PUBLIC NOTICE

Federal Communications Commission
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DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF KNOLOGY, INC. AND ITS SUBSIDIARIES TO WIDEOPENWEST FINANCE, LLC

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 12-120

Comments Due: June 5, 2012
Reply Comments Due: June 12, 2012

On May 1, 2012, Knology, Inc. (Knology) and WideOpenWest Finance, LLC (WOW!) (collectively, Applicants) filed an application[1] pursuant to section 63.03 of the Commission's rules,[2] requesting approval for the transfer of control of Knology and its subsidiaries (Knology Companies) to WOW!.

Knology, a Delaware corporation, provides telecommunications services in the Southeast, upper Midwest, and Kansas regions through its operating subsidiaries. The Knology Companies[3] provide service in Alabama, Florida, Georgia, Iowa, Kansas, Kentucky, Minnesota, Missouri, Rhode Island, South Carolina, South Dakota, and Tennessee. In Alabama, Georgia, and South Dakota, certain of the Knology Companies provide service as rural incumbent local exchange carriers (incumbent LECs).

WOW!, a Delaware corporation, provides digital cable service, broadband services, and competitive telecommunications and VoIP communications services in metropolitan areas of Indiana,

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[1] Domestic Section 214 Application for the Transfer of Control of Knology, Inc., and its Subsidiaries to WideOpenWest Finance, LLC, WC Docket No. 12-120 (filed May 1, 2012) (Application). Applicants filed a supplement to their application on May 18, 2012. Letter from Howard M. Liberman, Counsel for WideOpenWest Finance, LLC to Marlene Dortch, Secretary, FCC, WC Docket 12-120 (filed May 18, 120) (WOW! May 18 *Ex Parte* Letter).

[2] 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants also filed applications for transfer of control associated with authorizations for international, private mobile, and IG radio services. Any action on this domestic section 214 application is without prejudice to Commission action on other pending applications.

[3] Knology's operating subsidiaries include the following U.S. entities: Globe Telecommunications, Inc., Knology Community Telephone, Inc., Knology of Alabama, Inc., Knology of Florida, LLC, Knology of Georgia, Inc., Knology of Kansas, Inc., Knology of Kentucky, Inc., Knology of South Carolina, Inc., Knology of South Dakota, Inc., Knology of Tennessee, Inc., Knology of the Black Hills, LLC, Knology of the Plains, Inc., Knology of the Valley, Inc., Knology Provider Solutions Group, Inc., Knology Total Communications, Inc., Valley Telephone Company, LLC, and Wiregrass Telecom, Inc.

Illinois, Michigan and Ohio through its operating subsidiaries.[4] Applicants state that there is no geographic overlap between any of WOW!'s services and any of those provided by Knology or the Knology Companies. WOW! is privately-owned and controlled by Avista Capital Partners, L.P. (Avista), a Delaware limited partnership.[5] Racecar Holding, LLC, a Delaware limited liability holding company, owns 100 percent of the equity interest in WOW! through wholly owned, intermediary holding companies, including WideOpenWest Cleveland Inc., WideOpenWest Illinois, Inc., WideOpenWest Ohio, Inc., WideOpenWest Networks, Inc., and WOW Sigecom, Inc., all of which are Delaware corporations. Racecar Acquisition, LLC, a Delaware limited liability company, is a wholly owned subsidiary of Racecar Holdings, LLC, a Delaware limited liability company whose principal business is the ownership of the WOW! cable television systems and communications networks.

