



PUBLIC NOTICE

Federal Communications Commission
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DA 16-1313
November 22, 2016

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE
TRANSFER OF CONTROL OF CLARITY COMMUNICATIONS GROUP, LLC
TO LUMOS NETWORKS CORP.**

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 16-386

Comments Due: December 6, 2016
Reply Comments Due: December 13, 2016

Clarity Communications Group, LLC (Clarity) and Lumos Networks Corp. (Lumos) (together, Applicants) filed an application pursuant to section 214 of the Communications Act of 1934, as amended, and section 63.03 of the Commission's rules, requesting consent to transfer control of Clarity and its wholly owned subsidiary, LMK Communications, LLC (LMK), to Lumos.¹

Clarity, a North Carolina limited liability company, offers, through LMK, a Delaware limited liability company, competitive wireline telecommunications services in North Carolina, South Carolina, Georgia, Virginia, Tennessee, and Alabama. Applicants state that Baileywick Holdings, Inc., a U.S. holding company, owns 100 percent of Clarity. In turn, the following U.S. citizens currently own ten percent of the equity of Baileywick Holdings, Inc.: Todd Peverall (50 percent) and Andrew Carwile (50 percent).

Lumos, a Delaware corporation, provides competitive fiber-based wireline services to carrier, enterprise, and data center customers in 24 markets in Virginia, Pennsylvania, West Virginia, Maryland, Ohio, and Kentucky.² Applicants state that the following U.S. investment entities will own at least ten percent of the equity of Lumos: FMR LLC (Fidelity Investments) (12 percent), The Vanguard Group (11 percent), and Blackrock, Inc. (10 percent).³ Applicants further state that these entities are passive

¹ See 47 U.S.C. § 214; 47 CFR § 63.03. On Nov. 21, 2016, Applicants filed a supplement to their application. Letter from Emily J.H. Daniels, Counsel to Lumos, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-386 (filed Nov. 21, 2016) (Supplement)

² Applicants state that while both Clarity and Lumos operate in Norfolk, Virginia, their networks do not overlap, and they do not currently compete for the same customers.

³ Applicants provided information regarding the management of these investment entities. Supplement at 2.

investors and that while they hold equity interests in other telecommunications entities, neither Lumos nor Clarity is actively affiliated with any other telecommunications provider.

Pursuant to the terms of the proposed transaction, Lumos will purchase all of the equity interests of Clarity from Baileywick Holdings, Inc., and as a result, Lumos will control Clarity and its assets, including LMK. Applicants assert that this proposed transaction qualifies for streamlined treatment pursuant to 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

Domestic Section 214 Application Filed for the Transfer of Control of Clarity Communications Group, LLC to Lumos Networks Corp., WC Docket No. 16-386 (filed Nov. 10, 2016).

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 December 6, 2016**, and reply comments **on or before December 13, 2016**. Pursuant to section 63.52 of the Commission's rules, 47 CFR § 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 assets 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://apps.fcc.gov/ecfs/>.

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

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@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;

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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

⁴ 47 CFR § 63.03(b)(2)(i).

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 CFR. § 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.

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