

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of the Joint Application of)
)
Cincinnati Bell Inc., Transferee)
)
and)
) WC Docket No. 17-_____)
Hawaiian Telcom Holdco, Inc., Transferor,)
and) IB File Nos. ITC-T/C-2017_____)
Hawaiian Telcom, Inc.,) ITC-T/C-2017_____)
Hawaiian Telcom Services Company, Inc. and)
Wavecom Solutions Corporation, Licensees)
)
for authority pursuant to Section 214 of the)
Communications Act of 1934, as amended,)
to Transfer Indirect Control of Domestic and)
International Section 214 Authorization Holders)
to Cincinnati Bell Inc.)
)
)

JOINT APPLICATION

Pursuant to Section 214 of the Communications Act of 1934, as amended (“the Act”),¹ and Sections 63.04, 63.18, and 63.24 of the Commission’s Rules,² Cincinnati Bell Inc. (“Cincinnati Bell”), Hawaiian Telcom Holdco, Inc. (“Holdco”), and Hawaiian Telcom, Inc. (“HTI”), Hawaiian Telcom Services Company, Inc. (“HTSC”), Wavecom Solutions Corporation (“Wavecom”) (HTI, HTSC and Wavecom collectively, “Licensees” and, together with Cincinnati Bell and Holdco, “Applicants”), by their undersigned representatives, request Commission consent to transfer indirect control of Licensees, each of which holds domestic and/or international Section 214 authorization(s), to Cincinnati Bell. Such authority is necessary

¹ 47 U.S.C. § 214.
² 47 C.F.R. §§ 63.04, 63.18 and 63.24.

to complete a transaction (detailed below), whereby Cincinnati Bell will become the parent company of Holdco and the indirect parent of Licensees (the “Transaction”).³ Diagrams depicting the pre- and post-Transaction corporate ownership structures are appended hereto as **Exhibit A**. The Section 214 authorizations currently held by the Licensees will continue to be held by those same entities following consummation of the proposed Transaction. There are no overlapping or adjacent local exchange service territories between the Licensees and any subsidiary of Cincinnati Bell. A description of how the Transaction will serve the public interest is attached as **Exhibit B**.

In support of this Application, Applicants provide the following information:

I. DESCRIPTION OF THE APPLICANTS

A. Transferee – Cincinnati Bell Inc. and its Subsidiaries

Cincinnati Bell is a widely held, publicly traded Ohio corporation (NYSE: CBB). Among other services, Cincinnati Bell and its subsidiaries provide high-speed data, video and voice solutions to consumers and businesses over an expanding fiber network and legacy copper network.⁴ Cincinnati Bell, through its subsidiary Cincinnati Bell Telephone Company LLC (“CBT”), has operated as an independent local exchange carrier (“ILEC”) serving portions of Ohio, Kentucky, and Indiana for over 140 years. CBT is the only telephone company formerly associated with the Bell System that still operates independently. Beyond CBT’s ILEC territory, Cincinnati Bell provides competitive local exchange carrier (“CLEC”) services in contiguous areas in Ohio and video service in portions of Ohio, Kentucky and Indiana through its indirect

³ To effectuate the Transaction, Twin Acquisition Corp. (“Merger Sub”) will merge with and into Holdco with Holdco surviving. Merger Sub is a Delaware corporation formed for the purposes of the combination. Merger Sub is a direct, wholly owned subsidiary of Cincinnati Bell.

⁴ Through Cincinnati Bell Technology Solutions Inc. (“CBTS”), a Delaware corporation, 100% owned by Cincinnati Bell, Cincinnati Bell also provides enterprise customers across the United States efficient, scalable office communications systems and end-to-end IT solutions.

subsidiary Cincinnati Bell Extended Territories LLC (“CBET”), and provides nationwide long distance, voice over Internet protocol (“VoIP”) and CLEC service through its indirect subsidiary Cincinnati Bell Any Distance Inc. (“CBAD”).⁵

Cincinnati Bell’s early decision to accelerate its regional fiber build-out a decade ago has created a unique network, capable of producing higher bandwidth and faster Internet speed than its competitors. Cincinnati Bell continues to transform from a legacy copper-based telecommunications company into a technology company with state-of-the-art fiber assets serving customers with data, video, voice, and IT solutions to meet their evolving needs. As of June 30, 2017, the Company’s fiber network covered 10,600 route miles reaching over 556,700 addresses, including 15,800 commercial buildings with fiber-based services. Cincinnati Bell also provides cell site backhaul services to more than 70% of the 1100 cell sites within its territory. Cincinnati Bell subsidiaries CBT, CBET, CBAD are authorized by the Commission to provide interstate and international services.

Merger Sub is a wholly owned Delaware subsidiary of Cincinnati Bell formed for the purposes of implementing the Transaction. More information regarding Cincinnati Bell can be found at www.cincinnati-bell.com.

To the knowledge of Cincinnati Bell, the following entities are the only persons or entities currently holding or controlling a 10% or greater ownership interest in Cincinnati Bell:

Name:	BlackRock, Inc.
Address:	55 East 52nd Street New York, NY 10055
Citizenship:	United States (Delaware)
Principal Business:	Investment Management
% Interest:	13.8% (indirectly, as the parent of BlackRock Fund Advisors) ⁶

⁵ CBAD is 100% owned by Cincinnati Bell’s CBTS direct subsidiary.

Name: The Vanguard Group, Inc.
100 Vanguard Blvd.
Malvern, PA 19355
Citizenship: United States (Pennsylvania)
Principal business: Investment Management
% Interest: 13.54%⁷

Name: GAMCO Investors, Inc. (“GAMCO”)
One Corporate Center
Rye, New York 10580-1435
Citizenship: United States (New York)
Principal business: Investment Management
% Interest: 12.37%⁸

B. Transferor/Licensees -- The Hawaiian Telcom Companies

1. Hawaiian Telcom Holdco, Inc.

Hawaiian Telcom Holdco, Inc. (“Holdco”), a Delaware corporation, is a widely held publicly traded company (NASDAQ: HCOM) that, along with its subsidiaries, is headquartered in Honolulu, Hawai‘i. Holdco, through its operating subsidiaries, provides communications services and products in Hawai‘i. To the knowledge of Holdco, the following entities are the only persons or entities currently holding or controlling a 10% or greater ownership interest in Holdco:

Name: Black Diamond Capital Management LLC
Address: One Sound Shore Drive
Suite 200
Greenwich, CT 06830
Citizenship: United States (Delaware)
Principal Business: Investment Management
% Interest: 22.9%, and

⁶ See *infra* note 18 for further detail regarding BlackRock, Inc.

⁷ See *infra* note 20 for further detail regarding The Vanguard Group.

⁸ See *infra* note 22 for further detail regarding GAMCO Investors, Inc.

Name: Twin Haven Special Opportunities Fund III, L.P.⁹
Address: 1111 Santa Monica Boulevard
Suite 525
Los Angeles, CA 90025
Citizenship: United States (Delaware)
Principal Business: Investment Management
% Interest: 22.5%

Holdco is the indirect parent company of HTI, HTSC, and Wavecom.¹⁰ More detail about Holdco can be found at www.hawaiiantel.com.

