



PUBLIC NOTICE

Federal Communications Commission
45 L Street NE
Washington, DC 20554

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DA 26-725

Released: July 13, 2026

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF
SLEDGE TELEPHONE COMPANY, INC. AND VARICOM TELECOMMUNICATIONS, INC.
TO MULEOPS, LLC**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket Nos. 26-138

Comments Due: July 27, 2026

Reply Comments Due: August 3, 2026

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Sunflower Enterprises, Inc. (Sunflower) and MuleOps, LLC (MuleOps) (together, Applicants), pursuant to section 214(a) of the Communications Act of 1934, as amended, and section 63.04 of the Commission's rules,¹ requesting consent for the transfer of control of Sunflower's wholly-owned subsidiaries, Sledge Telephone Company, Inc. (Sledge) and Varicom Telecommunications, Inc. (Varicom), to MuleOps.²

Sunflower, a Mississippi telecommunications holding company, serves as the parent entity for a family of affiliated rural telephone carriers operating in the Mississippi Delta region.³ Sledge, a Mississippi corporation, provides service as an incumbent local exchange carrier (LEC) in the Sunflower and Washington Counties of Mississippi and offers communications services to customers in its Sunflower and Glen Allan, Mississippi exchanges.⁴ Varicom, also a Mississippi corporation, is authorized to provide service as an interexchange carrier and telecommunications reseller in Sunflower

¹ See 47 U.S.C. § 214(a); 47 CFR § 63.04.

² Domestic Section 214 Application for the Transfer of Control of Sledge Telephone Company, Inc. and Varicom Telecommunications, Inc. to MuleOps, LLC, WC Docket No. 26-138 (filed June 5, 2026) (Application). On July 9, 2026 and July 10, 2026, Applicants filed supplements to their domestic section 214 application. Letter from John Kuykendall, Regulatory Advisor, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 26-138 (filed July 9, 2026) (Supplement); Letter from John Kuykendall, Regulatory Advisor, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 26-138 (filed July 10, 2026) (Second Supplement). Applicants also filed an application for the transfer of authorizations associated with international services. Any action on the Application is without prejudice to Commission action on other related, pending applications.

³ Application at 2. Applicants state that Sunflower's operations are concentrated in the Sunflower and Washington Counties of Mississippi, where it oversees the provision of local exchange and related telecommunications services through its affiliated carriers. *Id.*

⁴ *Id.* at 3. Applicants state that Sledge has been designated as an Eligible Telecommunications Carrier (ETC) and that it receives Universal Service Fund (USF) support in the form of Connect America Fund–Intercarrier Compensation (CAF-ICC) and Enhanced Alternative Connect America Cost Model (E-ACAM) support in Study Area Code (SAC) 280466. *Id.* Applicants also note that Sunflower, through its subsidiary, Sledge, receives funding as part of the U.S. Department of Agriculture's ReConnect Program award in Sunflower County, Mississippi with associated minimum broadband speeds of 100 Mbps downstream and 100 Mbps upstream. Supplement at 2.

and Washington Counties.⁵

MuleOps, an Idaho limited liability company, is held by Jeremy and Paula Smith (the Smiths) (50% equity and voting) and Kip and Suzanne Wilson (the Wilsons) (50% equity and voting).⁶ The Smiths and the Wilsons each also hold a 18.5% equity and voting interest in Direct Management Company, LLC (DMC), an Idaho limited liability company, which directly and indirectly holds interests in the following incumbent LECs: (1) Direct Communications Rocklands, Inc. (Direct Communications) (100% direct equity and voting), serving Power and Bear Lake, Idaho; (2) Star Telephone Company, Inc. (100% indirect equity and voting), serving Concordia, Iberville, Pointe Coupee, Rapides, and West Baton Rouge, Louisiana; (3) UniTel, Inc. (100% indirect equity and voting), serving Waldo, Kennebec, and Knox, Maine; (4) Union River Telephone (100% indirect equity and voting), serving Hancock, Washington, and Penobscot, Maine; (5) Direct Communications Cedar Valley, LLC (Direct Communications Cedar Valley) (37.5% direct equity and voting), serving Eagle Mountain, Utah; and (6) Rico Telephone (37.5% indirect equity and voting), serving Dolores, Colorado.⁷

