

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

In the Matter of )  
)  
**Rothsay Telephone Company, Inc.** )  
Assignor ) WC Docket No. \_\_\_\_\_  
)  
**Otter Com, Inc.** )  
Assignee )  
)  
For Assignment of the Assets of Rothsay Telephone Company, Inc., )  
which provides interstate interexchange and exchange access )  
services in Minnesota pursuant to a blanket domestic Section 214 )  
authorization )

TO: Wireline Competition Bureau

**NON-STREAMLINED APPLICATION FOR ASSIGNMENT  
OF DOMESTIC BLANKET SECTION 214 AUTHORIZATION**

Rothsay Telephone Company, Inc. (“RTC”; FRN: 0003-7275-75); and Otter Com, Inc. (“OCI”; FRN: 0007-0689-35) hereby request Commission authorization for the assignment of the assets of Rothsay to OCI, and the continuation of the interstate interexchange and exchange access services provided in the Rothsay, Minnesota exchange pursuant to the subject blanket domestic Section 214 authorization by a newly formed successor owned by OCI and also operating under the name “Rothsay Telephone Company, Inc.”

. RTC is a Minnesota corporation that provides local exchange service and exchange access service as an incumbent local exchange carrier (“ILEC”) in a single rural exchange (the Rothsay, Minnesota exchange) located in Wilkin and Otter Tail Counties in west central Minnesota. RTC also resells interstate and intrastate long distance toll services to customers within its local exchange service area.

OTC is a Minnesota corporation that serves as a holding company for telecommunications-related investments, and also as a provider of non-regulated services such as long distance, internet, and video/cable services. OTC is a wholly-owned subsidiary of Park Region Mutual Telephone Company (“Park Region”), a Minnesota corporation and member-owned cooperative, which provides service as an ILEC to six rural exchanges (Dalton, Underwood, Ashby, Erhard, Maine, and Vining) in Otter Tail and Grant Counties in west central Minnesota.

The proposed transaction is a sale of substantially all of the assets, properties, contracts, operations and businesses of RTC to OCI. These assets include all of the assets used by RTC to provide local and long distance services in the Rothsay, Minnesota exchange; operating and customer contracts, licenses and telephone numbers relating to RTC’s local and long distance business in the Rothsay, Minnesota exchange; and all authorizations and certifications for RTC’s successor to provide local exchange and interexchange services in the Rothsay exchange under the name “Rothsay Telephone Company, Inc” (including RTC’s blanket Section 214 authorization). OCI will transfer these assets to a newly formed wholly-owned subsidiary which will operate the acquired assets and provide the same local exchange and interexchange services under the same name: Rothsay Telephone Company, Inc. In this way, OCI and its newly formed subsidiary Rothsay Telephone Company, Inc. will acquire ownership and control of the blanket Section 214 authorization of RTC.

The proposed transaction does not appear to qualify for streamlined processing pursuant to Section 63.03(b)(2)(iii) of the Commission’s Rules because the Rothsay exchange is adjacent to the Fergus Falls exchange of Otter Tail Telcom, LLC, which is owned 92.70 percent by OCI and 7.30 percent by RTC.

In accordance with the requirements of Section 63.04(a) of the Commission's Rules, the Applicants submit the following information:

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

**Assignor:**

Rothsay Telephone Company, Inc.  
137 1<sup>st</sup> Street, NW  
Rothsay, Minnesota 56579  
Telephone: (218) 867-2111  
Facsimile: (218) 867-2114

**Assignee:**

Otter Com, Inc.  
100 Main Street (P.O. Box 277)  
Underwood, Minnesota 56586  
Telephone: (218) 826-6161  
Facsimile: (218) 826-6298

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

The present Rothsay Telephone Company, Inc. is a Minnesota corporation.

Otter Com, Inc. is a Minnesota corporation.

Park Region Mutual Telephone Company is a Minnesota corporation.

The new Rothsay Telephone Company, Inc. that will be formed will be a Minnesota corporation.

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

**For Assignor:**

Paul Stowman, President  
Rothsay Telephone Company, Inc.  
137 1<sup>st</sup> Street, NW  
Rothsay, Minnesota 56579  
Telephone: (218) 867-2111  
Facsimile: (218) 867-2114

**For Assignee:**

David Bickett, Chief Executive Officer  
 Otter Com, Inc.  
 100 Main Street (Box 277)  
 Underwood, Minnesota 56586  
 Telephone: (218) 826-6161  
 Facsimile: (218) 826-6298

With a copy to Counsel:

Gerard J. Duffy  
 Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP  
 2120 L Street, N.W. (Suite 300)  
 Washington, D.C. 20037  
 Telephone: (202) 659-0830  
 Facsimile: (202) 828-5568

