

Public Interest Statement – Application Amendment

Karousel LLC (“Karousel”) amends its pending application for a license to operate a non-geostationary orbit fixed-satellite service system.¹ Karousel has assigned the License Application to Karousel Satellite LLC (“Karousel Satellite”), Karousel’s wholly owned subsidiary. Karousel Satellite would hold the authorization issued under the License Application.

I. The Corporate Restructuring

As a result of a corporate restructuring, the former shareholders of Karousel will become indirect shareholders of Karousel Satellite, having the same interests and the same voting rights as they had held previously in Karousel. The corporate restructuring does not change the ultimate ownership or control of the potential Commission licensee.

II. Public Interest Considerations

The current amendment is not a “major” amendment as defined by the FCC’s rules.² Moreover, the Commission regularly grants *pro forma* transfers of control and assignments of space station and earth station licenses. The Commission has streamlined most satellite *pro forma* assignment or transfer applications based on its finding that corporate changes generally serve the public interest.³ The Commission determined that “*pro forma* transfer applications do not raise public interest concerns.”⁴ This analysis equally applies to Karousel’s *pro forma* corporate restructuring, particularly because the Commission is still evaluating the License Application.

As Karousel explained in its License Application, its proposed system would offer consumers a “celestial video jukebox” service that focuses principally on providing high-quality, on-demand content—particularly video content—to consumers for whom video over broadband is either inaccessible or unaffordable.⁵ The system will introduce facilities-based competition in the market for over-the-top video, and will offer new options for rural

¹ See Karousel LLC, Application, File No. SAT-LOA-20161115-00113, at 4-21 (filed Nov. 15, 2016) (the “License Application”).

² See 47 C.F.R. § 25.116(b).

³ *Comprehensive Review of Licensing and Operating Rules for Satellite Services*, Second Report and Order, 30 FCC Rcd 14713 (2015); *id.* ¶ 300 (“We forbear from applying the prior approval requirement in Section 310(d) of the Act to *pro forma* assignments and transfers of control of space station and earth station licenses when the licensee qualifies as a ‘telecommunications carrier.’”). While Karousel has applied for a non-common carrier license, which does not qualify for streamlined processing, the same public interest considerations apply to its *pro forma* application.

⁴ *Id.* ¶¶ 304-305.

⁵ See License Application at 4-21.

consumers, cord cutters, government, and commercial users alike. To do so, Karousel is partnering with Columbia Capital and Telecom Ventures, which have significant experience and success in the satellite industry that they will bring to the development and launch of the proposed system. Post-restructuring, Karousel's subsidiary, Karousel Satellite, will have the same relationships with these satellite industry leaders as Karousel.

Finally, pursuant to Section 25.119(i) of the Commission's rules, Karousel and Karousel Satellite certify that the restructuring is *pro forma* and will not result in a change in the actual ownership or controlling party of the Commission licensee.

For the reasons stated above, Karousel respectfully requests that the Commission grant the License Application, as amended.

Pre-Transaction Corporate Structure



Post-Transaction Corporate Structure

