnell; Wheaton, Mary (NSD)
Subject: [TTT] FCC application status for the week of February 17, 2009

Please be advised that DOJ/FBI/DHS request that the following applications referenced in EB 2009-04 be **REMOVED** from streamline:

ITC-T/C-20090116-00031 CoronaZM

Thank you.

Richard C. Sofield
Foreign Investment Review Staff
National Security Division
United States Department of Justice

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P-(877) 481-4512
F-(202) 353-3364

JoAnn Sutton

From: Brown, Tyrone [Tyrone.Brown@usdoj.gov]
Sent: Thursday, March 12, 2009 4:37 PM
To: David Krech; Sofield, Richard; George Li; Janese Parker; JoAnn Sutton; Susan OConnell; Wheaton, Mary (NSD)
Subject: RE: TT Clearance: Cable Co. ITC-T/C-20061107-00508

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Sent: Thursday, March 12, 2009 4:36 PM
To: Sofield, Richard; George Li; Janese Parker; JoAnn Sutton; Susan OConnell; Wheaton, Mary (NSD)
Cc: Brown, Tyrone
Subject: RE: TT Clearance: Cable Co. ITC-T/C-20061107-00508

Do you mean ITC-T/C-20090116-00031 (CableCo)?

From: Sofield, Richard [mailto:Richard.Sofield2@usdoj.gov]
Sent: Thursday, March 12, 2009 4:16 PM
To: David Krech; Francis Gutierrez; George Li; Howard Gribhoff; James Ball; Janese Parker; JoAnn Sutton; Jodi Cooper; Susan OConnell; Mary.Wheaton2@usdoj.gov
Cc: Brown, Tyrone
Subject: TT Clearance: Cable Co. ITC-T/C-20061107-00508

Team Telecom has no comment regarding the above--referenced matter.

If you require additional information please contact Ty Brown (cc'd).

Thank you.

Richard C. Sofield
Director
Foreign Investment Review Staff
National Security Division
United States Department of Justice

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PUBLIC NOTICE

Re file 0031
Cable Co

Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Fax-On-Demand 202 / 418-2830
TTY 202 / 418-2555
Internet: <http://www.fcc.gov>
fp.fcc.gov

DA 09-746
Released: April 1, 2009

DOMESTIC SECTION 214 AUTHORIZATION GRANTED

Domestic Section 214 Application Filed for the
Transfer of Control of Corona Holdings, Inc.

WC Docket No. 08-254

By the Chief, Wireline Competition Bureau:

Pursuant to section 214 of the Communications Act of 1934, as amended (Act), 47 U.S.C. § 214, and sections 0.91, 0.291, and 63.03 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 63.03, the Wireline Competition Bureau (Bureau) approves the application of Corona Holdings, Inc. to transfer control of the majority shareholder of the ultimate parent company of Corona from DB Zwrtn Special Opportunities Fund, L.P. (DBZ-SOF) to ZM Private Equity Fund II, L.P. (ZM).¹ The Bureau has determined that a grant of this application serves the public interest,² and, accordingly, the application is granted pursuant to the Commission's procedures for domestic section 214 transfer of control applications.³

On February 25, 2009, the Department of Justice, including the Federal Bureau of Investigation, with the concurrence of the Department of Homeland Security (Executive Branch Agencies), filed a letter requesting that the Commission defer grant of this application while they addressed potential national security, law enforcement, and public safety issues.⁴ On March 26, 2009, the Executive Branch Agencies withdrew their request to defer action, stating that they have no comment on this transaction.⁵

¹ Application for Transfer of Control of Corona Holdings, Inc., WC Docket No. 08-254 (filed Dec. 16, 2008) (Application); *Domestic Section 214 Application Filed for the Transfer of Control of Corona Holdings, Inc.*, WC Docket No. 08-254, Public Notice, DA 09-188 (rel. Feb. 4, 2009); *Notice of Removal of Domestic Section 214 Application from Streamlined Treatment*, WC Docket No. 08-254, Public Notice, DA 09-489 (rel. Feb. 26, 2009).

² *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, CC Docket No. 01-150, Report and Order, 17 FCC Rcd 5517, 5529, para. 22 (2002).

³ 47 C.F.R. § 63.03.

⁴ Letter from Tyrone A. Brown, Attorney, National Security Division, U.S. Department of Justice, to Marlene H. Dortch, FCC, WC Docket No. 08-254 (filed Feb. 25, 2009).

⁵ Letter from Tyrone A. Brown, Attorney, National Security Division, U. S. Department of Justice, to Marlene H. Dortch, FCC, WC Docket No. 08-254 (filed Mar. 26, 2009).

Consistent with Federal Communications Commission precedent, the Bureau accords the appropriate level of deference to the Executive Branch Agencies' expertise on national security and law enforcement issues.⁶

In addition, the Bureau received one comment against the proposed transfer of control from David A. Schum filing on behalf of himself and 9 other individuals.⁷ Mr. Schum argues that the Commission should not grant the Application because of certain claims Schum raised against DBZ-SOF, and the Commission's Media Bureau rejected, in AM radio license proceedings that began in 2006. Schum asserts, among other things, that DBZ-SOF did not disclose its foreign ownership interests when the Media Bureau granted the applications to assign the license of Station KFCD (AM), Farmersville, Texas and the construction permit of Station KHSE (AM), Wylie, Texas from DFW Radio License, LLC to DBZ-SOF's affiliate, Bernard Dallas, LLC (Bernard).⁸ He requests that the Commission deny the Application or designate it for hearing to determine facts associated with the transfer of the AM radio