- (4) **Name, address, citizenship and principal business of any person or entity that directly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities:**

**Rothsay Telephone Company, Inc. (Existing Assignor)**

The name, address, citizenship and principal business of the entities that own at least ten (10) percent of the equity and voting power of Rothsay Telephone Company, Inc. before the proposed transaction are:

<b><u>Name &amp; Address</u></b>	<b><u>% Voting &amp; Equity</u></b>	<b><u>Citizenship</u></b>	<b><u>Principal Business</u></b>
Paul Stowman 137 1 <sup>st</sup> Street NW Rothsay, MN 56579	45.2806%	U.S.A	Telecommunications
Wayne Stowman 137 1 <sup>st</sup> Street NW Rothsay, MN 56579	30.6058%	U.S.A	Telecommunications
David Stowman 137 1 <sup>st</sup> Street NW Rothsay, MN 56579	14.2639%	U.S.A	Attorney

No other individual or entity directly or indirectly owns an interest of ten (10) percent or more of the equity and voting power of Rothsay Telephone Company, Inc. prior to the proposed transaction.

**Rothsay Telephone Company, Inc. (Newly Former Entity After Transaction)**

The name, address, citizenship and principal business of the only entity that will own at least ten (10) percent of the equity and voting power of the new Rothsay Telephone Company, Inc. after the proposed transaction are:

<u>Name &amp; Address</u>	<u>% Voting &amp; Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Otter Com, Inc. 100 Main Street Underwood, MN 56586	100.00%	MN Corp.	Telecommunications

In turn, the name, address, citizenship and principal business of the only entity that will own at least ten (10) percent of the equity and voting power of Otter Com, Inc. both before and after the proposed transaction are:

<u>Name &amp; Address</u>	<u>% Voting &amp; Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Park Region Mutual Telephone Company 100 Main Street Underwood, MN 56586	100.00%	MN Corp.	Telecommunications

Park Region Mutual Telephone Company is a member-owned cooperative with approximately 3800 member-owners, none of whom holds as much as a one percent voting or equity interest in the cooperative. To the best of Park Region's knowledge, information and belief, all of its member-owners are citizens or lawful residents of the United States.

No other individual or entity will directly or indirectly own or control an interest of ten (10) percent of the equity and/or voting power of the newly formed Rothsay Telephone Company after the proposed transaction.

**(5) Certification pursuant to 47 C.F.R. §§1.2001 through 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.**

RTC and OCI hereby certify, pursuant to 47 C.F.R. §§1.2001 through 1.2003, that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

**(6) Description of the transaction:**

The proposed transaction is a sale of substantially all of the assets, properties, contracts, operations and businesses of RTC to OCI. These assets include all of the assets used by RTC to provide local and long distance services in the Rothsay, Minnesota exchange; operating and customer contracts, licenses and telephone numbers relating to RTC's local and long distance business in the Rothsay, Minnesota exchange; and all authorizations and certifications for RTC's successor to provide local exchange and interexchange services in the Rothsay exchange under the name "Rothsay Telephone Company, Inc" (including RTC's blanket Section 214 authorization). OCI will transfer these assets to a newly formed wholly-owned subsidiary which will operate the acquired assets and provide the same local exchange and interexchange services under the same name: Rothsay Telephone Company, Inc. In this way, OCI and its newly formed subsidiary Rothsay Telephone Company, Inc. will acquire ownership and control of the blanket Section 214 authorization of RTC.

**(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:****Areas and Services of Existing Rothsay Telephone Company, Inc. and Affiliates.**

RTC provides local exchange service and exchange access service as an ILEC (less than 450 access lines) in and around the community of Rothsay in Wilkin and Otter Tail Counties in west central Minnesota. RTC also resells interstate and intrastate long distance toll services within its local exchange service area.

RTC owns an 18.09 percent limited partnership interest in Val-Ed Joint Ventures L.L.P., a Minnesota limited liability partnership which provides local exchange and exchange access services in Fargo, North Dakota and Wahpeton and Moorhead, Minnesota.

RTC owns a 7.30 percent member interest in Otter Tail Telcom, LLC, a Minnesota limited liability company that provides local exchange and exchange access in the Fergus Falls and Battle Lake exchanges in Otter Tail County in west central Minnesota.

RTC owns a 5.00 percent member interest in West Central Transport Group, LLC, a Minnesota limited liability company which provides fiber optic and other transport services in throughout Minnesota.

RTC owns a 3.452 percent member interest in Sky Com 700 MHZ, LLC, a Minnesota limited liability company which holds 700 MHZ Low Band licenses for Stations WPZA241 and WQIZ619 in Minnesota 5 – Wilkin (CMA286).