2. Hawaiian Telcom, Inc.

HTI, a Hawaii corporation, is an indirect, wholly owned subsidiary of Holdco. As the largest full service provider of telecommunications services and products in the state of Hawaii, HTI is the incumbent local exchange carrier, serving Hawaii for over 133 years. HTI provides voice and data network solutions supported by the reach and reliability of its next generation fiber network and a 24/7 state-of-the-art network operations center. HTI's statewide backbone is one of the largest Internet Protocol ("IP") networks in Hawai'i and provides the foundation upon which to expand its portfolio of advanced services to consumers and businesses throughout the state.

3. Wavecom Solutions Corporation

HTI owns Wavecom (formerly known as Pacific Lightnet, Inc.), which operates as a CLEC providing regulated and unregulated telecommunications services and products to customers in the state of Hawai'i. Among its services, Wavecom provides local dial tone, high-

⁹ Pursuant to Twin Haven Special Opportunities Fund III, L.P.'s most recent SEC Schedule 13D filing, filed on July 9, 2017, Twin Haven Special Opportunities Fund III, L.P., Twin Haven Special Opportunities Partners III, L.L.C., Twin Haven Special Opportunities Fund IV, L.P., Twin Haven Special Opportunities Partners IV, L.L.C., and Twin Haven Capital Partners, L.L.C. along with fund managers Robert Webster and Paul Mellinger, are, for securities reporting purposes, deemed to share beneficial ownership of the disclosed 22.5% of Holdco's outstanding common stock. See Holdco SEC Schedule 13D (July 9, 2017), available at <https://www.sec.gov/Archives/edgar/data/1429755/000089914017000491/h21471146.htm>.

¹⁰ Holdco's 100% interest in HTI and HTSC is held through an intermediate holding company Hawaiian Telcom Communications, Inc., a Delaware corporation. Wavecom is 100% directly owned by HTI. See **Exhibit A**.

speed Internet access, long distance, data, Ethernet and other services to business customers in Hawai'i.

4. Hawaiian Telecom Services Company, Inc.

Holdco also indirectly owns HTSC, a Delaware corporation authorized to conduct business in the state of Hawai'i. HTSC provides interstate and intrastate long distance, high speed Internet, video, managed services, advanced communications and network services, data center services including colocation and virtual private clouds, cloud-based services, and wireless service.¹¹

II. DESCRIPTION OF THE TRANSACTION

Pursuant to the Agreement and Plan of Merger (the "Agreement"), dated as of July 9, 2017, by and among Cincinnati Bell, Merger Sub, and Holdco, Merger Sub will merge with and into Holdco whereupon the separate existence of Merger Sub will cease and Holdco will be the surviving corporation. Cincinnati Bell will acquire all of the stock of Holdco and assume Holdco debt, in exchange for cash and Cincinnati Bell common stock worth approximately \$650 million.¹² As a result of this Transaction, Holdco will be a direct, wholly owned subsidiary of Cincinnati Bell and Cincinnati Bell will become the ultimate owner of HTI, HTSC, and Wavecom.¹³

¹¹ HTSC's subsidiary SystemMetrics Corporation is an interconnected VoIP provider which does not provide telecommunications services and does not hold any FCC authorizations.

¹² Holdco shareholders will have the option to elect either cash, Cincinnati Bell common stock, or some combination thereof in exchange for each share of Holdco subject to proration such that the aggregate consideration to be paid to Holdco shareholders will be 60% cash and 40% Cincinnati Bell common stock. Holdco shareholders will be entitled to receive shares representing no more than 15% of Cincinnati Bell's common stock.

¹³ The Transaction, if approved, would leave HTI and HTSC as indirect subsidiaries of Cincinnati Bell through two intermediate holding companies, Holdco and HTCI. Cincinnati Bell is currently studying the possibility of merging these two intermediate holding companies into the Cincinnati Bell parent corporation some time following the closing of the Transaction. If completed, Cincinnati Bell will submit the required post-closing notice for this *pro forma* change to transfer direct stock ownership of HTI and HTSC to Cincinnati Bell.

After the Transaction closes, Leigh Fox, the current President and Chief Executive Officer of Cincinnati Bell, will continue to serve as President and Chief Executive Officer of the combined company. Two people, who reside in Hawai'i, will join the Board of Directors of Cincinnati Bell. Cincinnati Bell will continue to be publicly traded. HTI, HTSC, Wavecom and Cincinnati Bell will continue to maintain their separate local brand identities and operations and Licensees will continue to be locally managed from Hawai'i. The Transaction will occur entirely at the holding company level and will be transparent to Licensees' customers. As such, the Transaction will not result in service disruption, termination, or customer confusion. Diagrams depicting the pre- and post-Transaction corporate ownership structures are appended hereto at **Exhibit A**.

III. INFORMATION REQUIRED BY SECTION 63.24(e)

Applicants submit the information below in support of the following requests for consent to transfer control:

- Transfer of indirect control of the international Section 214 authority held by HTI to Cincinnati Bell. Authorization File No. ITC-214-20040630-00512;
- Transfer of indirect control of the international Section 214 authority held by HTSC to Cincinnati Bell. Authorization File No. ITC-214-20010503-00269; and
- Transfer of indirect control of domestic Section 214 authorizations held by HTI, HTSC and Wavecom to Cincinnati Bell.

IV. INFORMATION REQUIRED BY 47 C.F.R. § 63.18

Responses to Section 63.18(a)-(d)

(a) Name, address, and telephone number of each applicant

Transferee:

Cincinnati Bell Inc.
221 East Fourth Street
Cincinnati, OH 45202
513-397-9900

FRN: 0003018033

Transferor:

Hawaiian Telcom Holdco, Inc.
1177 Bishop Street
Honolulu, HI 96813
808-546-4511

FRN: 0012790945

Licensees:

Hawaiian Telcom, Inc.
Hawaiian Telcom Services Company, Inc.
Wavecom Corporation
1177 Bishop Street
Honolulu, HI 96813
808-546-4511

FRN: 0001520980

FRN: 0013077250

FRN: 0005940671

(b) Place of organization

Transferee:

Cincinnati Bell is an Ohio corporation.

Transferor:

Holdco is a Delaware corporation.

Licensees:

Hawaiian Telcom, Inc. is a Hawai'i corporation.
Hawaiian Telcom Services Company, Inc. is a Delaware corporation.
Wavecom Corporation is a Hawai'i corporation.

