



PUBLIC NOTICE

Federal Communications Commission
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DA 17-319
April 4, 2017

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF LIGONIER TELEPHONE COMPANY, INC. AND LIGTEL COMMUNICATIONS, INC.

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 17-71

Comments Due: April 18, 2017
Reply Comments Due: April 25, 2017

By this Public Notice, the Wireline Competition Bureau (Bureau) seeks comment from interested parties on an application filed by Ligonier Telephone Company, Inc. (LTC), LigTel Communications, Inc. (LCI), and Heartland Innovations, Inc. (Heartland) (collectively, Applicants), pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.03 of the Commission's rules, requesting approval of an unauthorized transfer control that occurred in January 2005 when shares of LTC, the then-parent company of LCI, were transferred to Meshell L. Schloss, thereby making her the majority owner.¹

LTC, an Indiana corporation, serves as an incumbent local exchange carrier (LEC) operating approximately 999 lines in the northwest portion of Noble County, Indiana. LCI, an Indiana corporation, serves as a reseller of long distance services in and around the areas served by LTC.² Heartland, an Indiana corporation, was formed in January 2017 to effectuate a pro forma transfer of control establishing

¹ See 47 U.S.C. § 214; 47 CFR § 63.03. Applicants also filed applications for the transfer of authorizations associated with international services. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications. On January 15, 2005, an unauthorized transfer of control occurred when the death of a then minority shareholder of LTC who controlled the operations of the company, Mr. Robert P. Schloss, resulted in the voting interests of his wife, Meshell L. Schloss, to exceed 50 percent. Applicants provide a fuller description of the ownership changes that have occurred since 2005 in their application, including a January 1, 2007 distribution of Mr. Schloss' Estate to Mrs. Schloss and a Trust for which she is the sole beneficiary, as well as a January 1, 2017 pro forma transfer of control. On March 27, 2017, the Bureau granted Applicants' request for special temporary authority to authorize Applicants to continue providing service while the Bureau reviews the domestic 214 application, effective for 60 days. See Letter from Thomas J. Moorman, Counsel to Applicants, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-71 (filed Mar. 21, 2017). On March 29, 2017, Applicants filed a supplement to their domestic 214 application.

² Applicants state that LCI is currently the license holder of various Commission-issued radio licenses which overlap LTC's incumbent LEC service area.

LTC and LCI as separate wholly owned subsidiaries of Heartland.³ The following U.S. citizen and Indiana trusts hold a 10 percent or greater interest in Heartland: Meshell L. Schloss (40.6 percent), the Phil Schloss Trust (28.8 percent), and the Robert P. Schloss Family Credit Shelter Trust (Meshell L. Schloss as trustee and sole beneficiary) (10.2 percent).

Applicants seek Commission approval of the 2005 transfer of control in which Meshell L. Schloss became a majority shareholder of LTC. Applicants claim that, since that time, LTC and LCI have continued to provide high-quality service and that the transaction has been transparent to its customers. Although the Applicants request streamlined processing, because the transaction involves overlapping services, the application is not subject to streamlined treatment.⁴

Domestic Section 214 Application Filed for the Transfer of Control of
Ligonier Telephone Company, Inc. and LigTel Communications, Inc., WC Docket No. 17-71
(filed Mar. 17, 2017).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-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, 2017**, and reply comments **on or before April 25, 2017**. 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.

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) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov;
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov;
- 4) David Krech, International Bureau, david.krech@fcc.gov; and

³ At the time of the unauthorized transfer of control in January 2005, LTC was the parent company of LCI. In January 2017, Heartland was formed to execute the pro forma transfer of control in which the former shareholders of LTC exchanged their shares of LTC for shares of Heartland, thus, establishing LTC and LCI as wholly owned subsidiaries of Heartland.

⁴ 47 CFR § 63.03(c)(1).

5) Sumita Mukhoty, International Bureau, <mailto:sumita.mukhoty@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 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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