⁶ The Commission considers national security, law enforcement, foreign policy, and trade policy concerns when analyzing a transfer of control or assignment application in which foreign ownership is an issue. *See Amendment of the Commission's Regulatory Policies to Allow Non-U.S. Licensed Satellites Providing Domestic and International Service in the United States*. Report and Order, 12 FCC Rcd 24094, 24170-72, paras. 178-82 (1997); *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market*, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23919-21, paras. 61-66 (1997) (*Foreign Participation Order*), Order on Reconsideration, 15 FCC Rcd 18158 (2000). In assessing the public interest, the Commission considers the record and accords the appropriate level of deference to Executive Branch expertise on national security and law enforcement issues. *See Foreign Participation Order*, 12 FCC Rcd at 23919-21, paras. 61-66.

⁷ Comments and Petition to Deny, WC Docket No. 08-254 (filed Feb. 18, 2009) (Schum Comments).

⁸ Schum Comments at 2-6; *KFCD(AM) Farmersville, TX, Facility ID No. 43757*, File No. BAL-20060117ACV; *KHSE(AM), Wylie, TX, Facility ID No. 133464*, File No. BAP-20060117ACV, Application for Assignment of Licenses, 21 FCC Rcd 14996 (Audio Div., MB 2006) (*Radio Transfer Order*), *recon. denied*, 23 FCC Rcd 2646 (Audio Div., MB 2008) (*Radio Transfer Recon. Order*), *app. for review pending*. *See also KFCD(AM) Farmersville, TX, Facility ID No. 43757*, File No. BAL-20060117ACV; *KHSE(AM), Wylie, TX, Facility ID No. 133464*, File No. BAP-20060117ACV, 23 FCC Rcd 2642 (Audio Div., MB 2008) (*Second Radio Transfer Order*) (rejecting the same arguments Schum raised in the *Radio Transfer Order* when he raised them again in a proceeding to transfer the AM radio licenses from Bernard Dallas, LLC to Principle Broadcasting Network—Dallas, LLC). Schum and the other petitioners are equity owners of The Watch, Ltd, the parent company of DFW Radio License, LLC. *Radio Transfer Order* at 14996-98. Schum further states that an alleged Securities and Exchange Commission investigation of DBZ-SOF, newspaper reports of financial issues involving DBZ-SOF, and a Commission Enforcement Bureau proceeding demonstrate that it is not in the public interest to grant an application involving DBZ-SOF. Schum Comments at 4-6 (*citing Tama Broadcasting, Inc. and D.B. Zwiirn & Co., File No. EB-08-IH-0692, Order, DA 09-225* (EB, Feb. 17, 2009) (*Tama/Zwiirn Order*) (adopting a consent decree terminating an Enforcement Bureau investigation into whether the radio licensees violated section 310(d) of the Act, 47 U.S.C. § 310(d), and engaged in a defacto unauthorized transfer of control under 47 C.F.R. § 73.3540)). Schum provided no details on the Securities and Exchange Commission investigation or newspaper reports he references and fails to demonstrate how they are relevant to the proposed transaction. He also fails to address the conclusion of the Enforcement Bureau in the *Tama/Zwiirn Order* that “our investigation raises no substantial or material questions of fact as to whether Tama and Zwiirn possess the basic qualifications including, but not limited to, those related to character, to hold or obtain any Commission license or authorization.” *Id.* at para. 4; Joint Opposition to Comments and Petition to Deny, WC Docket No. 08-254, at 2, 5 (filed Feb. 25, 2009) (Corona Reply).

licenses that are wholly unrelated to the proposed transaction.⁹ Corona filed a reply, stating that Schum and the others do not have standing to petition to deny the proposed transaction and that Schum's arguments are unsupported, irrelevant, and have already been addressed.¹⁰

After careful consideration of the record in this proceeding, we conclude that the concerns raised by Schum are not sufficient to persuade us to deny the proposed transaction or designate it for hearing. We agree with Corona that the Media Bureau has considered and rejected Schum's allegations against DBZ-SOF on three separate occasions, including his claim that DBZ-SOF has foreign ownership interests.¹¹ In addition, his allegations concerning DBZ-SOF's qualifications to hold a Commission radio license are not merger specific and are irrelevant to Applicants' request for ZM, an entity unrelated to DBZ-SOF, to acquire DBZ-SOF's ownership interest in Corona's parent company, SSF Partners, LLC. We find that the transaction is likely to result in certain public interest benefits, including the continued provision of local exchange and long distance services to the customers of the telecommunications carriers owned by Corona. We are thus satisfied that the proposed transaction is in the public interest and should be granted.

The Bureau finds, upon consideration of the record, that the proposed transfer will serve the public interest, convenience, and necessity, and therefore grants the requested authorization. Pursuant to section 1.103 of the Commission's rules, 47 C.F.R. § 1.103, the consent granted herein is effective upon the release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

For further information, please contact Jodie May, (202) 418-0913, Competition Policy Division, Wireline Competition Bureau.

-FCC-

⁹ Schum Comments at 6-7.

¹⁰ Corona Reply at 3-6.

¹¹ *Radio Transfer Order*, 21 FCC Rcd at 15000-03 (rejecting Schum's speculative foreign ownership allegations against DBZ-SOF, in addition to his other claims); *Radio Transfer Recon. Order*, 23 FCC Rcd at 2647-48; *Second Radio Transfer Order*, 23 FCC Rcd at 2644-45.