Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of	)	
	)	File No.: EB-IHD-19-00030168
ConnectTo Communications, Inc.	)	FRN: 0013921614
	)	
	)	

ADMONISHMENT ORDER

Adopted: December 10, 2019 **Released: December 10, 2019**

By the Chief, Enforcement Bureau:

I. INTRODUCTION

1. The Federal Communications Commission's (FCC or Commission) transparency disclosure requirements allow consumers to make informed choices regarding the purchase and use of broadband Internet access services, and entrepreneurs and other small businesses to develop, market, and maintain Internet offerings.[1] Providers of broadband Internet access services are required to publicly disclose accurate information regarding their network management practices, performance, and the commercial terms of the services they provide via a publicly available, easily accessible website or by transmittal to the Commission.[2] The Commission is committed to keeping the communications marketplace fair and honest by holding broadband Internet service providers (ISPs) to their obligation to be transparent to consumers about their services. We hereby admonish ConnectTo Communications, Inc. (CTC or Company) for failing to prominently disclose its network management practices, performance, and commercial terms associated with its broadband Internet access service as required by the Transparency Rule, and order the Company to publicly disclose the required information via a publicly available, easily accessible website, or by transmittal to the Commission, within thirty (30) days after the date of this Admonishment Order. Failure to do so may result in substantial fines or forfeitures.

II. BACKGROUND

2. CTC offers broadband Internet access service to the public, and as such, is required to disclose accurate information regarding its network management practices, performance, and the commercial terms of the services it provides via a publicly available, easily accessible website or by transmittal to the Commission.[3] CTC reported that as of June 30, 2018, it served only [redacted] subscribers. CTC makes broadband service available in Los Angeles County, California.

3. In late 2018, Commission staff conducted online searches to verify whether ISPs were fulfilling their obligations to provide the disclosures required by the Transparency Rule. Although Commission records indicate the Company is an ISP,[4] Commission staff were unable to locate a

[1] *See Restoring Internet Freedom*, WC Docket No. 17-108, Declaratory Ruling, Report and Order, and Order, 33 FCC Rcd 311, 313, para. 3 (2018) (*RIF Order*).

[2] *See id.* at 435, para. 215; 47 CFR § 8.1 (Transparency Rule).

[3] 47 CFR § 8.1.

[4] Commission rules require ISPs to file an FCC Form 477 on a semi-annual basis to provide data about where they offer Internet access service. 47 CFR §§ 1.7000-.7002. The Company appears to be an ISP because it has filed an

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transparency disclosure for CTC, either on a publicly available, easily accessible website or via proper transmittal to the Commission.

4. The Commission's Wireline Competition Bureau (WCB) sent the Company one or more letters, reminding it of its disclosure obligations pursuant to the Transparency Rule,[5] and also that Commission staff had been unable to locate the Company's required disclosures. WCB directed the Company to indicate whether it had made the required disclosures, and if so, to notify WCB accordingly, including by either providing a link to where the disclosures were posted to a publicly available website, or evidence that the disclosure statement was provided to the Commission via its Transparency Disclosures Portal.[6] WCB also directed that if the Company had not provided the required disclosure statement, it must explain why. WCB warned that failure to comply with the instructions in the letter(s) could result in referral of the matter to the Commission's Enforcement Bureau. As of the date hereof, Commission staff remain unable to locate transparency disclosures for the Company on either a publicly available website or by proper transmittal to the Commission.

III. DISCUSSION

5. We find that the Company willfully violated the Transparency Rule by failing to post the required transparency disclosures.[7] The Transparency Rule requires ISPs to publicly disclose accurate information regarding their network management practices, performance characteristics, and commercial terms of their broadband Internet access services via a publicly available, easily accessible website or through transmittal to the Commission for its Transparency Disclosures Portal.[8]

6. Even after WCB reminded the Company that it appeared to be out of compliance with the Transparency Rule, there is no evidence that the Company has taken any steps to rectify its violation by posting the required transparency disclosures, nor has the Company demonstrated that it is not otherwise subject to the Transparency Rule or that it has otherwise been in compliance with the Transparency Rule.

