

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

In the Matter of)
)
 Lackawaxen Telecommunications Services, Inc.,)
 and)
)
 Lackawaxen Long Distance Company,)
)
 Transferors,) **WC Docket No. 17- _____**
)
)
 and)
)
 Laurel Highland Total Communications,)
 Inc.,)
)
)
 Transferee.)
)
)
 For Consent to Transfer Control pursuant to)
 Section 214 of the Communications Act of 1934,)
 as amended)

**JOINT APPLICATION FOR TRANSFER OF CONTROL OF
DOMESTIC AND INTERNATIONAL AUTHORIZATIONS**

Lackawaxen Telecommunications Services, Inc. (“LTSI”) and Lackawaxen Long Distance Company (“LLDC”) (the “Lackawaxen Companies” or “Transferors” collectively, or individually, a “Company” or “Transferor”) through their direct parent company, Lackawaxen Telecom, Inc. (“LTI”) and ultimate parent company, LTC Communications, Inc. (“LCI”), and Laurel Highland Total Communications, Inc. (“LHTC”) (or “Transferee”) (collectively, the Lackawaxen Companies, LCI and LHTC being the “Applicants”), hereby submit this Application for authorization to transfer control of each of the Lackawaxen Companies to LHTC. Except for LTI, which is a Delaware corporation, each of the other companies involved in this transaction is a Pennsylvania corporation. The transfer of control will be consummated through

a “reverse triangular merger” whereby, after Laurel Submerg, Inc. (a Pennsylvania corporation wholly-owned by LHTC) merges into LCI with LCI being the surviving corporation, LHTC will then acquire 100% of the outstanding shares of LCI which will result in the transfer of ownership and control of LTI and its wholly-owned subsidiaries, the Lackawaxen Companies, to LHTC. Post consummation, the Lackawaxen Companies will: (1) continue to provide those services they each currently provide; and (2) will each become indirect wholly-owned subsidiaries of LHTC. For the reasons stated herein, Applicants respectfully submit that this Application is subject to the Commission’s “streamlined” processing rules found in Section 63.12 and Section 63.03, and thus prompt approval can be accomplished in a manner that raises no competitive concerns that could delay Commission approval of the transaction.

SECTION 63.04(a) INFORMATION

I. Background

LTSI is a rural incumbent local exchange carrier (“RLEC”) operating in portions of Wayne and Pike Counties in northeastern Pennsylvania, providing local exchange and exchange access service to approximately 1,600 access lines in this rural area. LTSI is a wholly-owned subsidiary of LTI which, in turn, is a wholly-owned subsidiary of LCI. LLDC is a reseller of long distance services operating in and around the service area of LTSI. LLDC provides its resold long distance service to approximately 1,300 customers.¹ LLDC is also a wholly-owned subsidiary of LTI.

¹LLDC has also received certifications from the Pennsylvania Public Utility Commission (“PA PUC”) to provided competitive local exchange carrier (“CLEC”) service within the service territories of Verizon Pennsylvania LLC, Verizon North LLC, and The United Telephone Company of Pennsylvania d/b/a CenturyLink and competitive access service throughout Pennsylvania. LLDC has also filed intrastate tariffs to address the CLEC and CAP services that it may provide. Presently, however, LLDC is not rendering any CLEC or CAP services.

II. Description of the Transaction

This application proposes the transfer of control of the Section 214 authorizations held by LTSI and LLDC. Pursuant to the proposed transaction, the transfer of control will be consummated through a “reverse triangular merger” whereby, after Laurel Submerg, Inc. (a Pennsylvania corporation wholly owned by LHTC) merges into LCI with LCI being the surviving corporation, LHTC will then acquire 100% of the outstanding shares of LCI which will result in the transfer of ownership and control to LHTC of the LCI indirect wholly-owned subsidiaries, the Lackawaxen Companies. Post consummation, the Lackawaxen Companies will continue to exist and operate in their respective service territories, under the same names, and provide service pursuant to the then-existing rates, terms and conditions. No carrier change charges are associated with the transaction, and no customer service or billing contact information will change as a result of the transfer. The transaction will not affect customers’ preferred carrier freezes. Accordingly, the proposed transactions will be transparent to consumers.