(c) Name, title, post office address, and telephone number of official and any other contact point (Answer to Question 10)

Correspondence concerning these applications should be directed to:

For Cincinnati Bell:

Christopher J. Wilson
Vice President & General Counsel

Cincinnati Bell Inc.
221 East Fourth Street
Cincinnati, OH 45202
Tel: 513-397-0750
Fax: 513-421-1367
christopher.wilson@cinbell.com

with a copy to:

Andrew D. Lipman
Catherine Wang
Morgan, Lewis & Bockius LLP
1111 Pennsylvania Ave., N.W.
Washington, DC 20004-2541
Tel: 202-739-3000
Fax: 202-739-3001
andrew.lipman@morganlewis.com
catherine.wang@morganlewis.com

For Holdco and the Licensees:

Steven P. Golden
Hawaiian Telcom, Inc.
1177 Bishop Street
Honolulu, HI 96813
Tel: 808-546-3877
Fax: 808-546-8992
steven.golden@hawaiiantel.com

(d) Statement as to whether applicants have previously received authority under Section 214

Transferee: Cincinnati Bell does not hold international or domestic (interstate) Section 214 authorization.

The following Cincinnati Bell subsidiaries hold international or domestic (interstate) Section 214 authorization(s):

- CBT is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. CBT does not hold international Section 214 authorization.
- CBET is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. CBET does not hold international Section 214 authorization.

- CBAD is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. CBAD holds the following international Section 214 authorizations to provide: (1) public switched resale service granted in IB File No. ITC-214-19950101-00007 (Old IB File No. ITC-95-344); (2) global or limited global facilities-based and resale service granted in IB File No. ITC-214-20071024-00434; (3) global or limited global facilities-based and resale service granted in IB File No. ITC-214-20010921-00492; and (3) global or limited global facilities-based and resale service granted in IB File No. ITC-214-20010921-00493.

Transferor: Holdco does not hold international or domestic Section 214 authorization.

Licensees: HTI is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. HTI holds international Section 214 authority to provide global or limited global resale services granted in IB File No. ITC-214-20040630-00512.¹⁴

HTSC is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. HTSC holds international Section 214 authority to provide global or limited global facilities-based and resold international 214 services granted in IB File No. ITC-214-20010503-00269¹⁵ and in IB File No. ITC-214-20040630-00513.

Wavecom is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. Wavecom provides international telecommunications services pursuant to the international Section 214 authority of HTI.¹⁶

Responses to Section 63.18(h)-(p)

(h) Post-Transaction Ownership of Licensees (Answer to Questions 11 & 12)

Upon completion of the Transaction, Wavecom will remain a direct, wholly owned subsidiary of HTI. HTI and HTSC will remain direct, wholly owned subsidiaries of Hawaiian Telcom Communications, Inc. (“HTCI”), a Delaware holding company with its principal

¹⁴ HTI also holds submarine cable landing licenses for interisland network facilities granted in IB File Nos. SCL-LIC-19950627-0024 and SCL-LIC-19921015-00008, and various wireless licenses for fixed microwave and land mobile radio facilities. The parties are seeking Commission consent to transfer control of these licenses in separate filings.

¹⁵ This authorization was assigned from Wavecom to HTSC pursuant to File No. ITC-ASG-20170413-00064. HTSC also holds an ownership interest in the SEA-US fiber optic submarine cable system between the continental United States, Indonesia, Philippines, Guam, and Hawaii. *See* IB File No. SCL-LIC-20150626-00016. The parties are seeking Commission consent to transfer control of HTSC’s interest in that submarine cable landing license in a separate filing

¹⁶ *See* File No. ITC-ASG-20170413-00064.

business address at 1177 Bishop Street, Honolulu, Hawai‘i 96813. HTCI will remain a direct, wholly owned subsidiary of Holdco. As a result of the Transaction, Holdco, HTCI, HTI, HTSC, and Wavecom will be ultimately wholly owned by Cincinnati Bell.¹⁷

Cincinnati Bell is, and will remain post-closing, a publicly traded company. To its knowledge, Cincinnati Bell has three 10 percent or greater interest holders, BlackRock, Inc., The Vanguard Group, Inc., and GAMCO, all of which are U.S.-based investment management companies, which hold approximately 13.8%, 13.54%, and 12.37%, respectively, of Cincinnati Bell common stock. The percentage interests held by BlackRock, Inc., The Vanguard Group, Inc., and GAMCO Investors, Inc. are expected to be diluted as a result of the Transaction.

Name:	BlackRock, Inc. ¹⁸
Address:	55 East 52nd Street New York, NY 10055
Citizenship:	United States (Delaware)
Principal Business:	Investment Management
% Interest:	13.8% (indirectly, as the parent of BlackRock Fund Advisors) ¹⁹

Name:	The Vanguard Group, Inc. ²⁰ 100 Vanguard Blvd. Malvern, PA 19355
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¹⁷ See the pre- and post-Transaction corporate ownership structures depicted in **Exhibit A**.

¹⁸ BlackRock, Inc., a publicly traded corporation, holds its interest in Cincinnati Bell through BlackRock Fund Advisors, an investment management company owned by BlackRock, Inc. Applicants are not aware of any other person or entity currently holding a 10% or greater interest in Cincinnati Bell through BlackRock, Inc.

¹⁹ See BlackRock, Inc., Information Statement Pursuant to Rules 13d-1 and 13d-2 Under the Securities and Exchange Commission Act of 1934, Amendment No. 8 (Schedule 13G/A) (Jan. 12, 2017).

²⁰ The Vanguard Group is a large privately held U.S.-based investment management company structured as a mutual company owned by funds managed by the company and ultimately by its customers. See *Why Ownership Matters*, VANGUARD, <https://about.vanguard.com/what-sets-vanguard-apart/why-ownership-matters/> (last visited August 7, 2017). The Vanguard Group’s shares in Cincinnati Bell are held through funds that the Vanguard Group owns and/or manages. The Chairman of the Board, President, and Chief Executive Officer is F. William McNabb III. The remainder of the Board is made up of Emerson U. Fullwood, Rajiv L. Gupta, Amy Gutmann, JoAnn Heffernan Heisen, F. Joseph Loughrey, Mark Loughridge, Scott C. Malpass, André F. Perold, and Peter F. Volanakis. Based on publicly available sources it appears that at least a majority of the Board are likely U.S. citizens. Applicants are not aware of any person or entity currently holding a 10% or greater ownership interest in Cincinnati Bell through the Vanguard Group.

Thomas E. Simpson	Chief Operating Officer
Christopher J. Wilson	Vice President & General Counsel
Christopher C. Elma	Vice President, Treasury & Tax
Joshua T. Duckworth	Vice President & Controller & Investor Relations
Julie M. Barlow	Managing Director, Tax
Connie M. Vogt	Corporate Secretary

To Applicants' knowledge, no person serving on the board or as an officer of CBI or CBTS Canada also serves as an officer or director of a foreign carrier or domestic carrier affiliate of Cincinnati Bell.

(i) Foreign Carrier Affiliates (Answer to Question 14)

By its signature below, Cincinnati Bell certifies that it is not a foreign carrier, but is affiliated with a foreign carrier pursuant to Section 63.09(d). Specifically, Cincinnati Bell's indirect subsidiary CBTS Canada, a company organized under the laws of Ontario, Canada, holds a Reseller Registration and Basic Telecommunications Services ("BTS") License to provide resold long distance service on a non-dominant competitive basis in Canada. Upon completion of the Transaction, HTI, HTSC and Wavecom will become affiliated with CBTS Canada.