RTC has no ownership interests in any other entity that offers domestic telecommunications services.

### **Areas and Services of Otter Com, Inc. and Affiliates**

OCI is a holding company, and also provides non-regulated services including long distance, internet, and video/cable.

OCI owns an 18.09 percent limited partnership interest in Val-Ed Joint Ventures L.L.P., a Minnesota limited liability partnership which provides local exchange and exchange access services in Fargo, North Dakota and Wahpeton and Moorhead Minnesota. After completion of the proposed transaction, OCI will own a 36.18 percent limited partnership interest in Val-Ed Joint Ventures L.L.P.

OCI owns a controlling 92.70 percent member interest in Otter Tail Telcom, LLC, a Minnesota limited liability company that provides local exchange and exchange access services in the Fergus Falls and Battle Lake exchanges (approximately 4,200 access lines) in Otter Tail County in west central Minnesota. After completion of the proposed transaction, OCI will own 100.00 percent of Otter Tail Telcom, LLC.

OCI owns a 5.00 percent member interest in West Central Transport Group, LLC, a Minnesota limited liability company which provides fiber optic and other transport services in Minnesota. After completion of the proposed transaction, OCI will own a 10.00 percent member interest in West Central Transport Group, LLC.

Park Region provides local exchange service and exchange access service as an ILEC (approximately 3,300 access lines) in six rural exchanges (Dalton, Underwood, Ashby, Erhard, Maine, and Vining) in Otter Tail and Grant Counties in west central Minnesota.

OCI owns a 18.013 percent member interest in Sky Com 700 MHZ, LLC, a Minnesota limited liability company which holds 700 MHz Low Band licenses for Stations WPZA241 and WQIZ619 in Minnesota 5 – Wilkin (CMA286).

Valley Telephone Company, a Minnesota Corporation and wholly-owned subsidiary of Park Region Mutual Telephone Company, provides local exchange and exchange access services (approximately 500 access lines) in Browns Valley in Traverse County in west central Minnesota. Valley Telephone also provides cable television services in the Browns Valley area.

OCI has no other affiliates that offer domestic telecommunications services.

**(8) Statement as to how the application fits into one or more of the presumptive streamlined categories in section 63.03 or why it is otherwise appropriate for streamlined treatment:**

This application does not fit within the presumptive streamlined categories in Section 63.03(b) of the Commission's Rules because the Rothsay exchange is adjacent to the Fergus Falls exchange which is owned by Otter Tail Telcom, LLC, an affiliate of both OCI and RTC which is owned 92.70 percent by OCI. Because of OCI's majority ownership, streamlined treatment is not requested. However, the applicants note that the other portions of Section 63.03(b)(2)(iii) are satisfied. Specifically (a) the Park Region/OCI and RTC organizations together have a market share in the interstate, interexchange market of less than 10 percent; and (b) Park Region, OTT, Valley and RTC together have less than 8,500 access lines which constitute far fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide.

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

There are and will be no other Commission applications related to this transaction.

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

No party to the transaction is facing imminent business failure at this time. Therefore, the Applicants are not requesting special consideration because a party to the transaction is facing imminent business failure.

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

No separately filed waivers or waiver requests are being sought in conjunction with the proposed 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:**

The proposed transaction entails the acquisition of all of the assets of the Rothsay, Minnesota exchange by the somewhat larger Park Region/OCI organization that has long operated telecommunications networks in the same state of Minnesota. Park Region and OCI have a long and proven record of investing in rural networks and communities, and of providing high-quality, state-of-the-art voice, data and video services at affordable rates to their rural service areas. The proposed transaction will ensure that Rothsay, Minnesota area customers will continue to receive high-quality, state-of-the-art voice, data and video services at affordable rates during the foreseeable future.

**Conclusion**

In light of the foregoing facts and public interest considerations, the Commission is respectfully requested to authorize the assignment of the assets of Rothsay Telephone Company, Inc. to Otter Com, Inc., and the continuation of the interstate interexchange and exchange access services provided in the Rothsay, Minnesota exchange pursuant to the subject blanket domestic Section 214 authorization by a newly formed successor owned by Otter Com, Inc. and also operating under the name Rothsay Telephone Company, Inc.

Rothsay Telephone Company, Inc. and Otter Com, Inc. reiterate that they certify, pursuant to 47 C.F.R. §§1.2001 through 1.2003, that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

Respectfully submitted,

**ROTHSAY TELEPHONE COMPANY,  
INC.**

By:   
Paul Stowman, President

**OTTER COM, INC.**

By:   
David Bickett, Chief Executive Officer

Date: 6-10-2016

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