The Applicants have or will shortly be seeking authorization from the PA PUC. As is true with the required FCC approvals, PA PUC prior authorization is required in order to consummate the proposed transaction.

III. Transfer of Control of International Section 214 Authorization

Applicant LLDC resells switched international long distance toll services to residential and business customers pursuant to an international Section 214 authorization granted by the

Nonetheless, out of an abundance of caution, the Applicant request that this aspect of LLDC’s blanket domestic Section 214 authorization be transferred as part of this Application.

Commission under File No. ITC-214-19961105-00554.² In accordance with the requirements of Section 63.24(e) of the Commission's Rules, Applicants submit the following Section 63.18 information:

(1) Name, address and telephone number of each applicant.

Transferors:

Lackawaxen Companies

Frank M. Coughlin
President
LTC Communications, Inc.
104 Hotel Road, PO Box 8
Rowland PA 18457
Telephone: (315) 446-2690
Fax: (570) 685-0039

Transferee:

LHTC

James J. Kail
President and CEO
Laurel Highland Total Communications, Inc.
4157 Main Street
Stahlstown, Pennsylvania 15687
Telephone: (724) 593-2411
Facsimile: (724) 593-2423

(2) Government, state or territory under the laws of which each corporate or partnership applicant is organized.

LTSI is a Pennsylvania corporation and is organized under the laws of the Commonwealth of Pennsylvania.

² The information contained herein references both LTSI and LLDC. The combined LTSI and LLDC information is provided because it is relevant to the Applicants' responses in Section IV *infra* regarding the transfer of the domestic Section 214 authorizations held by LTSI and held by LLDC. As noted in this Section III, the only international authorization is that held by LLDC. LTSI has no international Section 214 authorization.

LLDC is a Pennsylvania corporation and is organized under the laws of the Commonwealth of Pennsylvania.

LCI is a Pennsylvania corporation and is organized under the laws of the Commonwealth of Pennsylvania.

LTI is a Delaware corporation and is organized under the laws of the State of Delaware.

Laurel Submerg, Inc. is a Pennsylvania corporation and is organized under the laws of the Commonwealth of Pennsylvania.

LHTC is a Pennsylvania corporation and is organized under the laws of the Commonwealth of Pennsylvania.

- (3) Name, title, post office address, and telephone number of the officer or contact point to whom correspondence concerning the application is to be addressed.**

Transferors:

Lackawaxen Companies

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Transferee:

LHTC

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(4) Statement as to whether the applicants had previously received authority under Section 214 of the Act.

LTSI holds a blanket domestic Section 214 authorization as provided for under 47 C.F.R. § 63.01. LLDC holds a blanket domestic Section 214 authorization as provided for under 47 C.F.R. § 63.01 and holds an international Section 214 authorization under File No. ITC-214-19961105-00554.

(5) Name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten percent of the equity of the applicant entities.

Transferor:

The Lackawaxen Companies are wholly owned subsidiaries of LTI.

LTI is a wholly owned subsidiary of LCI.

The shareholders that own Ten Percent (10%) or more of the issued and outstanding stock of LCI, and thus indirectly the Lackawaxen Companies are provided below.

<u>Name</u>	<u>Occupation</u>	<u>Citizenship</u>	<u>Percent Ownership</u>
Hale S. Coughlin, Jr. Irrevocable Trust Organized under laws of the State of New York; Co-Trustees: Ann M. Coughlin, Frank M. Coughlin, Hale S. Coughlin III, and John Coughlin	N/A	USA	45.05%
Ann M. Coughlin	Retired	USA	19.20%
Frank M. Coughlin	Telecommunications	USA	10.06%

Ann M. Coughlin, Frank M. Coughlin, Hale S. Coughlin III and John Coughlin are United States citizens.³

The address for each LCI shareholder is 7000 E. Genesee St., Lyndon Office Bldg. "A", Fayetteville, NY 13066-1195.

