



PUBLIC NOTICE

Federal Communications Commission
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Washington, D.C. 20554

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DA 18-27
January 10, 2018

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL
OF HIAWATHA BROADBAND COMMUNICATIONS, INC. TO
SCHURZ COMMUNICATIONS, INC.**

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 17-362

Comments Due: January 24, 2018
Reply Comments Due: January 31, 2018

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Hiawatha Broadband Communications, Inc. (HBC), Robert A. Kierlin, Schurz Communications, Inc. (Schurz), and Ten Thousand Lakes Broadband, Inc. (TTLB) (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, requesting approval to transfer control of HBC to Schurz.¹

HBC, a Minnesota corporation, provides competitive telecommunications, cable, and broadband services to residential and business customers in 15 Minnesota exchanges: Altura, Cannon Falls, Dover, Elgin, Eyota, Goodhue, Kellogg, Lake City, Lewiston, Plainview, Red Wing, St. Charles, Stockton, Wabasha, and Winona. HBC also holds authority or conditional approval to provide these services in the Rochester, Wykoff, Zumbro Falls Hastings, Buffalo Lake, and Stewart exchanges. The following U.S. citizen and Minnesota non-profit corporation currently hold a 10 percent or greater interest in HBC: Robert A. Kierlin (62.574 percent) and Maritime Heritage Society (13.201 percent).

Schurz, an Indiana corporation, is a newspaper publisher that also provides competitive telecommunications, video, and broadband services through its wholly owned affiliates in Maryland, Iowa, Nebraska, and South Dakota.² TTLB, a Minnesota corporation and wholly owned affiliate of

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Applicants also filed applications for the transfer of authorizations associated with international and wireless services. On January 8, 2018, Applicants filed a supplement to their domestic section 214 application. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² Applicants state that Schurz provides services through: (1) Antietam Broadband f/k/a Anteitam Cable Television, Inc., an Indiana limited liability company, serving Hagerstown, Maryland and surrounding

Schurz, was created for the purposes of the proposed transaction and does not itself provide telecommunications services. Applicants state that, upon the consummation of the proposed transaction, the following Indiana trust and U.S. citizens will hold 10 percent or more interest in Schurz: Schurz Communications Voting Trust Agreement (Schurz Trust) (75.17 percent voting), Laura E. Ray (12 percent indirect voting), and Harvey B. Wallace (15 percent indirect voting).³

Pursuant to the terms of the proposed transaction, TTLB will be merged with and into HBC, which will survive the closing and continue operations as a wholly owned, direct subsidiary of Schurz. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under sections 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
Hiawatha Broadband Communications, Inc. to Schurz Communications, Inc.,
WC Docket No. 17-362 (filed Dec. 20, 2017).

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 January 24, 2018**, and reply comments **on or before January 31, 2018**. 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 control 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 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;

communities in Washington County, Maryland, (2) Long Lines, LLC, a Delaware limited liability company, serving 16 communities in Iowa, Nebraska, and South Dakota, and (3) Orbitel Communications, LLC, an Arizona limited liability company, serving the City of Maricopa, Arizona, and surrounding planned communities. Applicants state that there are no overlaps between the service areas of these wholly owned affiliates of Schurz and HBC. Applicants further state that Schurz does not hold interests in any other telecommunications carrier.

³ Applicants state that Franklin D. Schurz, Jr., Todd F. Schurz, and Scott C. Schurz are the trustees of the Schurz Trust, each of whom are U.S. citizens and individually hold a 33.3 percent voting interest in Schurz. Franklin D. Schurz and Scott C. Schurz are beneficiaries and each hold a 28 percent equity interest along with Mary Ann Schurz, also a U.S. citizen and beneficiary, who holds a 19 percent equity interest in Schurz. Applicants state that, post-consummation, no other entity or individual will hold a direct or indirect 10 percent or greater equity or voting interest in Schurz or TTLB.

⁴ 47 CFR § 63.03(b)(2)(i).

- 2) Greg Kwan, Competition Policy Division, Wireline Competition Bureau, greg.kwan@fcc.gov;
- 3) David Krech, International Bureau, david.krech@fcc.gov;
- 4) Sumita Mukhoty, International Bureau, Sumita.mukhoty@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@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 Greg Kwan at (202) 418-1191.

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