(j) Operation To Foreign Destinations (Answer to Question 15)

By its signature below, Cincinnati Bell certifies that following the Transaction, the Licensees with Section 214 authorization to provide international telecommunications services will provide services between the United States and multiple countries including Canada—the only country in which Cincinnati Bell controls a foreign carrier. Canada is a member of the World Trade Organization.

(k) Transferee certifies that each country listed in (i) above is a Member of the World Trade Organization ("WTO"). CBTS Canada is not on the Commission's List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign

Telecommunications Markets, released on January 26, 2007. In addition, CBTS Canada offers services in competition with dominant foreign carriers and others.

(m) Non-dominant Status

Pursuant to Section 63.10(a)(3) of the Commission's Rules, the Applicants request non-dominant status for Cincinnati Bell and its subsidiaries on all routes between the United States and Canada. The foreign carrier affiliate is not a dominant provider in Canada, and lacks a 50 percent market share in the international transport and local access markets on the foreign end of the route. Accordingly, the foreign carrier lacks sufficient market power on the foreign end of the international route to affect competition adversely in the U.S. market.

(n) No Special Concessions

Applicants certify that they have not agreed to accept special concessions directly or indirectly from a foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market and will not enter into any such agreements in the future.

(o) Anti-Drug Abuse Act Certification

Applicants certify that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862, because of a conviction for possession or distribution of a controlled substance.

(p) Eligibility for Streamlined Processing

The Applicants qualify for streamlined processing because, as stated above, CBTS Canada, the foreign carrier affiliate is not a dominant provider in Canada; Canada is a member of the World Trade Organization; and the foreign carrier affiliate lacks a 50 percent market share in the international transport and local access markets on the foreign end of the route. Accordingly,

the Applicants request streamlined processing treatment for the application to transfer control of the international Section 214 authorizations pursuant to Section 63.12 of the Commission's Rules.

V. **INFORMATION REQUIRED BY SECTION 63.04 OF THE COMMISSION'S RULES IN RELATION TO TRANSFER OF DOMESTIC 214 AUTHORIZATION**

In support of the Applicants' request for consent to transfer control to Cincinnati Bell of the domestic Section 214 authorizations held by HTI, HTSC, and Wavecom, the following information is submitted pursuant to Section 63.04 of the Commission's Rules.

B. Section 63.04(a)(6) – Description of the transaction

A description of the transaction is set forth at Section II above and demonstration of how the transaction will serve the public interest is attached at **Exhibit B**.

C. Section 63.04(a)(7) – Description of the geographic area in which the transferor and transferee (and affiliates) offer domestic telecommunications services, and what services are provided in each area

Cincinnati Bell does not itself provide telecommunications services. Cincinnati Bell's subsidiaries provide telecommunications services as follows:

- CBT is the incumbent ILEC serving portions of Ohio, Kentucky, and Indiana.
- CBET provides competitive local exchange carrier services in Ohio, but only outside CBT's territory.
- CBAD provides nationwide long distance, VoIP, and competitive local exchange services.

Cincinnati Bell may be affiliated with additional carriers as a result of the ownership of 10 percent or more of Cincinnati Bell's common stock by BlackRock, Vanguard, and

GAMCO.²⁴ To the best of Applicants' knowledge, BlackRock, Vanguard, and GAMCO are passive investors, and while they hold equity interests in other telecommunications providers, Cincinnati Bell is not actively affiliated with any of the companies listed below. To the best of Applicant's knowledge, the listed companies either provide telecommunications services, or it was not possible to determine whether or where they offer telecommunications services, and the Applicants are disclosing them out of an abundance of caution:

- ADTRAN Inc. (in which Vanguard holds approximately 11.4 percent) is a global provider of networking and communications equipment, enabling voice, data, video and Internet communications across network infrastructure in the United States and other countries.²⁵
- Windstream (in which Vanguard holds approximately 15.6 percent), through its subsidiaries, provides incumbent local exchange carrier services and competitive local exchange and interexchange telecommunications carrier throughout the United States.²⁶
- Cogent Communications Holdings (in which Vanguard holds approximately 10.3 percent) is a provider of Internet access, IP transit, and related services in the United States and other countries.²⁷
- Consolidated Communications Holdings Inc. (in which Vanguard holds approximately 10.3 percent), through its subsidiaries, including the recently acquired FairPoint entities,

²⁴ Cincinnati Bell has identified companies that may be carrier affiliates by examining current filings of SEC Forms 13D and 13G, as well as publicly available online information, including information which is already a matter of record at the Commission. *See, e.g.,* Ex Parte Letters to Ms. Marlene H. Dortch, Secretary, Federal Communications Commission from Julie A. Veach, Counsel to Windstream Holdings, Inc., *Joint Section 214 Application for Transfer of Control of EarthLink Wholly-Owned Subsidiaries to Windstream Holdings, Inc.*, WC Docket No. 16-393; FCC File Nos. ITC-T/C-20161117-00328, ITC-T/C-20161117-00329, ITC-T/C-20161117-00330, and ITC-T/C-20161117-00331 (identifying BlackRock, Inc. and The Vanguard Group investments and affiliations), dated February 8, 2017 ("February 8 Veach Letter"); December 1, 2016; LICT Wireless Broadband Company, LLC Ownership Disclosure Filing for FCC File No. 0007810561, Attachment 1 Indirect Ownership, Amended Schedule A, dated June 13, 2017 (identifying affiliations for entity controlled by Mario J. Gabelli).

²⁵ ADTRAN, *About*, https://portal.adtran.com/web/page/portal/Adtran/wp_aboutus_landing (last visited August 7, 2017).

²⁶ *Joint Section 214 Application for Transfer of Control of EarthLink Wholly-Owned Subsidiaries to Windstream Holdings, Inc.*, WC Docket No. 16-393; FCC File Nos. ITC-T/C-20161117-00328, ITC-T/C-20161117-00329, ITC-T/C-20161117-00330, and ITC-T/C-20161117-00331 at Ex. 1, pg. 2.