7. By failing to comply with the Transparency Rule, the Company has deprived consumers of critical information that must be available when selecting Internet service in the marketplace. As the Commission has previously stated, clear disclosures help consumers make well-informed choices about their purchase and use of broadband Internet access services.[9] Moreover, transparent disclosures improve consumer confidence in ISPs' practices while providing entrepreneurs and other small businesses with information they can utilize to innovate and improve their own offerings.

8. The Company's failure to make the required transparency disclosures deprives the Commission of valuable information needed to perform its statutory obligation to observe the communications marketplace to monitor services and technologies, and to identify and eliminate potential marketplace barriers for the provision of information services.[10] Such disclosures substantially reduce the possibility that ISPs will engage in harmful business practices, and transparency motivates providers to engage in quick corrective measures if problematic conduct is identified. The Commission's Transparency Rule facilitates the Commission's ability to adeptly discharge its marketplace

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FCC Form 477. *See Fixed Broadband Deployment Data from FCC Form 477*, https://www.fcc.gov/general/broadband-deployment-data-fcc-form-477 (last visited Dec. 3, 2019).

[5] Letter from Kris Monteith, Chief, Wireline Competition Bureau, FCC, to Armen Goulavan, CIO, ConnectTo Communications Inc. (Dec. 7, 2018); Letter from Kris Monteith, Chief, Wireline Competition Bureau, FCC, to Araksiya Nadjarian, ConnectTo Communications Inc. (Feb. 11, 2019).

[6] *See ISP Transparency Disclosures Portal*, https://www fcc.gov/isp-disclosures (last visited Dec. 3, 2019).

[7] 47 CFR § 8.1(a).

[8] *Id.; see also RIF Order*, 33 FCC Rcd at 439-42, paras. 218-27.

[9] *RIF Order*, 33 FCC Rcd at 435, para. 209.

[10] *See* 47 U.S.C. § 257.

responsibilities, while simultaneously minimizing burdens on service providers.[11] Thus, the Company's failure to provide these important disclosures is harmful to the communications marketplace and constitutes a serious violation of the Commission's Transparency Rule.

IV. CONCLUSION

9. We have determined that the Company violated section 8.1(a) of the Commission's rules (Rules). We require that the Company conform its conduct to comply with the requirements of section 8.1(a) of the Rules and caution the Company that future such violations may subject it to substantial monetary forfeitures.

V. ORDERING CLAUSES

10. Accordingly, **IT IS ORDERED** that, pursuant to sections 4(i), 4(j), and 403 of the Communications Act of 1934, as amended (the Act), and section 0.111(a)(18) of the Commission's rules,[12] ConnectTo Communications, Inc. **IS ADMONISHED** for its failure to publicly disclose accurate information regarding its network management practices, performance characteristics, and commercial terms of its broadband Internet access services, in willful and repeated violation of the Commission's transparency disclosure requirement in section 8.1(a) of the Rules.[13]

11. **IT IS FURTHER ORDERED**, pursuant to sections 4(i), 4(j), 13, 257, and 403 of the Act,[14] that ConnectTo Communications, Inc. shall submit a transparency disclosure that meets all the requirements of the Transparency Rule no later than thirty (30) days from the release date of this Admonishment Order.

12. **IT IS FURTHER ORDERED** that a copy of this Admonishment Order shall be sent by first class and certified mail, return receipt requested, to Araksiya Nadjarian, CIO, ConnectTo Communications, Inc., 555 Riverdale Drive, Suite A, Glendale, CA 91204.

FEDERAL COMMUNICATIONS COMMISSION

Rosemary C. Harold
Chief
Enforcement Bureau

[11] *See RIF Order*, 33 FCC Rcd at 433-50, paras. 209-38.

[12] 47 U.S.C. §§ 154(i), 154(j), 403; 47 CFR § 0.111(a)(18).

[13] 47 CFR § 8.1(a).

[14] 47 U.S.C. §§ 154(i), 154(j), 163, 257, 403.