Following closing (1) LTSI will continue to operate as an RLEC serving its service territory, using the same assets as it did prior to the closing and (2) LLDC will continue to

³ The Applicants note that Hale S. Coughlin III and John Coughlin also are each individual shareholders of LCI with each of the individuals owning less than ten percent (10%) of LCI's shares.

operate as a provider of resold interstate interexchange and international services in the areas served by LTSI.

Transferee:

LHTC is a holding company organized under the laws of the Commonwealth of Pennsylvania and owns six (6) telecommunications carriers operating in the Commonwealth of Pennsylvania. No shareholder owns Ten Percent (10%) or more of the issued and outstanding stock of LHTC. Operational control of LHTC rests with its Board of Directors and its President and CEO. The individuals comprising the Board of Directors and the President and CEO of LHTC are as follows:

<u>Name</u>	<u>Title</u>	<u>Occupation</u>	<u>Citizenship</u>
Morgan D. Withrow	Chairman of the Board	Retired	USA
J. Harold Saylor	Vice Chairman of the Board	Retired	USA
Connie B. Beam	Secretary & Board Member	Retired	USA
Dennis Piper	Board Member	CPA	USA
John E. Shaffer	Board Member	Retired	USA
James J. Kail	President and CEO	Telecommunications	USA

The address for each of these individuals is: 4157 Main Street, Stahlstown, Pennsylvania 15687.

LHTC also owns 100% of the issued and outstanding stock of the following telecommunications carriers:

<u>Name</u>	<u>Type of Carrier</u>	<u>Operations</u>
Laurel Highland Telephone Company	Rural Incumbent Local Exchange Carrier	PA PUC certificated area in Southwestern Pennsylvania
Laurel Highland Telephone Company – CLEC Division	Competitive Local Exchange Carrier and Competitive Access Provider	Southwestern Pennsylvania providing service in discrete areas outside service areas of Laurel Highland Telephone

		Company and Yukon-Waltz Telephone Company
Laurel Highland Long Distance Company	Resale Interexchange Carrier	Southwestern Pennsylvania providing resold long distance service in areas in and around the area served by Laurel Highland Telephone Company)
South Canaan Telephone Company	Rural Incumbent Local Exchange Carrier	PA PUC certificated area in Northeastern Pennsylvania
South Canaan Long Distance Company	Resale Interexchange Carrier	Northeastern Pennsylvania providing resold long distance service in areas in and around the area served by South Canaan Telephone Company.
Yukon-Waltz Telephone Company	Rural Incumbent Local Exchange Carrier	PA PUC-certificated area in Southwestern Pennsylvania
Yukon-Waltz Communications, Inc.	Resale Interexchange Carrier	Southwestern Pennsylvania providing resold long distance service in areas in and around the area served by Yukon-Waltz Telephone Company.

The foregoing reflects all 10% or more derivative equity interests of the Applicants.

Upon the consummation of the proposed transaction, services currently provided by the Lackawaxen Companies will continue as noted below.

<u>Name</u>	<u>Type of Carrier</u>	<u>Operations</u>
Lackawaxen Telecommunications Services, Inc. (LTSP)	Rural Incumbent Local Exchange Carrier	Pennsylvania PUC-certificated area in portions of Wayne and Pike Counties, Pennsylvania
Lackawaxen Long Distance Company ("LLDC")	Resale Interexchange Carrier	Northeastern Pennsylvania providing resold long

distance service in areas in
the area served
by Lackawaxen
Telecommunications
Services, Inc.

(6) Certification as to whether or not Transferee is, or is affiliated with, a foreign carrier.

LHTC certifies that it is not a foreign carrier in any country, nor is it affiliated with any foreign carrier.

(7) Certification as to whether or not Transferee seeks to provide international telecommunications services to any country for which certain conditions are true.

Upon consummation, LLDC certifies that it does not seek to provide international telecommunications services to any destination country to which 47 C.F.R. § 63.18(j)(1) through (j)(4) applies.

(8) Showing regarding provision of international telecommunications service to a country where the applicant is a foreign carrier or is affiliated with a foreign carrier.

