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DA 10-1795

Released: October 6, 2010

## NOTICE OF NON-STREAMLINED DOMESTIC 214 APPLICATION GRANTED

## WC Docket No. 10-151

Pursuant to section 214 of the Communications Act of 1934, as amended, 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, and 63.03, the Wireline Competition Bureau (Bureau) approves the application of Community Telephone Company, Inc. (Community) and Hilliary Communications, LLC (Hilliary) to transfer control of Community to Hilliary.

Charles D. Mattingly, Jr., on behalf of PP Capital, a minority interest holder in Community, filed a comment seeking dismissal of the application, claiming that consummation of the transaction would adversely affect minority interest holders and would therefore harm the public interest because of the possibility of litigation.<sup>2</sup> Transfer of control proceedings before the Commission are not the proper forum for resolving issues of private dispute such as those related to the rights of minority interest holders.<sup>3</sup> Furthermore, there is no requirement that the Commission refrain from acting on a transfer of control until a state commission has reviewed the proposed transfer, as Mr. Mattingly suggests.<sup>4</sup> Accordingly, we reject Mr. Mattingly's request to dismiss or reject the application.

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.<sup>5</sup> Pursuant to

<sup>&</sup>lt;sup>1</sup> Domestic Section 214 Application Filed for the Transfer of Control of Community Telephone Company, Inc. to Hilliary Communications, LLC, WC Docket No. 10-151 (filed July 23, 2010).

<sup>&</sup>lt;sup>2</sup> Charles D. Mattingly, Jr., Comment, WC Docket No. 10-151 (filed Sept. 7, 2010).

<sup>&</sup>lt;sup>3</sup> Applicants' Reply, WC Docket 10-151 (filed Sept. 7, 2010) (*citing, e.g.,* John R. Kingsberry, 71 FCC 2d 1173, 1174 (1979) (Commission refused to consider minority shareholder allegation of breach of fiduciary duty).

<sup>&</sup>lt;sup>4</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> See Joint Applications of Telephone and Data Systems, Inc. and Chorus Communications, Ltd. for Authority to Transfer Control of Commission Licenses and Authorizations Pursuant to Sections 214 and 310(d) of the Communications Act and Parts 22, 63 and 90 of the Commission's Rules, CC Docket No. 01-73, Memorandum Opinion and Order, 16 FCC Rcd 15293, 15298-99, para. 10 (CCB/WTB 2001) (granting transfer of control involving an incumbent local exchange carrier (LEC) and the transferee, Telephone and Data Systems, Inc. (TDS), where the wireless affiliate of TDS provides service in the area served by the incumbent LEC, and the merger would not harm competition).

section 1.103 of the Commission's rules, 47 C.F.R. § 1.103, the consent granted herein is effective upon the release of the 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 Tracey Wilson-Parker at 202 / 418-1394, or Dennis Johnson at 202 / 418-0809, Competition Policy Division, Wireline Competition Bureau.