²⁷ Cogent, *About Cogent*, <http://cogentco.com/en/about-cogent> (last visited July 28, 2017); *see also* February 8 Veach letter.

provides business and broadband communications to customers in 24 state service areas.²⁸

- CSG Systems International, Inc. (in which Vanguard holds approximately 11.3 percent) provides business support solutions, primarily to the communications industry.²⁹
- CyrusOne Inc. (in which Vanguard holds approximately 11.6 percent) provides data center services, Ethernet, multi-protocol label switching, colocation and related services in 11 distinctive markets, including nine cities, also in at least two other countries.³⁰
- Dupont Fabros Technology (in which Vanguard holds approximately 17.5 percent) provides outsourced data center management near Northern Virginia, Chicago, Illinois, and Santa Clara, California.³¹
- Equinix Inc. (in which Vanguard holds approximately 16.7 percent) operates data centers in approximately 14 U.S. markets and offers related services; it also provides services in at least three other countries.³²
- Harris Corporation (in which Vanguard holds approximately 10.4 percent) is a technology company that provides communication systems, space and intelligence systems, electronic systems, and critical networks in the United States and other countries.³³
- IDT Corporation (in which Vanguard holds approximately 10.5 percent) offers prepaid communication and payment services through its retail division and provides international voice termination through its wholesale division in all 50 states, Washington, D.C., and a number of U.S. territories.³⁴

²⁸ Consolidated Communications, About Us, <https://www.consolidated.com/about-us/news/article-detail/id/556/consolidated-communications-completes-fairpoint-acquisition>; <https://www.consolidated.com/about-us> (last visited July 28, 2017); see also February 8 Veach letter.

²⁹ CSG International, *About CSG International*, <http://www.csgi.com/about> (last visited July 28, 2017); see also February 8 Veach letter.

³⁰ CyrusOne, *Company*, <http://www.cyrusone.com/about-enterprise-data-center-provider/> (last visited July 28, 2017); see also CyrusOne Inc. Annual Report (Form 10K) (filed Feb. 24, 2017); see also February 8 Veach letter.

³¹ DuPont Fabros Technology, *Data Centers*, <https://www.dft.com/about-us> (last visited July 28, 2017); see also February 8 Veach letter.

³² Equinix, *Locations – Americas Data Centers*, <http://www.equinix.com/locations/americas-colocation/americas-data-centers/> (last visited July 28, 2017); see also February 8 Veach letter.

³³ Harris, *2016 Annual Report*, https://www.harris.com/sites/default/files/annual_report_2016_final_web.pdf (last visited July 28, 2017); see also February 8 Veach letter.

³⁴ IDT, *About Us*, <http://www.idt.net/> (last visited July 28, 2017); see also February 8 Veach letter.

- Lumos Networks Corporation (in which Vanguard currently holds approximately 11.3 percent)³⁵ or its subsidiaries provide enterprise network solutions, including data, voice, high speed Internet, and data center connectivity on the East Coast (Maryland, Pennsylvania, Virginia, West Virginia, North Carolina, Ohio, and Kentucky).³⁶ Lumos also offers broadband Internet and phone for residential customers.³⁷
- Pareteum Corp (in which Vanguard holds approximately 15.7 percent) is a provider of mobile networking software and services, providing Mobile Virtual Network Operators and Mobile Network Operators with cloud-based mobile communications infrastructure, operating software, and managed services in New York City, Seattle, and other countries.³⁸
- Spok Holdings, Inc. (in which Vanguard holds approximately 10.7 percent) provides communications for healthcare, government, public safety, and other industries.³⁹
- Tech Data Corporation (in which Vanguard holds approximately 10.1 percent) distributes technology products, services, and various business support solutions.⁴⁰
- Teradata Corporation (in which Vanguard holds approximately 11.2 percent) provides data warehousing and analytics, including cloud services.⁴¹
- Black Box Corp. (in which BlackRock holds approximately 11.05 percent) provides business IT services inside and outside the United States.⁴²
- CalAmp Corp. (in which BlackRock holds approximately 10.50 percent), which provides telematics and other solutions in broad geographic areas.⁴³

³⁵ Upon completion of the pending transaction between Lumos Networks Corporation and MTN Infrastructure TopCo, Inc., Vanguard will no longer hold any interest in Lumos Networks Corporation. *See In the Matter of the Joint Application of MTN Infrastructure TopCo, Inc. and Lumos Networks Corp. to Transfer Indirect Control of Domestic and International Section 214 Authorization Holders to MTN Infrastructure TopCo, Inc.*, WC Docket No. 17-60; IBFS File No. ITC-T/C-20170302-00027, at 16 (filed March 2, 2017); *see also* February 8 Veach letter.

³⁶ Lumos Networks, *About Us*, <https://www.lumosnetworks.com/aboutus> (last visited July 28, 2017).

³⁷ Lumos Networks, *Residential*, <https://rsb.lumosnetworks.com/residential> (last visited July 28, 2017).

³⁸ Pareteum, *About*, <http://www.pareteum.com/about-us> (last visited July 28, 2017); *see also* February 8 Veach letter.

³⁹ Spok, *Meet Spok*, <http://www.spok.com/meet-spok>; <http://www.spok.com/our-company> (last visited July 28, 2017); *see also* February 8 Veach letter.

⁴⁰ Tech Data, <https://www.techdata.com/about.html> (last visited July 28, 2017); *see also* February 8 Veach letter.

⁴¹ Teradata, *About – Who is Teradata*, <http://www.teradata.com/about-us/> (last visited July 28, 2017).

⁴² *See* February 8 Veach Letter, at pg. 2 (information identifying BlackRock affiliations).

⁴³ Black Box, *About Black Box Network Services*, <https://www.blackbox.com/en-us/about-us> (last visited August 7, 2017); *see also* February 8 Veach letter.

- Comtech Telecommunications Corp. (in which BlackRock holds approximately 10.13 percent), which provides business services inside and outside the United States.⁴⁴
- General Communication, Inc. (in which BlackRock holds approximately 12.68 percent), which provides residential and business services throughout Alaska.⁴⁵
- Inteliquent, Inc. (in which BlackRock holds approximately 11.74 percent), which provides voice and data services throughout the United States.⁴⁶
- Iridium Communications Inc. (in which BlackRock holds approximately 12.22 percent), which provides satellite-based services globally.⁴⁷
- Telephone and Data Systems, Inc. (in which BlackRock holds approximately 15.68 percent), which provides wireless, broadband, and voice services in many areas of the United States.⁴⁸
- LICT Corporation, Inc. (“LICT”) (in which Mario J. Gabelli, Chairman and Chief Executive Officer, owns 13.26%) is an integrated provider of broadband and voice services providing services as a rural local exchange carrier and competitive local exchange carrier through its various subsidiaries.⁴⁹ Those entities provide service in California, Illinois, Iowa, Kansas, Michigan, Nevada, New Hampshire, New Mexico, Oregon, Utah and Wisconsin.⁵⁰ To the knowledge of Applicants, these subsidiaries do not provide service in Hawaii.
- In addition to the FCC-regulated businesses that are subsidiaries of LICT, Mr. Gabelli may be deemed to have a 10% or greater ownership interest in certain other entities, some of which may be providers of FCC-regulated services.⁵¹ To the knowledge of Applicants, these subsidiaries do not provide service in Hawaii.

⁴⁴ Comtech, <http://www.comtechtel.com/> (last visited August 7, 2017); *see also* February 8 Veach letter.

⁴⁵ GCI, *About GCI*, <https://www.gci.com/about> (last visited August 7, 2017); *see also* February 8 Veach letter.

⁴⁶ Inteliquent, *About Us*, <http://www.inteliquent.com/about-us> (last visited August 7, 2017); *see also* February 8 Veach letter.