N/A

(9) Regulatory classification under Section 63.10 of the Rules for foreign-affiliated carrier.

N/A

(10) Certification that applicant has not agreed to accept special concessions directly or indirectly from any foreign carrier.

Upon consummation, LLDC certifies that it (a) has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and (b) will not enter into such agreements in the future.

- (11) **Certification pursuant to 47 C.F.R. §§ 1.2001-1.2003 that no party to the application is subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 583.**

Applicants hereby certify, pursuant to 47 C.F.R. §§ 1.2001-1.2003, that to the best of their knowledge, information, and belief, no party to the application is subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 583.

- (12) **Qualification for streamlined processing.**

This Application qualifies for streamlined processing under Sections 63.12(a) and (b) of the Commission's Rules. No party is affiliated with any foreign carrier in any destination market. No party has an affiliation with a dominant US carrier whose international switched or private line services the applicants seek authority to resell, and none is anticipated as a result of the public offering which likely will result in widely held interests. No party to this application seeks authority to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of switched services over private lines. Authorization is sought to complete a public sale that would continue the current operations as a non-dominant carrier reselling the international switched services of one or more unaffiliated US carriers.

IV. Transfer of Control of Domestic Section 214 Authorizations

Pursuant to Section 63.04(b) of the Commission's Rules, Applicants submit information required pursuant to Sections 63.04(a)(1) through 63.04(a)(12) of the Commission's Rules:

- (1) **The name, address and telephone number of each applicant.**

Please see Section III(1).

- (2) **The government, state, or territory under the laws of which each corporate or partnership applicant is organized.**

Please see Section III(2).

- (3) **The name, title, post office address, and telephone number of the officer or contact point, such as legal counsel, to whom correspondence concerning the application is to be addressed.**

Please see Section III(3).

- (4) **The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities (to the nearest one (1) percent).**

Please see Section III(5).

- (5) **Certification pursuant to §§1.2001 through 1.2003 of this chapter 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. See 21 U.S.C. 853.**

Please see Section III(11).

- (6) **Description of the Transaction.**

Please see Section II.

- (7) **Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area.**

With respect to the Transferors, please see Section I.

With respect to the Transferees, please see Section III(5), including pre- and post-consummation.

- (8) **Statement as to how the application fits into one or more of the presumptive streamlined categories in Section 63.03 of the Commission's Rules or why it is otherwise appropriate for streamlined treatment.**

Applicants request streamlined treatment of this Application in accordance with Sections 63.03(b)(2)(ii) and (iii). With respect to Section 63.03(b)(2)(iii), LTSI serves 1,600 access lines in portions of Wayne and Pike Counties in northeastern Pennsylvania, which is fewer than two

(2) percent of the nation's subscriber lines installed in the aggregate nationwide,⁴ and the transaction will result in no new overlapping or adjacent service areas with another incumbent local exchange carrier. *See* Attachment A.

With respect to Section 63.03(b)(2)(ii), neither LTSI or any currently owned LHTC-affiliated RLEC provides competitive telephone exchange services or exchange access services within the service area of LTSI. *See* 47 C.F.R. § 63.03(b)(2)(ii). Moreover, neither Laurel Highland Long Distance Company, South Canaan Long Distance Company nor Yukon-Waltz Communications, Inc. provide telephone exchange service or exchange access. *See id.* Thus, the presumptive streamlining of the instant Application is proper under Section 63.03(b)(2)(ii) and (iii) of the Commission's Rules.

(9) Identification of all other Commission applications related to the same transaction.

In addition to the transfers of control noted herein regarding LTSI's domestic Section 214 authority and LLDC's domestic and international Section 214 authorities, the Applicants will also be filing an application for the transfer of control of Station WPTA456, LTSI's Industrial/Business Pool Conventional Radio license.

