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October 1, 2012

**Via IBFS**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
International Bureau Applications  
P.O. Box 979093  
St. Louis, MO 63197-9000

**Re: In the Matter of the Joint Application of Millington Telephone Company, Inc. MTel Long Distance, Inc. and E. Ritter Communications Holdings, Inc. for Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.24 of the Commission's Rules to Complete a Transfer of Control to E. Ritter Communications Holdings, Inc.**

Dear Ms. Dortch:

On behalf of Millington Telephone Company, Inc., MTel Long Distance, Inc. ("Licensee") and E. Ritter Communications Holdings, Inc. ("Ritter" or "Transferee") (collectively, "Applicants"), enclosed please find an application for approval to transfer control of Licensee to Ritter.

Pursuant to Section 63.04(b) of the Commission's Rules, Applicants submit this filing as a combined international section 214 and domestic 214 transfer of control application ("Combined Application"). Applicants are simultaneously filing the Combined Application with the Wireline Competition Bureau, in accordance with the Commission's rules.

This filing and the applicable credit card payment in the total amount of \$1,050.00, which satisfies the filing fee required for this application under line 2.b of Section 1.1105 of the Commission's Rules, are being submitted electronically through the MyIBFS.

Any questions regarding this filing should be directed to the undersigned.

Respectfully submitted,



Jean L. Kiddoo  
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Counsel for E. Ritter Communications Holdings, Inc.

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

In the Matter of the Joint Application of	)	
	)	
<b>Millington Telephone Company, Inc.,</b>	)	WC Docket No. 12-_____
Transferor and a Licensee,	)	
<b>MTel Long Distance, Inc.,</b>	)	
a Licensee,	)	
	)	
and	)	IB File Nos. ITC-T/C-2012_____
	)	
<b>E. Ritter Communications Holdings, Inc.,</b>	)	
Transferee,	)	
	)	
for Grant of Authority Pursuant to	)	
Section 214 of the Communications Act of 1934,	)	
as amended, and Sections 63.04 and 63.24 of the	)	
Commission's Rules to Complete a Transfer of	)	
Control of Licenses to E. Ritter Communications	)	
Holdings, Inc.	)	
	)	

**JOINT APPLICATION**

Millington Telephone Company, Inc. ("Transferor" or "Millington"), MTel Long Distance, Inc. ("MTel")<sup>1</sup> (Millington and MTel together, the "Licensees") and E. Ritter Communications Holdings, Inc. ("Ritter" or "Transferee") (collectively, the "Applicants"), pursuant to Section 214 of the Communications Act, as amended (the "Act"), 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission's Rules, 47 C.F.R. §§ 63.04 & 63.24, respectfully request Commission approval for a transaction whereby Ritter will acquire ownership and control of Licensees.

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<sup>1</sup> The Commission's IBFS database shows "MTel Long Distance Company, Inc." as the name of MTel. MTel requests that the Commission update its records to reflect the current MTel name, "MTel Long Distance, Inc."

Although the proposed transaction will result in a change in the ownership and control of Licensees, no assignment of authorizations, assets or customers will occur as an immediate consequence of the proposed transaction. Licensees will continue to provide service to their existing customers under the same rates, terms and conditions. Accordingly, this transaction will have no effect on the rates, terms and conditions of service of the customers of Licensees. There is no overlap of the service areas of the Licensees and the Ritter operating subsidiaries and the transaction will therefore not result in any diminution of competition.

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

## **II. DESCRIPTION OF THE APPLICANTS**

### **A. Millington Telephone Company, Inc. and MTel Long Distance, Inc.**

Millington is a Tennessee corporation with a principal office located at 4880 Navy Road, Millington, Tennessee 38053. MTel is a Tennessee corporation and wholly-owned direct subsidiary of Millington located at the same address. No person or entity owns or controls a majority interest in Millington. Immediately prior to closing, the following persons will be the only persons or entities that own or control 10% or more of Millington and, indirectly, its wholly owned subsidiary MTel:<sup>2</sup>

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<sup>2</sup> At the time that this Application is being filed, the Estate of William S. Howard, Sr. (the "Estate"), a U.S. citizen, holds a 40.80% ownership interest in Millington. The Estate may be reached through Millington's principal office at 4880 Navy Road, Millington, Tennessee 38053. Prior to the consummation of the instant transaction, the Estate will distribute its ownership interest to (1) Mr. Howard's children, Charlotte Howard Barry, William Stuart Howard, Jr., Holly Howard Starnes and Laura Howard Rosas, who each currently hold 10.64% of Millington, and (2) certain grandchildren or trusts created for their benefit, none of whom currently own or control more than 10%. To Applicants' knowledge, no other person or entity currently owns or controls more than 10% of Millington. The distribution of the Estate will therefore be *pro forma* and will not result in a transfer of control of Licensees. All of the owners holding 10% or more after the distribution and as of closing are identified in the text above.

