

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

In the Matter of	)	Application Nos.:
	)	
Application for Authority to Transfer Control of	)	SAT-T/C-20090127-00010
Satellite Earth Station and Space Station Licenses	)	SAT-T/C-20090127-00011
from	)	SES-T/C-20090130-00125
	)	SES-T/C-20090130-00127
Liberty Media Corporation, Transferor	)	SES-T/C-20090130-00128
	)	SES-T/C-20090130-00129
To	)	SES-T/C-20090130-00134
	)	SES-T/C-20090130-00135
Liberty Entertainment Inc., Transferee	)	SES-T/C-20090128-00074

**ORDER**

**Adopted: April 6, 2009**

**Released: April 9, 2009**

By the Acting Chief, International Bureau:

1. On January 27, 2009, Liberty Media Corporation (“Liberty Media”) filed *pro forma* applications, as amended on March 5, 2009, to transfer control to Liberty Entertainment, Inc. (“LEI”) of several satellite earth station and space station licenses held by DIRECTV Enterprises, LLC (“DIRECTV”), California Broadcast Center, LLC, and Game Show Network, LLC.<sup>1</sup> In this *Order*, we find, based on our review of the Applications,<sup>2</sup> that the proposed transaction serves the public interest, convenience and necessity. Accordingly, we approve these Applications subject to the terms and conditions set forth in the Commission’s order approving Liberty Media’s acquisition of a *de facto* controlling interest in DIRECTV.<sup>3</sup>

2. The Applications seek approval for a proposed split-off of the majority of the assets and liabilities currently attributed to the Liberty Entertainment Group tracking stock (which includes Liberty Media’s interest in DIRECTV, among other assets) into LEI. LEI, which currently is a subsidiary of Liberty Media, will become a separate public company pursuant to the proposed split-off.<sup>4</sup> The transaction would occur as a *pro rata* redemption of a portion of the outstanding shares of Liberty Entertainment Group tracking stock in exchange for all of the outstanding shares of LEI. Following the

<sup>1</sup> Application for Authority to Transfer Control of Satellite Earth Station and Space Station Licenses from Liberty Media Corporation, Transferor to Liberty Entertainment Inc., Transferee (Jan. 27, 2009) (“Application”); Amendment to Transfer of Control Applications (Mar. 5, 2009) (“Amended Application” and, together with the Application, the “Applications”).

<sup>2</sup> The Applications were unopposed.

<sup>3</sup> *News Corp. and DIRECTV Group, Inc., Transferors, and Liberty Media Corp., Transferee, for Authority to Transfer Control*, MB Docket 07-18, Memorandum Opinion and Order, 23 FCC Rcd 3265 (2008) (“*Liberty Media-DIRECTV Order*”).

<sup>4</sup> The Application states that LEI will hold ownership interests in the following entities: approximately 54% of DIRECTV; 50% of GSN, LLC; 73% of PicksPal; 100% of FUN Technologies, Inc.; and 100% of Liberty Sports Holdings, LLC, which owns 100% of three regional sports networks (Fox Sports Net Rocky Mountain, LLC; Fox Sports Net Northwest, LLC; and Fox Sports Net Pittsburgh, LLC). Application, Exh. 1 at 1.

transaction, the holders of the existing Liberty Entertainment Group tracking stock would own one hundred percent of the equity of LEI.<sup>5</sup>

3. By their own terms, the conditions the Commission adopted in the *Liberty Media-DIRECTV Order* will continue to apply to Liberty Media and LEI (including DIRECTV and LEI's programming assets) following the transaction.<sup>6</sup> The term "Liberty Media," as used in the *Liberty Media-DIRECTV Order* conditions, includes any entity or program rights holder in which Liberty Media or John Malone ("Malone") holds an attributable interest.<sup>7</sup> The Applications state that, upon completion of the proposed split-off transaction, the executive officers and directors of LEI will be the same as the current executive officers and directors of Liberty Media. Further, the Applications state that Malone will hold approximately 30 percent of the voting power in Liberty Media and LEI. As a result, Malone will continue to hold an attributable interest in both entities.<sup>8</sup> Therefore the conditions adopted in the *Liberty Media-DIRECTV Order* will continue to apply to LEI after the split-off transaction.<sup>9</sup>

4. We agree with Liberty Media that the grant of the Applications is in the public interest. As explained by Liberty Media, the creation of a new publicly traded company will eliminate the complexities associated with a tracking stock structure and should facilitate a more accurate valuation of the relevant businesses and assets.<sup>10</sup> Moreover, we discern no public interest harms arising from this transaction.

5. Accordingly, IT IS ORDERED, pursuant to sections 1, 4(i), 4(j), 303(r), 309, and 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 154(j), 303(r), 309, 310(d), that this *Order* IS ADOPTED, and that the Application for Authority to Transfer Control of Satellite Earth Station and Space Station Licenses from Liberty Media Corporation to Liberty Entertainment Inc., as amended, IS GRANTED, subject to all of the terms and conditions specified in *News Corp. and DIRECTV Group, Inc., Transferors, and Liberty Media Corp., Transferee, for Authority to Transfer Control*, MB Docket 07-18, Memorandum Opinion and Order, 23 FCC Rcd 3265 (2008).

6. This action is taken pursuant to delegated authority under Sections 0.204 and 0.261, of the Commission's Rules, 47 C.F.R. §§ 0.204 and 0.261.

FEDERAL COMMUNICATIONS COMMISSION

John V. Giusti  
Acting Chief, International Bureau

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<sup>5</sup> Application, Exh. 1 at 1.

<sup>6</sup> *Liberty Media-DIRECTV Order*, 23 FCC Rcd at 3240, App. B, n.3.

<sup>7</sup> *Id.*

<sup>8</sup> Amended Application, Exh. A.

<sup>9</sup> Further, the parties to the Applications state that they do not seek relief from any of the conditions adopted by the Commission in the *Liberty Media-DIRECTV Order*. Application, Exh. 1 at 3.

<sup>10</sup> Application, Exh. 1 at 3.