⁴ As of June 30, 2016, the Commission reported that the retail switched access lines were approximately 62,276,000 nationwide. *See Voice Telephone Services: Status as of June 30, 2016* (Industry Analysis and Technology Division, Wireline Competition Bureau, April, 2017), Figure 2. LTSI's 1,600 access lines are far less than 2% of the nation's access lines reported by the Commission. Even if LHTC's separate RLEC operations are considered (Laurel Highland Telephone Company (approximately 3,600 access lines), South Canaan Telephone Company (approximately 1,650 access lines) and Yukon-Waltz Telephone Company (approximately 500 access lines), the post-consummation of the RLEC affiliates commonly owned by LHTC would be approximately 7,350 access lines, again considerable less than 2% of the presubscribed access lines.

(10) Statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure.

Neither party to the transaction is facing imminent business failure. Therefore, Applicants are not requesting special consideration for this reason.

(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction

No separately filed waiver requests are being sought in conjunction with the transaction.

(12) Statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets

Applicants respectfully submit that a grant of this application for the transfer of control of the Companies is in the public interest.

Upon consummation of the contemplated transaction, LTSI and LLDC will continue to provide the same high-quality, modern services to their current respective subscribers as those provided today, and will do so in a manner that will render the transfers for which authorization is sought herein transparent to their respective customers. LHTC's management has a demonstrated commitment to the provision of high quality telecommunications services in rural areas of the Commonwealth of Pennsylvania and will continue to advance that commitment through the operations of LTSI and LLDC, which commitments will redound to the benefit of the customers of LTSI and of LLDC.

In addition, prompt grant of this Application will allow LHTC and its operating telecommunications carriers to take advantage of increased efficiencies that will be realized from broader-based rural operations associated with it and its affiliated RLECs' operations while, at the same time, expanding post-consummation through the operations of the LTSI and LLDC, LHTC's existing corporate commitment to having its telecommunications carrier operations

provide high-quality, reasonably priced rural telecommunications services in Pennsylvania. Applicants respectfully submit that this result can be accomplished in a manner that raises no competitive concerns that should delay Commission approval of the transaction.

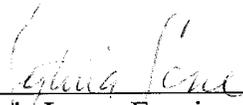
Accordingly, the Applicants respectfully submit that the public interest would be served by a grant of this requested transfer of control.

V. CONCLUSION

For the foregoing reasons, the Applicants respectfully request the expeditious grant of this Application.

