**DA 16-994**

**August 31, 2016**

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF MILLRY CORPORATION**

**STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 16-260**

**Comments Due: September 14, 2016**

**Reply Comments Due: September 21, 2016**

Millry Corporation (Millry Corp) shareholders named the Darrell R. Brown, Sr. Management Trust, Bryanell S. Brown Management Trust, GST Exempt Family Trust for the benefit of Darrell Raiford Brown, Jr., GST Exempt Family Trust for the benefit of Lisa Renee Bond, and the GST Exempt Family Trust for the benefit of Chera Dare Ogburn (collectively, the Transferors) and Millry Corp shareholders named the Paul E. Brown, Sr. Management Trust and the GST Exempt Family Trust for the benefit of Paul E. Brown, Jr. (collectively, the Transferees) 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 authorization to transfer of control of the domestic section 214 authorizations held by Millry Corp’s wholly owned subsidiaries Millry Telephone Company, Inc. (Millry Telephone), Millry Communication, Inc. (Millry Communication), and Millry Telephone LD, LLC (Millry LD) from the Transferors to the Transferees.[[1]](#footnote-2)

Millry Corp, an Alabama corporation, does not provide domestic telecommunications services itself but is a holding company for Millry Telephone, Millry Communication, and Millry LD. Millry Telephone and Millry Communication are direct wholly owned subsidiaries of Millry Corp, and Millry LD is a direct wholly owned subsidiary of Millry Telephone. The sole stockholders of Millry Corp are the Darrell R. Brown, Sr. Management Trust (14.44 percent), Bryanell S. Brown Management Trust (2.36 percent), GST Exempt Family Trust for the benefit of Darrell Raiford Brown, Jr., (11.07 percent), GST Exempt Family Trust for the benefit of Lisa Renee Bond (11.07 percent), GST Exempt Family Trust for the benefit of Chera Dare Ogburn (11.07 percent), Paul E. Brown Management Trust (16.80 percent), and the GST Exempt Family Trust for the benefit of Paul E. Brown, Jr. (33.20 percent). All entities are U.S.-based. Applicants state that the Transferors and the Transferees have no ownership or control over any provider of domestic or international telecommunications services other than the Millry Corp subsidiaries - Millry Telephone, Millry Communication, and Millry LD.

Millry Telephone, an Alabama corporation, is a rural incumbent local exchange carrier (LEC) serving portions of Washington and Choctaw counties in southwestern Alabama with approximately 4902 access lines. Applicants state that Millry Telephone also has separate authority to provide alternative facilities-based and resold local exchange telecommunications in Alabama as a competitive LEC, but that it has never utilized its authority nor served any customers outside of its incumbent LEC service territory in Washington and Choctaw counties. Applicants further state that Millry Communication, an Alabama corporation, is authorized to provide alternative facilities-based and resold local exchange telecommunications in Alabama as a competitive LEC, however, it does not provide local exchange or other voice telephone services to customers within Millry Telephone’s incumbent LEC service territory. Millry Communication provides local exchange service, long distance (through Millry LD), broadband, and Ethernet services to customers outside of Millry Telephone’s service area, largely within Washington and Choctaw counties. It is also a retail provider of broadband services in Millry Telephone’s incumbent LEC area to approximately 70 commercial customers, utilizing Millry Telephone facilities. Millry LD, an Alabama limited liability company, provides resold interexchange service to customers of Millry Telephone and Millry Communication.

Applicants state that Millry Telephone and Millry Communication have never provided voice services in overlapping geographic areas. Applicants further state that the areas served and the telecommunications services provided by both companies will remain unchanged after the consummation of the proposed transaction.

Pursuant to the terms of the proposed transaction, Millry Corp will purchase 100 percent of the Transferors’ outstanding Class A and Class B shares in Millry Corp (totaling 50 percent of the corporation’s economic ownership). As a result of the proposed transaction, the Transferees’ percentage ownership in Millry Corp’s outstanding stock and their voting membership in the corporation will increase from 50 percent to 100 percent, giving the Transferees complete *de* jure control of Millry Corp and thus its subsidiaries’ section 214 domestic authorizations.[[2]](#footnote-3) Applicants state that Millry Telephone, Millry Communication and Millry LD will continue to provide service to their customers at the same rates, terms, and conditions as immediately prior to the proposed transaction. We accept this application for streamlined processing pursuant to our authority to afford streamlining to particular applications on a case-by-case basis.[[3]](#footnote-4)

Domestic Section 214 Application Filed for the Transfer of Control of Millry Corporation, WC Docket No. 16-260 (filed Aug. 15, 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 September 14, 2016**, and reply comments **on or before September 21, 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](mailto:tracey.wilson@fcc.gov);
2. Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, [gregory.kwan@fcc.gov](mailto:gregory.kwan@fcc.gov);
3. Jim Bird, Office of General Counsel, [jim.bird@fcc.gov](mailto:jim.bird@fcc.gov);
4. David Krech, International Bureau, [david.krech@fcc.gov](mailto:david.krech@fcc.gov);
5. Sumita Mukhoty, International Bureau, [sumita.mukhoty@fcc.gov](mailto:sumita.mukhoty@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), 1-888-835-5322 (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 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 Gregory Kwan at (202) 418-1191.

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1. *See* 47 U.S.C. § 214; 47 CFR § 63.03. Applicants also filed applications for the transfer of authorizations associated with international and wireless services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. On August 30, 2016, Applicants also filed a supplement to their domestic section 214 application. [↑](#footnote-ref-2)
2. Applicants state that prior to the completion of the proposed transaction, Millry Corp may create another wholly owned intermediate subsidiary which would have no impact on the transfer of control of Millry Corp and its subsidiaries. In such event, Applicants state they will file notices with the Commission and/or supplement the record. [↑](#footnote-ref-3)
3. *See*[*Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, Report and Order, 17 FCC Rcd 5517, 5531-32, 5535](https://1.next.westlaw.com/Link/Document/FullText?findType=Y&serNum=2002201446&pubNum=0004493&originatingDoc=Ica44cf6399a811e590d4edf60ce7d742&refType=CA&fi=co_pp_sp_4493_5531&originationContext=document&transitionType=DocumentItem&contextData=(sc.Search)#co_pp_sp_4493_5531), paras. 28, 34 (2002); [47 CFR § 63.03(a)](https://1.next.westlaw.com/Link/Document/FullText?findType=L&pubNum=1000547&cite=47CFRS63.03&originatingDoc=Ica44cf6399a811e590d4edf60ce7d742&refType=RB&originationContext=document&transitionType=DocumentItem&contextData=(sc.Search)#co_pp_8b3b0000958a4). [↑](#footnote-ref-4)