⁴⁷ Iridium, *Company Profile*, <https://www.iridium.com/company/companyprofile> (last visited August 7, 2017); *see also* February 8 Veach letter.

⁴⁸ TDS, *About TDS*, <http://www.tdsinc.com/about-us/default.aspx> (last visited August 7, 2017); *see also* February 8 Veach letter.

⁴⁹ *See* LICT Wireless Broadband Company, LLC Ownership Disclosure Filing for FCC File No. 0007810561, Attachment 1 Indirect Ownership, Amended Schedule A, dated June 13, 2017 (identifying LICT affiliated subsidiaries).

⁵⁰ *See* LICT Corporation, 2016 Annual Report, Description of Business, Background and History of LICT Corporation, 1-6 (May 15, 2017), <http://lictcp.com/files/2017/05/2016BusinessSection.pdf> (last visited July 25, 2017) (discussing communications operations, broadband data and voice services organization and locations)

⁵¹ Those entities are listed under the statement of disclosable interest holders for Mario J. Gabelli on file for LICT Wireless Broadband Company, LLC, FCC ULS File No. 0007810561, dated June 13, 2017.

D. Section 63.04(a)(8) – Statement as to how the Application qualifies for streamlined treatment

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission’s Rules, 47 C.F.R. §63.03. In particular, with respect to domestic authority, Applicants meet the presumptive streamlined categories set forth in Section 63.03(b)(2)(iii) because, immediately following the Transaction, Transferee (and its Affiliates as defined in the Act) will have a market share in the interstate, interexchange market of less than 10 percent, and Transferee (and its Affiliates as defined in the Act) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the Transaction. The Applicants are incumbent independent local exchange carriers that have, in combination, fewer than 2% of the nation’s subscriber lines installed in the aggregate nationwide and no overlapping or adjacent service areas. *See* 47 C.F.R. 63.03(b)(2)(iii).

E. Section 63.04(a)(9) – Identification of all other Commission applications related to this transaction

In addition to requesting consent to the transfer of control of international and domestic Section 214 authorizations, Applicants will seek consent to the transfer of control of submarine cable landing licenses and wireless (microwave and land mobile) licenses.

F. Section 63.04(a)(10) – Statement of whether the Applicants request special consideration because either party is facing imminent business failure

The Applicants are not requesting special consideration because no parties to this transaction are facing imminent business failure.

G. Section 63.04(a)(11) – Identification of any separately filed waiver requests being sought in conjunction with this Application

No separately filed waiver requests are sought in conjunction with this application.

H. Section 63.04(a)(12) – Statement showing how grant of the Application will serve the public interest, convenience and necessity

A demonstration of how the Transaction will serve the public interest, convenience, and necessity is attached at **Exhibit B**.

VI. CONCLUSION

For the reasons stated above and in **Exhibit B** to this application, the Applicants respectfully request that the Commission grant these applications for consent to transfer indirect control of international and domestic Section 214 authorizations of Licensees to Cincinnati Bell.

Respectfully submitted,

BY: HAWAIIAN TELCOM HOLDCO INC.

BY: CINCINNATI BELL INC.

/s/

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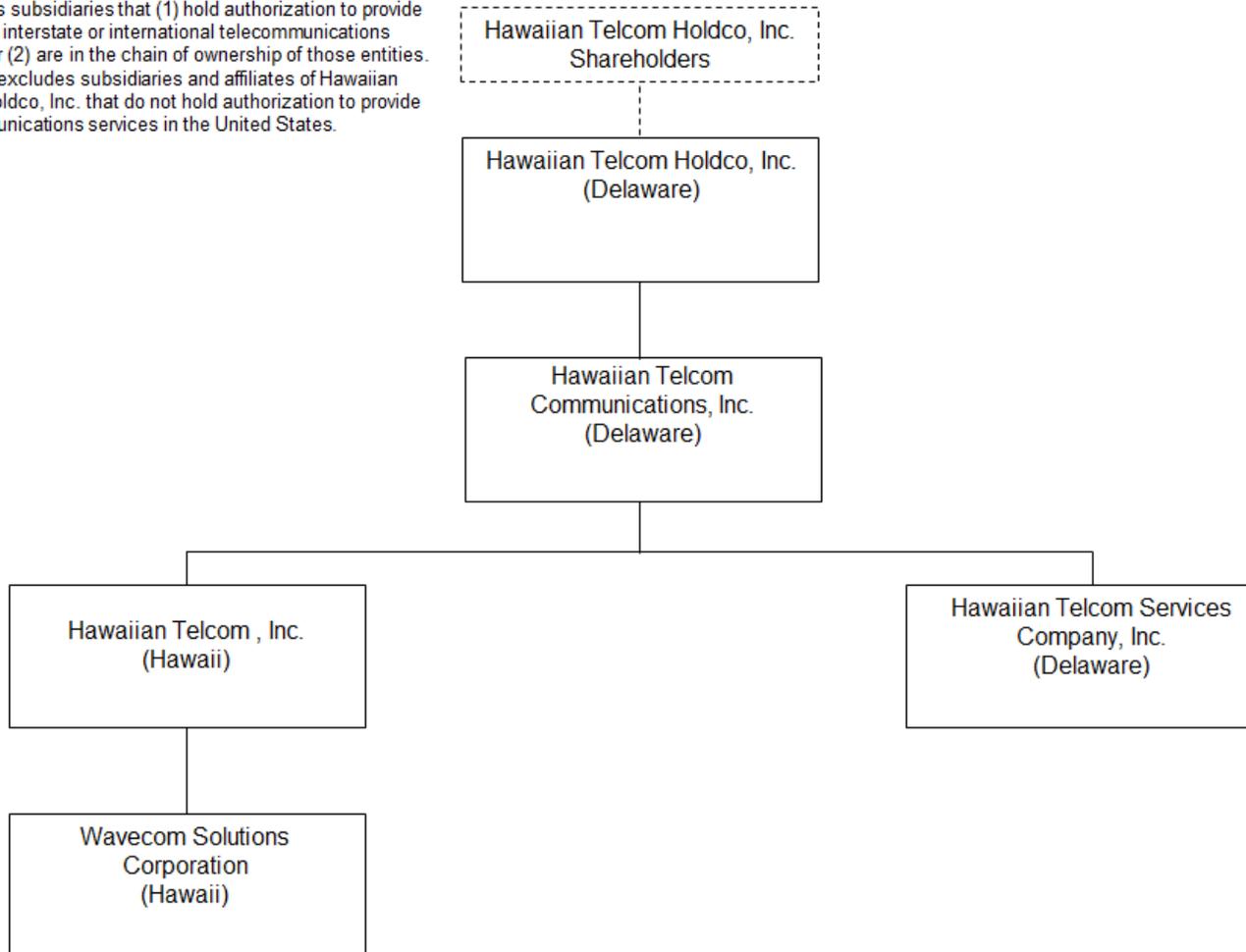
Counsel to Cincinnati Bell Inc.