Pursuant to the terms of the proposed transaction, MuleOps will purchase all issued and outstanding shares of Sunflower.⁸ Following consummation of the transaction, MuleOps will control Sunflower and its wholly-owned subsidiaries of Sledge and Varicom.⁹

Applicants assert that the proposed transaction is consistent with the public interest, convenience, and necessity.¹⁰ Because the proposed transaction is more complex than those accepted for streamlined treatment, and in order to analyze whether the proposed transaction would serve the public interest, we accept the Application for non-streamlined processing.¹¹

⁵ *Id.*

⁶ *Id.* at 2; Supplement at 2. Applicants state that MuleOps operates as a management company for entities held by the Smiths and the Wilsons including, Direct Communications and Rico Telephone. Application at 2 and 9; Supplement at 3. Applicants also state that Direct Communications, in turn, holds interests in Direct Communications Cedar Valley (62.5% direct equity and voting) and Rico Telephone (62.5% indirect equity and voting). Application at 9. Applicants provide post-transaction ownership charts. *Id.*, Exh. B (Post-Transaction Ownership and Organization Information) at 13. Applicants state that, other than what has been identified in the Application, no owner or affiliate of MuleOps holds a 10% or greater direct or indirect equity or voting interest in any domestic telecommunications entity. Supplement at 1. We note that MuleOps is also the transferee in another pending domestic section 214 application. *See* Domestic Section 214 Application Filed for the Transfer of Control of Smithville Telephone Company, Inc. and Traceroad Communications, Inc. d/b/a Traceroad Long Distance to MuleOps, LLC, WC Docket No. 26-139 (filed June 5, 2026) (seeking Commission approval for the transfer of control of Smithville Telephone Company, Inc., an incumbent LEC serving portions of Itawamba and Monroe Counties of Mississippi, and Traceroad Communications, Inc. d/b/a Traceroad Long Distance, a provider of interstate and international calling services, to MuleOps). Applicants state that, in relation to the other pending MuleOps transaction, the service area of Sledge and its affiliate do not overlap with and are not adjacent to, the service areas of Smithville Telephone Company, Inc. and its affiliate, and that otherwise the service areas of MuleOps's affiliated carriers are located entirely outside Mississippi and do not overlap with or adjoin the service areas proposed to be transferred. Second Supplement at 1-2.

⁷ *See* Application at 8-9; Supplement at 3. Applicants provide information on the different USF support that the affiliates of DMC receive including Connect American Fund Broadband Loop Support (CAF BLS), High Cost Loop (HCL), Intercarrier Compensation Recovery (ICC), Alternative Connect America Cost Model II (ACAM-II), and E-ACAM programs. Supplement at 1 and n.1. Applicants note that each of the affiliates of DMC are also designated as ETCs in each of their respective states where the affiliates provide service. *Id.* at 1-2.

⁸ Application at 3.

⁹ *Id.*

¹⁰ *Id.* at 5-6.

¹¹ *See* 47 CFR § 63.03(c)(1)(v).

Domestic Section 214 Application Filed for the Transfer of Control of Sledge Telephone Company, Inc. and Varicom Telecommunications, Inc. to MuleOps, LLC, WC Docket No. 26-138 (filed June 5, 2026).

GENERAL INFORMATION

The Application identified herein has been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies.

Interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <https://www.fcc.gov/ecfs/>.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing.
 - Filings can be sent by hand or messenger delivery, by commercial courier, or by the U.S. Postal Service. **All filings must be addressed to the Secretary, Federal Communications Commission.**
 - Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC's mailing contractor at 9050 Junction Drive, Annapolis Junction, MD 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.
 - Commercial courier deliveries (any deliveries not by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
 - Filings sent by U.S. Postal Service First-Class Mail, Priority Mail, and Priority Mail Express must be sent to 45 L Street NE, Washington, DC 20554.

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.

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

- 1) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov;
- 2) Audra Hale-Maddox, Telecommunications Access Policy Division, Wireline Competition Bureau, audra.hale-maddox@fcc.gov;
- 3) Karen Johnson, Telecommunications Access Division, Office of International Affairs, Karen.johnson@fcc.gov; and
- 4) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

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.

To allow the Commission to consider fully all substantive issues regarding the Application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.¹² A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, at (202) 418-1191.

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¹² See 47 CFR § 1.45(c).