After consummation of the proposed transaction, Avista will have approximately a 20 percent direct ownership interest in, and less than a 50 percent voting interest in Racecar Holdings, LLC. Avista Capital Partners (Offshore), LP (Avista Offshore), a Bermuda exempt limited partnership, will have approximately a five percent direct ownership interest in, and less than ten percent voting interest in Racecar Holdings, LLC. Avista Capital Partners III, L.P. (Avista III), a Delaware limited partnership, will have approximately a 20 percent direct ownership interest in, and less than a 50 percent voting interest in Racecar Holdings, LLC.[6] Avista Capital Partners GP, LLC (Avista GP), a Delaware limited liability company, is the general partner of Avista and Avista Offshore. Avista Capital Partners III GP, L.P. (Avista III GP), a Delaware limited partnership, is the general partner of Avista III and Avista Offshore III. No limited partner of Avista, Avista Offshore, Avista III, Avista Offshore III, or Avista GP will hold an interest of five percent or greater in Knology. Avista Capital Managing Member, LLC (Avista Member), a Delaware limited liability company, is the managing member of Avista GP and the general partner of Avista III GP. Therefore, Avista Member, through Avista, Avista Offshore, Avista III and Avista Offshore II, will control Racecar Holdings, LLC.[7] The only voting members of Avista Member are: Thompson Dean, Steven Webster, David Burstahler, David Durkin, and OhSang Kwon, all U.S. citizens.[8] Northwestern Mutual Life Insurance Company, a Wisconsin company, will have an approximately 20 percent direct, nonvoting ownership interest in Racecar Holdings, LLC. No other person or entity will hold a ten percent or greater interest in WOW!.[9]

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[4] WOW!'s operating subsidiaries include the following: WideOpenWest Illinois, LLC, WideOpenWest Michigan, LLC, WideOpenWest Mid-Michigan, LLC, WideOpenWest Ohio, LLC, Sigecom, LLC, WideOpenWest Cleveland, LLC.

[5] *See* WOW! May 18 *Ex Parte Letter*, Attach. C for the post-transaction ownership chart. Applicants state that all entities identified in Attachment C are U.S. entities except for the two labeled as "Offshore." Applicants affirm that for each reference on Attachment C to "Insulated Limited Partners," the relevant partnership's limited partnership agreement includes the insulating provisions specified in section 73.3555, n. 2(f) of the Commissions' rules. 47 C.F.R § 73.3555, n. 2(f).

[6] Applicants state that the precise ownership interest cannot be given because two new Avista investors, Avista III and Avista Offshore III are in the process of raising funds. The size of the new funds relative to each other will not be known until shortly before the closing of the proposed transaction. Also, the existing owners are being offered preemptive rights with regard to the new equity being issued in connection with the acquisition, and to the extent those owners elect to purchase any new equity, their election would reduce the amount of such new equity that is available to other investors. Once the percentage of Avista III's and Avista Offshore III's ownership interest is finalized, the equity interest held by Avista and Avista Offshore will also be adjusted.

[7] Applicants state that after consummation of the proposed transaction, Avista will be reduced to less than a controlling interest but, together with commonly-controlled Avista III, will continue to control WOW!.

[8] Each voting member has one vote; however, Mr. Dean and Mr. Webster each have a veto.

[9] Applicants state that there may be some other minor changes to the post-transaction structure. Knology's operating subsidiaries may be converted from corporations to limited liability companies. The Knology operating entities may be directly held by WOW!, with Knology, in turn, becoming one of the intermediate entities holding an

The proposed transaction arises from an Agreement and Plan of Merger, pursuant to which an indirect subsidiary of WOW! will acquire Knology in an all-cash transaction. WOW! created a merger entity, Kingston Merger Sub, Inc., which will be merged with and into Knology. Upon consummation of the proposed transaction, Knology will be the surviving entity, and the Knology Companies will be indirect, wholly-owned subsidiaries of WOW!. Applicants state that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(ii) of the Commission's rules[10] and that a grant of the application will serve the public interest, convenience, and necessity.

Domestic Section 214 Application Filed for the Transfer of Control of Knology, Inc. and its Subsidiaries to WideOpenWest Finance, LLC, WC Docket No. 12-120 (filed May 1, 2012).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before June 5, 2012,** and reply comments **on or before June 12, 2012.** Pursuant to section 63.52 of the Commission's rules, 47 C.F.R. § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.[11]

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): http://fjallfoss.fcc.gov/ecfs2/.

In addition, e-mail one copy of each pleading to each of the following:

1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;

2) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;

3) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and

4) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

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

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interest in WOW! Applicants state that WOW! will notify the Commission if a determination is made to make any such changes. Applicants state that ultimate control of WOW! and Knology will, in any event, remain unchanged.

[10] 47 C.F.R. § 63.03(b)(2)(ii).

[11] Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules.[12] Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 C.F.R. § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

For further information, please contact Tracey Wilson at (202) 418-1394 or Dennis Johnson at (202) 418-0809.

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[12] 47 C.F.R. §§ 1.1200 *et seq.*