Date: August 11, 2017

EXHIBIT A
PRE-AND POST-TRANSACTION ORGANIZATION CHARTS

Hawaiian Telcom
Pre-Transaction Corporate Organization Chart

* All solid lines in this chart represent 100% ownership. The entities listed herein only include Hawaiian Telcom Holdco, Inc. and its subsidiaries that (1) hold authorization to provide intrastate, interstate or international telecommunications services or (2) are in the chain of ownership of those entities. The chart excludes subsidiaries and affiliates of Hawaiian Telcom Holdco, Inc. that do not hold authorization to provide telecommunications services in the United States.



Hawaiian Telcom and Cincinnati Bell Post-Transaction Corporate Organization Chart

* All solid lines in this chart represent 100% ownership. The entities listed herein only include Cincinnati Bell and its subsidiaries that (1) hold authorization to provide intrastate, interstate or international telecommunications services or (2) are in the chain of ownership of those entities. The chart excludes subsidiaries and affiliates of Cincinnati Bell that do not hold authorization to provide telecommunications services in the United States or Canada.

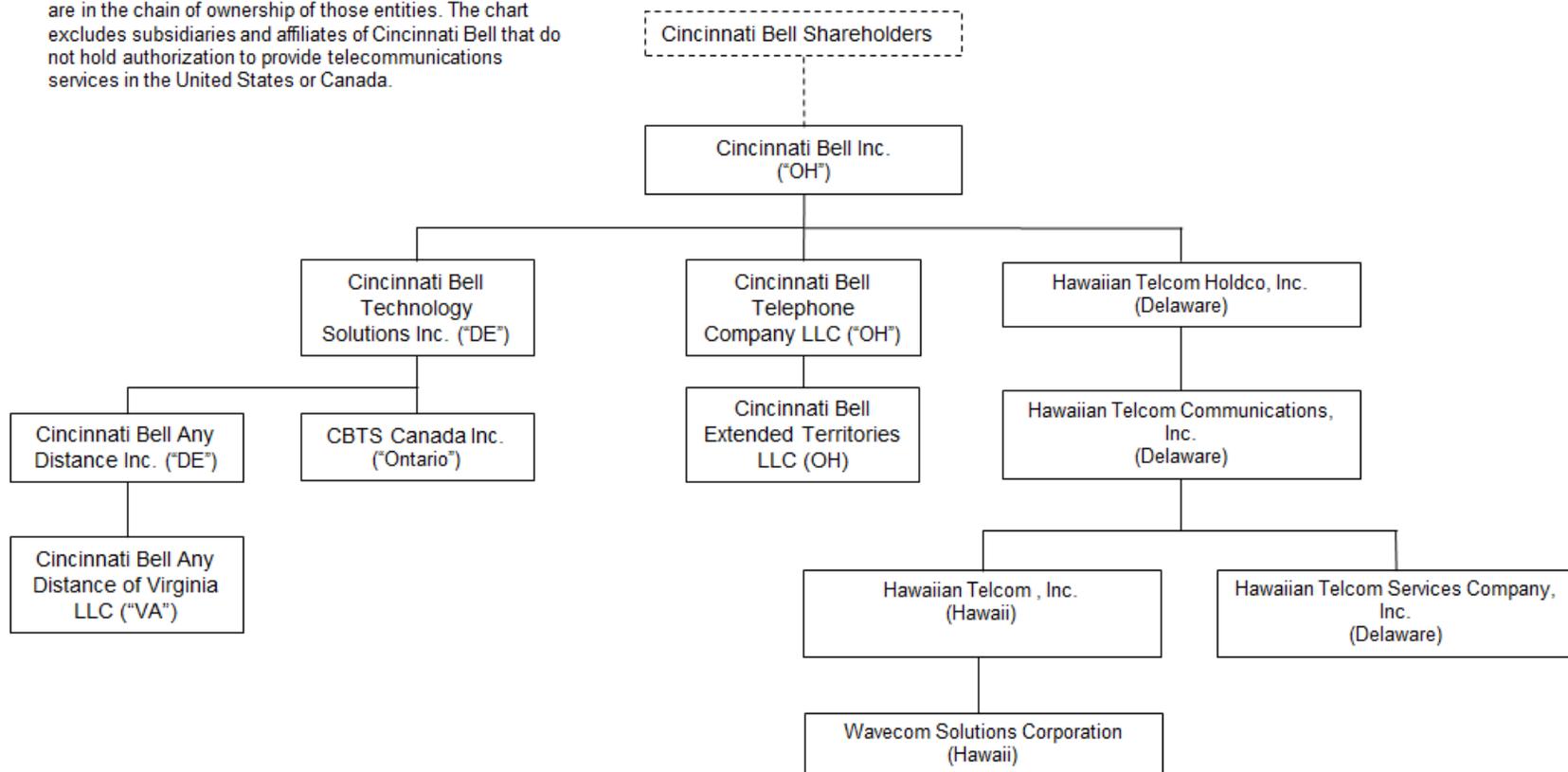


EXHIBIT B - PUBLIC INTEREST STATEMENT

I. The Transaction Satisfies the Commission's Public Interest Test

Under Sections 214(a) and 310(d) of the Act, the Commission assesses whether the proposed transfer of indirect control of Commission licenses and authorizations is consistent with the public interest, convenience, and necessity based on: “(1) whether the transaction would result in the violation of the Act or any other applicable statutory provision; (2) whether the transaction would result in a violation of Commission rules; (3) whether the transaction would substantially frustrate or impair the Commission’s implementation or enforcement of the Act or interfere with the objectives of that and other statutes; and (4) whether the transaction promises to yield affirmative public interest benefits.”¹

The Transaction satisfies all four elements of the Commission’s test. The Transaction satisfies the first two elements because it will not violate any provision of the Act or any Commission rule. Further, the Transaction will not “result in public interest harms by substantially frustrating or impairing the objectives or implementation of the Act or related statutes.”² Instead, as discussed below, the Applicants expect the Transaction to yield substantial public interest benefits. Accordingly, the Commission should promptly approve this Application.

II. The Transaction Will Serve the Public Interest

Cincinnati Bell is managerially, technically, and financially well-qualified to complete the Transaction and assume indirect ownership control of the Licensees. Cincinnati Bell has

¹ *SBC Communications Inc. and BellSouth Corp. for Consent to Transfer of Control or Assignment of Licenses and Authorizations*, Memorandum Opinion and Order, 15 FCC Rcd 25459, 25464 ¶ 13 (WTB/IB 2000). (noting that the “Applicants bear the burden of demonstrating that . . . the predominant effect of the transaction will be to advance the public interest.”).