Name: Charlotte Howard Barry  
Address: 5003 Cuba-Millington Rd.  
Millington, TN 38053  
Citizenship: U.S.  
% Interest: 17.60%  
Principal Business: Individual

Name: William Stuart Howard, Jr.  
Address: 1776 St. Paul Rd.  
Millington, TN 38053  
Citizenship: U.S.  
% Interest: 17.60%  
Principal Business: Individual

Name: Holly Howard Starnes  
Address: 159 McCullough Circle,  
Munford, TN 38058  
Citizenship: U.S.  
% Interest: 17.60%  
Principal Business: Individual

Name: Laura Howard Rosas  
Address: 2236 Beau Ridge Cove  
Germantown, TN 38138  
Citizenship: U.S.  
% Interest: 17.60%  
Principal Business: Individual

Founded in 1928, Millington is an incumbent independent local exchange company (as defined in Section 64.1902 of the Commission's Rules) that, together with its subsidiary, MTel, provide telecommunications services in western Tennessee. Millington provides local exchange and Internet access services throughout its service area, and MTel provides long distance services to the customers of Millington. Millington's cable affiliate, which is also being acquired by Ritter in a related transaction, provides cable service in certain of Millington's service territory, but does not hold any FCC licenses.

**B. E. Ritter Communications Holdings, Inc.**

Ritter is an Arkansas corporation with principal offices at 2400 Ritter Drive, Jonesboro, Arkansas 72401. Ritter is a wholly owned subsidiary of E. Ritter & Company ("ERC"), an

Arkansas corporation, which has no majority owner, but as set forth in Section IV below, certain individuals directly or indirectly own more than 10% of ERC. Ritter is a holding company whose operating subsidiaries provide telecommunications services in Arkansas and cable television and IP-based telephone services service in Arkansas and Missouri.

- Ritter has two incumbent independent local exchange company subsidiaries: E. Ritter Telephone Company (“ERTC”) and Tri-County Telephone Company (“Tri-County”). ERTC and Tri-County provide circuit switched local and long distance telephone services and broadband internet access services to residential and business subscribers. Tri-County also provides cable television services in its service areas.
- Ritter also provides cable television and IP-based telephone services outside of its incumbent local telephone services areas through E. Ritter Communications, Inc. (“ERCI”) (ERTC, Tri-County and ERCI collectively, the “Ritter TelCos”), its CLEC subsidiary, and Ritter Cable Company (“Ritter Cable”), its cable television subsidiary.

### **III. DESCRIPTION OF THE TRANSACTION**

Pursuant to the Stock Purchase Agreement, dated as of September 20, 2012, by and among Transferee and the owners of Millington, Transferee will acquire all of the outstanding stock in Millington (the “Transaction”) for cash. As a result, Millington will become a wholly-owned direct subsidiary of Transferee. MTel will remain a direct subsidiary of Millington and therefore will become an indirect subsidiary of Ritter. Diagrams depicting the pre- and post-Transaction corporate ownership structures of the Applicants are provided as Exhibit A.

The only immediate change resulting from the Transaction will be that Licensees will be ultimately owned by Ritter. The current customers of Licensees will remain customers of

Licensees immediately following the Transaction and there will be no change in their rates and other terms of service or the name under which the Licensees offer services.<sup>3</sup> Accordingly, the Transaction will be seamless to customers.

**IV. INFORMATION REQUIRED BY SECTION 63.24(e)**

Pursuant to Section 63.24(e)(2) of the Commission's Rules, the Applicants submit the following information requested in Section 63.18 (a)-(d) and (h)-(p) in support of this Application:

**(a) Name, address and telephone number of each Applicant:**

Transferor/Licensees:

Millington Telephone Company, Inc.	<b>FRN: 0004309548</b>
MTel Long Distance, Inc.	<b>FRN: 0004309605</b>
4880 Navy Rd	
Millington, TN 38053	
901-872-3311	

Transferee:

E. Ritter Communications Holdings, Inc.	<b>FRN: 0013678594</b>
2400 Ritter Drive	
Jonesboro, AR 72401	
870-336-3434	

**(b) Jurisdiction of Organizations:**

Transferor/Licensees: Millington and MTel are Tennessee corporations.

Transferee: Ritter is an Arkansas corporation

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<sup>3</sup> Should there be any changes in the future, Ritter and Licensees will provide the appropriate notices and seek any necessary approvals.