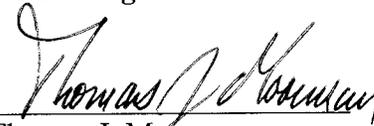
Respectfully submitted,

**Lackawaxen Telecommunications Services, Inc. and
Lackawaxen Long Distance Company**

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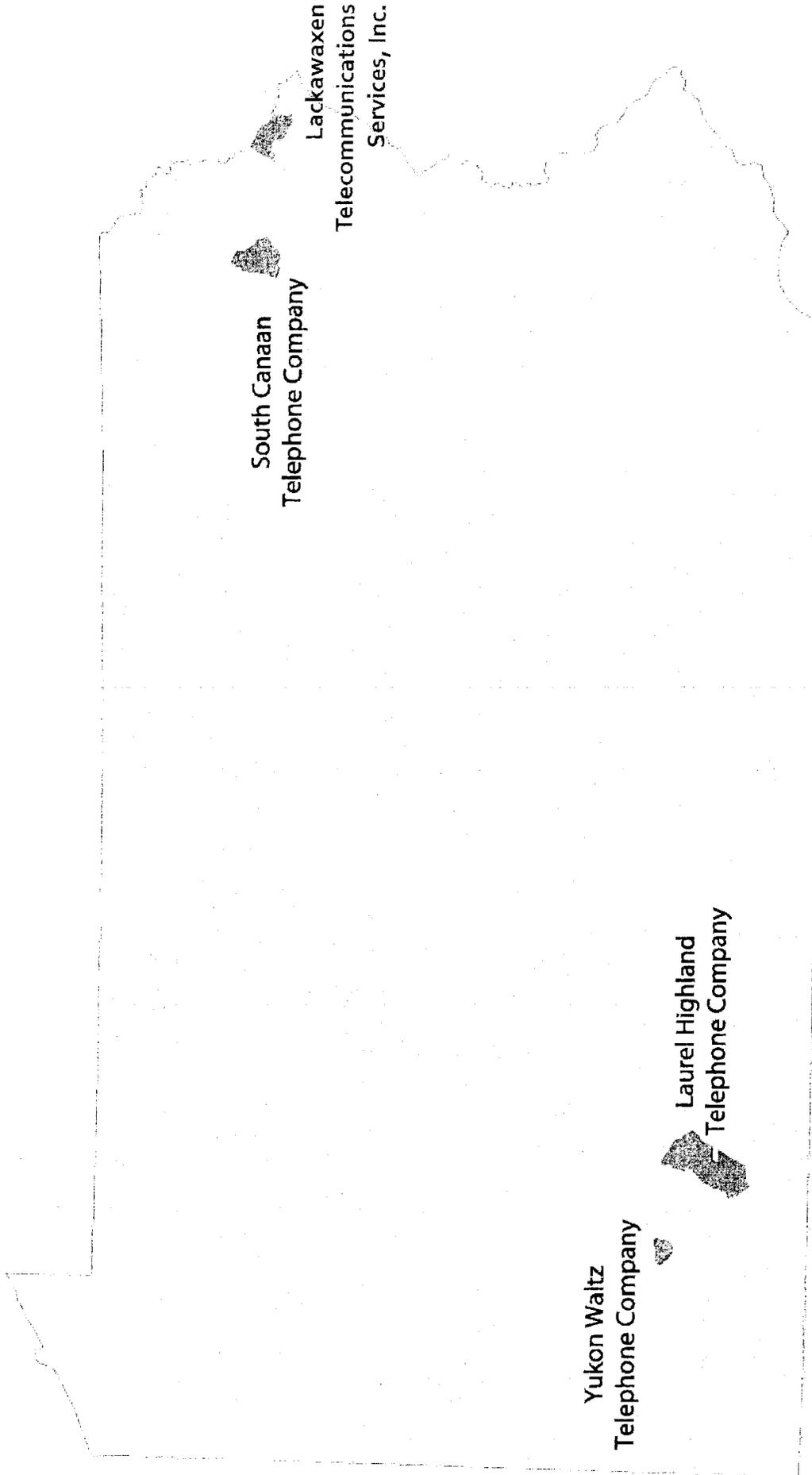
Laurel Highland Total Communications, Inc.

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Its Attorney

December 11, 2017

Attachment A



Yukon Waltz
Telephone Company

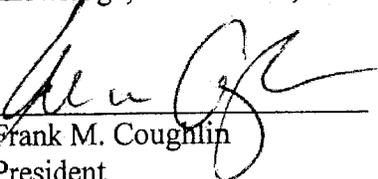
South Canaan
Telephone Company

Lackawaxen
Telecommunications
Services, Inc.

Laurel Highland
Telephone Company

DECLARATION

I, Frank M. Coughlin, President of LTC Communications, Inc. (the "Company"), do hereby declare under penalties of perjury that I have read the foregoing "Joint Application for Transfer of Control of Domestic and International Authorizations," and the information contained therein regarding the Company and its affiliates is true and accurate to the best of my knowledge, information, and belief.



Frank M. Coughlin
President
LTC Communications, Inc.

Date: 12-11-17

DECLARATION

I, James J. Kail, President and Chief Executive Office of Laurel Highland Total Communications, Inc. (the "Company"), do hereby declare under penalties of perjury that I have read the foregoing "Joint Application for Transfer of Control of Domestic and International Authorizations," and the information contained therein regarding the Company and its affiliates is true and accurate to the best of my knowledge, information, and belief.



James J. Kail
President and Chief Executive Office
Laurel Highland Total Communications, Inc.

Date: 12/11/17

CERTIFICATE OF SERVICE

I, Thomas J. Moorman, of Woods & Aitken LLP, 5151 Wisconsin Avenue, N.W., Suite 310, Washington, DC 20016, do hereby certify that on this 11th day of December, 2017, the foregoing "Joint Application for Transfer of Control of Domestic and International Authorizations" was mailed, first class postage prepaid, to the following:


Thomas J. Moorman

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