² *Applications Filed by Frontier Communications Corporation and Verizon Communications Inc. for the Partial Assignment or Transfer of Control of Certain Assets in California, Florida, and Texas*, Memorandum Opinion and Order, 30 FCC Rcd 9812, 9815 ¶¶ 8, 9 (Wireline Comp. Bur. 2016) (explaining that the Commission’s public interest evaluation employs a balancing test to weigh potential harms of a transaction with a “preference to protect and promote competition in relevant markets, accelerate private-sector deployment of advanced services, ensure a diversity of license holdings, and generally manage spectrum in the public interest.”).

provided telecommunications services for more than a century and leverages a fiber-rich network to continue offering advanced telecommunications solutions to consumer, commercial, and carrier customers in its expanded territory. Cincinnati Bell believes that “fiber density” will increasingly be a market differentiator for businesses and consumers, enabling faster and more efficient commercial opportunities and its fiber facilities now pass approximately 70% of the locations in its operating area. As fiber becomes increasingly critical – expected to comprise 50% of the cable market by 2020 – Cincinnati Bell expects that its extensive fiber network will position it on the leading edge of the industry, able to anticipate and address customer needs. Together with HTI, Cincinnati Bell plans to expand the combined company’s Next Generation fiber network to both urban and non-urban areas in Hawai‘i, bringing superior service and speed to even more customers in Oahu and the neighbor islands. The combined fiber network will exceed 15,000 fiber route miles, further differentiating Cincinnati Bell from traditional carriers of its size.

In its pre-combination markets, Cincinnati Bell is a technology leader with investments in fiber, as it successfully migrates customers in both urban and non-urban areas from legacy copper services to more strategic fiber offerings. Where necessary, Cincinnati Bell will continue to enhance HTI’s existing copper network to increase bandwidth in order to provide additional products and services to local homes and businesses. At the same time, however, Cincinnati Bell believes bringing fiber closer to the customer premises can increase its service offerings, service quality and bandwidth performance and will seek opportunities to improve services to customers in Hawai‘i by pushing fiber deeper into HTI’s footprint.

Cincinnati Bell has the experience and resources to support and enhance the Licensee’s operations. Cincinnati Bell management has significant experience operating incumbent local

exchange companies in both urban and non-urban markets and Cincinnati Bell has successfully deployed fiber facilities and brought innovative broadband and video services to such markets. Cincinnati Bell has a proven track record in running a financially sound company, well-positioned to maintain its network over the long-term, while successfully pursuing network expansions. The Transaction will strengthen the Licensees' existing business by giving them access to Cincinnati Bell's expansive suite of products and services, facilities and vendor relationships. Such services, facilities and vendor relationships will allow Licensees to deliver a broader suite of products and services to consumers and businesses in Hawai'i. The increased scale and resources of the combined operation will facilitate greater growth opportunities in a range of products and services including expanded broadband and entertainment products available over an enhanced fiber network. These growth opportunities will not negatively impact the Licensees' costs of operations. Moreover, leveraging best-practices of the combined entities will allow knowledge sharing, leading to improved efficiencies and operations benefitting both Cincinnati Bell and Licensees. HTI will continue its progress in deploying broadband in census blocks where HTI receives Connect America Fund Phase II USF support from the FCC. In short, Applicants anticipate that the Transaction will result in a stronger combined company and benefit consumers in the following ways:

- Licensees will gain access to Cincinnati Bell's full suite of services, facilities and vendor relationships. Such services, facilities and vendor relationships will allow Licensees to deliver a broader suite of services to customers and businesses in Hawai'i. The combined operation will have greater growth opportunities in a range of products and services.
- Customers will benefit from increased content-buying power and access to Cincinnati Bell's expanded service offerings. Additionally, Licensees will have access to Cincinnati Bell's robust analytics capabilities, which will allow for better mapping of customer demands and needs to capabilities, which will result in increased efficiencies and enhanced offerings.
- While no systems cutover is required as a result of the Transaction, both companies, with

increased scale, will be able to implement combined systems with improved capabilities, allowing for improved efficiencies and improved customer support services.

- Licensees will be able to leverage Cincinnati Bell's analytics capabilities and market strategies to pursue wireless fiber builds and small cell networks.
- In the combined enterprise, although Licensees will gain access to Cincinnati Bell's managerial and operational experience and resources, local Hawai'i management will continue to play an important role in local decision making and the ability to shape how best to meet the needs of Hawai'i's communities.
- Licensees will benefit from the financial support of the combined enterprise, thereby enabling Licensees to deliver improved services and expand infrastructure across the islands addressing demands for high quality high speed broadband and competitive video offerings.

The Transaction is structured only as a change of ownership at the holding company level and will not affect any of the operations or legal identities of the Licensees. The proposed Transaction will not result in a change of carrier for any customers or any assignment of existing Commission authorizations. Further, Licensees rates, terms and conditions of services currently provided to their customers will not change as a result of the Transaction. The Licensees' existing tariffs will not be affected by the Transaction, and will remain in effect (subject to change in the ordinary course of business). Therefore, customers will not experience any immediate changes in services, or rates, terms and conditions of service. Any future changes will be done with careful planning and implementation in the normal course of business operations. There will be no need to change any billing systems or operational support systems before closing the Transaction. The Transaction also will not involve any changes to ILEC study areas. Since no system cutovers are required upon implementation of the combination, Licensees' existing customer-facing systems will remain in place after the closing. Any future information technology upgrades or expansions to HTI's and Cincinnati Bell's systems will be done with careful planning and execution in the normal course of business operations.

III. The Transaction Will Not Reduce Competition or Harm Customers in any Market

The combination will have no adverse impact on competition in Hawai'i. Cincinnati Bell does not presently operate in Hawai'i and therefore does not compete with Licensees. Moreover, in strengthening the financial and operational capacity and scale of Hawai'i's largest telecommunications provider, the proposed Transaction will enhance competition to the benefit of consumers. Licensees' customers will continue to be able to choose their intra- and interLATA toll providers.

Applicants recognize that competitors rely on the Licensees for high-quality non-discriminatory access to services, with accurate and timely billing and complete and accessible information regarding the services the Licensees provide. Under Cincinnati Bell's indirect ownership, Licensees will continue to provide nondiscriminatory access to their wholesale customers, consistent with their regulatory and contractual obligations. Cincinnati Bell will abide by the applicable obligations imposed on the Licensees pursuant to Sections 251-252 of the Communications Act, consistent with the rules and regulations issued by the FCC and the decisions of this Commission. Nothing in the indirect transfer of control will impact the Licensees' existing interconnection agreements under Sections 251-252 of the Act. This combination raises no competitive or other public interest concerns and therefore should be approved expeditiously.

VERIFICATION

I, Christopher J. Wilson, state that I am Vice President and General Counsel of Cincinnati Bell Inc. (the "Company"); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company and its subsidiaries are true and correct to my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this

10th day of August 2017.

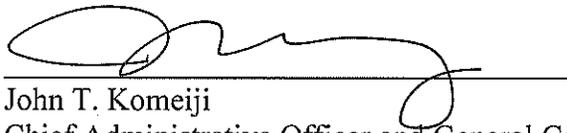


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VERIFICATION

I, John T. Komeiji, state that I am the Chief Administrative Officer and General Counsel of Hawaiian Telcom Holdco, Inc. (the "Company"); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company and its subsidiaries are true and correct to my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 10th day of August 2017.



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