DA 14-465

April 4, 2014

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF DETEL WIRELESS, LLC**

**TO CUB PARENT, INC.**

**STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 14-55**

**Comments Due: April 18, 2014**

**Reply Comments Due: April 25, 2014**

On March 21, 2014, Detel Wireless, LLC (Detel), DFF Holdings, LLC (DFF Holdings), and CUB Parent, Inc. (CUB Parent) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission’s rules[[1]](#footnote-1) to transfer control of Detel from DFF Holdings to CUB Parent.

Detel, a Louisiana limited liability company, is authorized to provide competitive local exchange and interexchange services in Louisiana and Mississippi. DFF Holdings, a Louisiana limited liability company that does not itself provide telecommunications services, owns 60 percent of Detel, and Conterra Ultra Broadband Holdings, Inc. (Conterra Holdings), a Delaware corporation, owns the remaining 40 percent. [[2]](#footnote-2) Daryl A. Deshotel, a U.S. citizen, owns 100 percent of DFF Holdings. The following U.S. entities currently own 10 percent or more of Conterra Holdings: DukeNet Communications, LLC and DukeNet Communications Holdings, Inc. (10.78 percent), The 1996 Stephen Richard Leeolou Living Trust (10.91 percent), and The Goldman Sachs Group, Inc. (29.86 percent).

CUB Parent is a Delaware corporation formed for the purpose of acquiring control of Conterra Holdings and Detel. CSC CUB Holdings, LLC, a Delaware limited liability company, owns 77.2 percent of CUB Parent. CSC CUB Holdings, LLC is a holding company for investment funds (Funds) managed by Court Square, a U.S. investment entity.[[3]](#footnote-3) The Funds own 100 percent of the membership interests in CSC CUB Holdings, LLC and will collectively hold a 77.2 percent indirect equity interest in Conterra Holdings and Detel through their equity interest in CSC CUB Holdings, LLC. Applicants state that each Fund is a limited partnership controlled and managed by its sole general partner, Court Square Capital GP III, LLC (GP), a Delaware limited liability company. The largest investor in CSC CUB Holdings, LLC is Court Square Capital Partners III, L.P., a Delaware limited partnership (CSC Fund III). CSC Fund III will hold 81.4 percent of the LLC interests in CSC CUB Holdings LLC, and in turn, will indirectly hold an approximate 62.9 percent indirect equity interest in Conterra Holdings and Detel. GP is managed and controlled by a Board of Manager comprised of U.S. citizens: William Comfort, David Thomas, Michael Delaney, Joseph Silvestri, Ian Highet, and John Weber.

Pursuant to the terms of the proposed transaction, Conterra Holdings will acquire all of DFF Holdings’ membership interests in Detel. Upon completion of the acquisition, Applicants state that Detel will become a wholly-owned subsidiary of Conterra Holdings. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission’s rules and that a grant of the application will serve the public interest, convenience, and necessity.[[4]](#footnote-4)

Domestic Section 214 Application Filed for the Transfer of Control of

Detel Wireless, LLC to Cub Parent, Inc., WC Docket No. 14-55 (filed Mar. 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 April 18, 2014**, and reply comments **on or before April 25, 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. Myrva.Charles, Competition Policy Division, Wireline Competition Bureau, myrva.charles@fcc.gov;
2. Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
3. Jim Bird, Office of General Counsel, [jim.bird@fcc.gov](mailto:jim.bird@fcc.gov).

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 Myrva Charles at (202) 418-1506 or Jodie May at (202) 418-0913.

**- FCC -**

1. 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 wireless licenses. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. [↑](#footnote-ref-1)
2. Conterra Holdings owns 100 percent of Conterra Ultra Broadband, LLC (Conterra) that provides competitive telecommunications services in multiple states. Applicants have also filed a domestic section 214 application to transfer control of Conterra to CUB Parent. Application of Conterra Ultra Broadband Holdings, Inc., Conterra Ultra Broadband, LLC, and CUB Parent, Inc. for Grant of Authority Pursuant to Section 214, WC Docket No. 14-51 (filed Mar. 19, 2014). [↑](#footnote-ref-2)
3. Applicants state that funds managed by Court Square control Fibertech Networks, LLC and Fiber Technologies Networks, LLC that provide competitive telecommunications services in multiple states. [↑](#footnote-ref-3)
4. 47 C.F.R. § 63.03(b)(2)(i). [↑](#footnote-ref-4)