- (c) ***(Answer to Question 10)*** Correspondence concerning this Application should be sent to:

For Transferee:

Jean L. Kiddoo  
Brett P. Ferenchak  
Bingham McCutchen LLP  
2020 K Street, N.W., Suite 1100  
Washington, DC 20006-1806  
202-373-6000 (tel)  
202-373-6001 (fax)  
[jean.kiddoo@bingham.com](mailto:jean.kiddoo@bingham.com)  
[brett.ferenchak@bingham.com](mailto:brett.ferenchak@bingham.com)

with copies to:

John D. Strode  
Vice President  
E. Ritter Communications Holdings, Inc.  
P.O. Box 17040  
Jonesboro, AR 72403  
870-336-2345 (tel)  
870-336-9345 (fax)  
[jstrode@rittermail.com](mailto:jstrode@rittermail.com)

For Transferor/Licensees:

Michael Chesney  
General Manager  
Millington Telephone company  
4880 Navy Road  
Millington, TN 38053  
901-872-3311 (tel)  
[mchesney1230@aol.com](mailto:mchesney1230@aol.com)

**(d) Section 214 Authorizations**

Transferor/Licensees: Millington is authorized to provide interstate service by virtue of blanket domestic Section 214 authority but does not hold international Section 214 authority. MTel is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. MTel also holds international Section 214 authority to provide global or limited global resale service granted in IB File No. ITC-214-20000616-00366.

Transferee: Ritter is a holding company that does not itself provide telecommunications services, but it holds international Section 214 authority to provide switched services by reselling switched services of other carriers granted in IB File No. ITC-95-464 pursuant to which ERTC, Tri-County and ERCI provide international services. ERTC, Tri-County and ERCI hold blanket domestic Section 214 authority pursuant to 47 C.F.R § 63.01.

- (h) *(Answer to Questions 11 & 12)*** The following entities will hold, directly or indirectly, a 10% or greater interest<sup>4</sup> in Applicants upon completion of the Transactions as

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<sup>4</sup> Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.



calculated pursuant to the Commission ownership attribution rules for wireline and international telecommunications carriers:

**Post-Transaction Ownership of Licensees:**

The following entity will hold a ten percent (10%) or greater direct interest in **MTel Long Distance, Inc.:**

Name: Millington Telephone Company, Inc.  
Address: 4880 Navy Rd  
Millington, TN 38053  
Citizenship: U.S.  
Principal Business: Telecommunications  
% Interest: 100%

The following entity will hold a ten percent (10%) or greater direct interest in **Millington Telephone Company, Inc.:**

Name: E. Ritter Communications Holdings, Inc.  
Address: 2400 Ritter Drive  
Jonesboro, AR 72401  
Citizenship: U.S.  
Principal Business: Holding Company  
% Interest: 100% (directly in Millington)

**Pre- and Post-Transaction Ownership of Ritter:**

The following individuals hold, and upon completion of the transaction will continue to hold, a ten percent (10%) or greater direct interest in **E. Ritter Communications Holdings, Inc.:**

Name: E. Ritter & Company (“ERC”)  
Address: 2400 Ritter Drive  
Jonesboro, AR 72401  
Citizenship: U.S.  
Principal Business: Holding Company  
% Interest: 100% (directly in Ritter)

Name: Jane Ritter Clawson  
Address: 11005 Seville Quarters  
Shreveport, LA 71106-7768  
Citizenship: U.S.  
Principal Business: Individual  
% Interest: 13.99% (directly in ERC and indirectly in Ritter)<sup>5</sup>

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<sup>5</sup> Ms. Clawson is also a co-Trustee of the Charles and Jane Clawson Trust 0901, which directly holds a 5.7% interest in Ritter.



Name: Ann Ritter Johnston  
Address: 100 Bristol Road  
Wellesley Hills, MA 02481-2729  
Citizenship: U.S.  
Principal Business: Individual  
% Interest: 19.60% (directly in ERC and indirectly in Ritter)

To the Transferee's knowledge, no other person or entity, directly or indirectly, owns or controls a 10% or greater interest in Ritter.

Currently, Transferee has no interlocking directorate with a foreign carrier. Upon consummation of the Transaction, Transferee will have no interlocking directorate with a foreign carrier.

**(i)** (Answer to Question 14) Transferee certifies that following consummation of the Transaction, (i) they will not be a foreign carrier within the meaning of 63.09(d) of the Commission's Rules, 47 C.F.R. §63.09(d); and (ii) they will not be affiliated, within the meaning of the Commission's Rules, with a foreign carrier.

**(j)** (Answer to Question 15) Transferee certifies that it does not seek to provide international services to any destination country for which any of the statements set forth in Section 63.18(j)(1) through (4) is true.

**(k)** Not applicable.

**(l)** Not applicable.

**(m)** Not applicable.

**(n)** Applicants certify that they have 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 will not enter into such agreements in the future.

(o) Applicants certify that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. *See* 21 U.S.C. § 853a; see also 47 C.F.R. §§ 1.2001-1.2003.

