



PUBLIC NOTICE

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

MAILED

News Media Information 202 / 418-0500

Internet: <http://www.fcc.gov>

TTY: 1-888-835-5322

OCT 18 2010

DOCKET FILE COPY ORIGINAL

FCC Mail Room

DA 10-1953

Released: October 12, 2010

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF DIVERSICOM, INC. TO ARVIG ENTERPRISES, INC.

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 10-203

Comments Due: October 26, 2010

Reply Comments Due: November 2, 2010

On September 30, 2010, the L.H. Arvig Trust (LHA Trust) and Arvig Enterprises, Inc. (Arvig) (together, Applicants) filed an application pursuant to section 63.03 of the Commission's rules to transfer control of diversiCom, Inc. (DCI) and its wholly owned subsidiaries, Melrose Telephone Company (Melrose) and Mainstreet Communications, LLC (Mainstreet), from the LHA Trust to Arvig.¹

Applicants do not seek streamlined processing for this application under section 63.03(b) of the Commission's rules.² DCI, a Minnesota holding company that does not itself provide telecommunications services, owns Melrose, a Minnesota corporation that provides incumbent local exchange carrier (LEC) and resold interstate toll services in eight rural exchanges in central Minnesota (Eden Valley, Greenwald, Grey Eagle, Kimball, Melrose, Richmond, St. Martin, and Watkins). DCI also owns Mainstreet, a Minnesota limited liability company that provides competitive LEC service and resold interstate toll service in the Sauk Centre exchange in Minnesota. Mainstreet is also authorized to provide competitive LEC services in the Long Prairie, Cold Spring, Alexandria, and Willmar exchanges in central Minnesota, but has not yet commenced services and has no schedule for doing so.³ Applicants state that

¹ 47 C.F.R. § 63.03; see 47 U.S.C. § 214. Applicants are also filing applications for a transfer of control associated with authorization for international and wireless services. Any action on this domestic section 214 application is without prejudice to Commission action on other related pending applications.

² 47 C.F.R. § 63.03(b).

³ Applicants state that Melrose and Mainstreet together serve approximately 11,000 access lines. They state that Melrose holds a 33.33 percent interest in Central Minnesota Network Systems, LLC that provides fiber services to schools in Minnesota and a 20 percent interest in Central Transport Group, LLC that provides special access services in Minnesota. DCI also owns Wisper Wireless Solutions, LLC that provides wireless data services in central Minnesota.

the LHA Trust wholly owns DCI, and that the trustees are Frances Monroe, Thomas Arvig, Barrett L. Colombo, and Gilroy Arvig, all U.S. citizens.⁴

Arvig, a Minnesota corporation, provides incumbent LEC, competitive LEC, and long distance services to approximately 40,200 access lines in Minnesota, Wisconsin, and North Dakota through multiple subsidiaries identified in the application. Arvig wholly owns Midwest Information Systems, Inc., a holding company that owns three rural incumbent LECs in Minnesota, including Osakis Telephone Company. The Osakis exchange is adjacent to Mainstreet's Sauk Centre exchange. Applicants further state that Arvig wholly owns Tekstar Cablevision, Inc., a Minnesota corporation that owns 100 percent of Tekstar Communications, Inc. that provides or is authorized to provide competitive LEC and long distance services in 19 central Minnesota exchanges. Tekstar is authorized to provide competitive LEC service in the Long Prairie and Alexandria exchanges in which Mainstreet is also authorized as a competitive LEC, but Applicants state that Tekstar has not commenced providing service in those exchanges and has no schedule for doing so. Because this transaction is more complex than usual, in order to analyze whether the proposed transaction would serve the public interest, this application will not be subject to presumptive streamlined treatment.⁵

Allen R. Arvig, a U.S. citizen, owns 29.34 percent of Arvig, and his family members, all U.S. citizens, each own less than 10 percent of the common stock of the company. The Arvig Employee Stock Ownership Trust, a Minnesota entity, owns 36.70 percent of Arvig. The sole trustee of the Arvig Employee Stock Ownership Trust is Horizon Bank, N.A. d/b/a Horizon Trust and Investment Management, an Indiana entity.

Pursuant to the terms of the proposed transaction, the LHA Trust will sell all of the issued and outstanding stock of DCI to Arvig, and DCI will become a wholly owned subsidiary of Arvig. Applicants state that the proposed transaction is in the public interest because Arvig and DCI are established rural telephone companies that will continue to provide high quality service at affordable rates.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before October 26, 2010** and reply comments **on or before November 2, 2010**. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's e-Rulemaking Portal, or (3) by filing paper copies. See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

Under the Commission's procedures for the submission of filings and other documents, submissions in this matter may be filed electronically (*i.e.*, though ECFS) or by hand delivery.

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://fjallfoss.fcc.gov/ecfs2/> or the Federal eRulemaking Portal: <http://www.regulations.gov>.

⁴ The current beneficiary of the LHA Trust is Thomas Arvig, a U.S. citizen and son of L.H. Arvig.

⁵ 47 C.F.R. § 63.03(b), (c)(1)(v).

- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., SW, Room TW-A325, Washington, DC 20554. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, SW, Washington DC 20554.

Additionally, filers must deliver courtesy copies by email to the following Commission staff:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilson-parker@fcc.gov;
- 3) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Jodie May at (202) 418-0913.

-FCC-