Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov TTY: 1-888-835-5322

DA 14-1137

Released: August 5, 2014

## DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF DFT COMMUNICATIONS CORPORATION TO BRICK SKIRT HOLDINGS, INC.

## STREAMLINED PLEADING CYCLE ESTABLISHED

**WC Docket No. 14-122** 

Comments Due: August 19, 2014 Reply Comments Due: August 26, 2014

On July 21, 2014, Brighton Communications Corporation (Brighton) and Brick Skirt Holdings, Inc. (Brick Skirt) (together, Applicants) filed an application pursuant to section 63.03 of the Commission's rules to transfer control of DFT Communications Corporation (DFT Communications) from Brighton to Brick Skirt.<sup>1</sup>

DFT, a Delaware holding company, directly or indirectly owns 100 percent of the following telecommunications entities: (1) Dunkirk and Fredonia Telephone Company, a New York corporation that provides incumbent local exchange carrier (LEC) service in the Fredonia, New York exchange which serves Fredonia, Pomfret, Portland, Sheridan, Arkwright, Charlotte, Dunkirk, and Stockton (approximately 7,200 access lines) in Chautauqua County in western New York State; (2) Cassadaga Telephone Corporation, a New York corporation that provides incumbent LEC service in the Cassadaga, New York exchange which serves Cassadaga, Pomfret, Charlotte, and Stockton (approximately 860 access lines) in Chautauqua County; (3) DFT Local Service Corporation, a Delaware corporation that provides competitive LEC and long distance services in Chautauqua County and adjacent areas of western New York State. Brighton, a Delaware corporation that is the present owner of DFT and its subsidiaries, is a wholly owned subsidiary of LICT Corporation (LICT). LICT is a publicly traded Delaware corporation that owns 11 incumbent LECs located in New Hampshire, California, Oregon, Iowa, Utah, Wisconsin, Kansas, Michigan, and New Mexico, as well as six competitive LECs with operations in Iowa, Illinois, Oregon, California, Michigan, New Mexico, Kansas, and Utah. Applicants state that the MJG 1999 Descendants Trust, a Delaware entity, owns 26.73 percent of LICT.

Brick Skirt, a newly formed Delaware corporation, was created for the purpose of acquiring DFT and its subsidiaries and does not currently provide telecommunications services. Applicants state that the following U.S. citizens will own at least 10 percent of the equity and voting power of Brick Skirt after the proposed transaction: Robert A. Maytum (50 percent), Mark R. Maytum (16.66 percent), Kurt W.

<sup>&</sup>lt;sup>1</sup> 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international and radio services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

Maytum (16.66 percent), and Sheri Stoltenberg (16.66 percent). Applicants state that there are no overlapping or adjacent service areas between the western New York service area of the DFT Communications' subsidiaries and the service areas of the LICT-owned incumbent LEC and competitive LEC subsidiaries, and Brick Skirt does not currently provide telecommunications service and thus has no overlapping or adjacent service areas.

Pursuant to the terms of the proposed transaction, Brick Skirt is purchasing all of the issued and outstanding stock of DFT from Brighton.<sup>2</sup> Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(iii) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>3</sup>

Domestic Section 214 Application Filed for the Transfer of Control of DFT Communications Corporation to Brick Skirt Holdings, Inc., WC Docket No. 14-122 (filed July 21, 2014).

## **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before August 19, 2014**, and reply comments **on or before August 26, 2014**. Pursuant to section 63.52 of the Commission's rules, 47 C.F.R. § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): http://fjallfoss.fcc.gov/ecfs2/.

## In addition, e-mail one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, <a href="mailto:tracey.wilson@fcc.gov">tracey.wilson@fcc.gov</a>;
- 3) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov;
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

<sup>&</sup>lt;sup>2</sup> Applicants state that the stock purchase agreement gives Brighton a warrant to purchase up to 20 percent of the stock of Brick Skirt for a period of five years. Applicants further state that, even if the warrant is exercised, the remaining 80 percent interest directly controlling Brick Skirt will remain with the Maytum family.

<sup>&</sup>lt;sup>3</sup> 47 C.F.R. § 63.03(b)(2)(iii).

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's ex parte rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b), 47 C.F.R. § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's ex parte rules.

For further information, please contact Tracey Wilson at (202) 418-1394 or Jodie May at (202) 418-0913.