(p) With respect to international authority, this Application is eligible for streamlined processing pursuant to Section 63.12 of the Commission's Rules, 47, C.F.R. § 63.12, because (1) Applicants are not affiliated with a foreign carrier on any route for which authority is sought; (2) Applicants are not affiliated with any dominant U.S. carrier whose international switched or private line services it seeks to resell; and (3) Applicants are not requesting authority to provide switched service over private lines to countries not previously authorized for service by the Commission.

**V. INFORMATION REQUIRED BY SECTION 63.04**

Pursuant to Commission Rule 63.04(b), 47 C.F.R. § 63.04(b), Applicants submit the following information in support of their request for domestic Section 214 authority in order to address the requirements set forth in Commission Rule 63.04(a)(6)-(12):

(a)(6) A description of the proposed Transaction is set forth in **Section III** above.

(a)(7) As stated above, Millington is an incumbent independent local exchange carrier that provides voice telephone service and broadband Internet access in seven (7) exchanges in western Tennessee encompassing approximately 525 square miles. MTel provides long distance telephone services in Millington's service area to customers of Millington.

Ritter does not itself provide telecommunications services. ERTC is an incumbent independent local exchange carrier that provides local and long distance telecommunications services, and broadband Internet access service in 8 exchanges in Northeast Arkansas encompassing approximately 550 square miles. Tri-County is an incumbent independent local exchange carrier that provides local and long distance telecommunications services, broadband Internet access

services, and cable television in 10 exchanges in north central Arkansas encompassing approximately 1,250 square miles.<sup>6</sup> ERCI is a CLEC serving primarily business customers in Jonesboro, Arkansas with IP-based local exchange and interexchange telecommunications services, broadband Internet access services, and video services.

The service territories of Licensees and the Ritter operating companies (ERTC, Tri-County and ERCI) are not physically adjacent and do not overlap. Since there is no overlap in service territories of the companies, the Transaction will not reduce the number of competitors in such territories. Further, the companies do not otherwise compete for customers. Accordingly, the Transaction will not negatively affect competition. Instead, as described below, the Transaction has the potential for creating a stronger combined company that will be able to bring more advanced services, including broadband, to customers in its various service areas.

The Commission regularly approves transactions between ILECs (and ILECs and CLECs) whose territories do not overlap and are not adjacent,<sup>7</sup> and Applicants submit that this Transaction should be treated no differently.

**(a)(8)** 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, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(iii) because Millington and Ritter's incumbent independent local exchange carrier subsidiaries providing local services have, in combination, fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas, 47 C.F.R. § 63.03(b)(2)(iii), and ERCI, Ritter's CLEC subsidiary, provides services

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<sup>6</sup> Tri-County also provides cable television in four communities in that same area.

<sup>7</sup> See Domestic Section 214 Application Filed for the Transfer of Control of SureWest Communications to Consolidated Communications Holdings, Inc., WC Docket No. 12- 48, DA 12-545 (April 5, 2012).

exclusively in areas outside the geographic area where Licensees are the incumbent local telephone company, *id.* at 63(b)(2)(ii). Ritter and its subsidiaries do not provide telephone exchange service in any of the local franchise areas served by Millington's cable affiliate. Moreover, Millington does not provide telephone exchange service in any of the local franchise areas served by Ritter Cable. Therefore, the restrictions in Section 652 of the Act do not apply.

**(a)(9)** Applicants will file an application requesting prior approval for the transfer of control of radio license KIW854 (IG - Industrial/Business Pool, conventional) held by Millington. Licensees do not hold any other authorizations or licenses from the Commission that require prior approval for the Transaction other than as set forth in this Application. Millington also has two registered towers: Tower Registration Nos. 1054049 and 1054050.

**(a)(10)** No party is requesting special consideration because it is facing imminent business failure.

**(a)(11)** Not applicable.

**(a)(12)** Applicants submit that the Transaction described herein will serve the public interest. As part of Ritter, Licensees will continue to provide high-quality telecommunications services to consumers while gaining access to the additional resources and operational expertise of Ritter. Ritter has a long history of operating incumbent independent local exchange companies. The financial, technical, and managerial resources of the combined company is expected to further enhance their ability to provide high-quality advanced communications services to customers in their service territories, which are predominantly rural in nature.

The Transaction described herein will not result in a change of carrier for any customers or any assignment of existing Commission authorizations. Further, the rates, terms and conditions of services currently provided by Licensees to their customers will not change as a

result of the Transaction. Therefore, the Transaction will be seamless to customers in terms of the services they receive.

**VI. CONCLUSION**

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application for the indirect transfer of control of Millington Telephone Company, Inc. and MTel Long Distance, Inc. to E. Ritter Communications Holdings, Inc.

Respectfully submitted,



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Holdings, Inc.

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Millington Telephone company  
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Millington, TN 38053  
901-872-3311 (tel)  
[mchesney1230@aol.com](mailto:mchesney1230@aol.com)

Dated: October 1, 2012

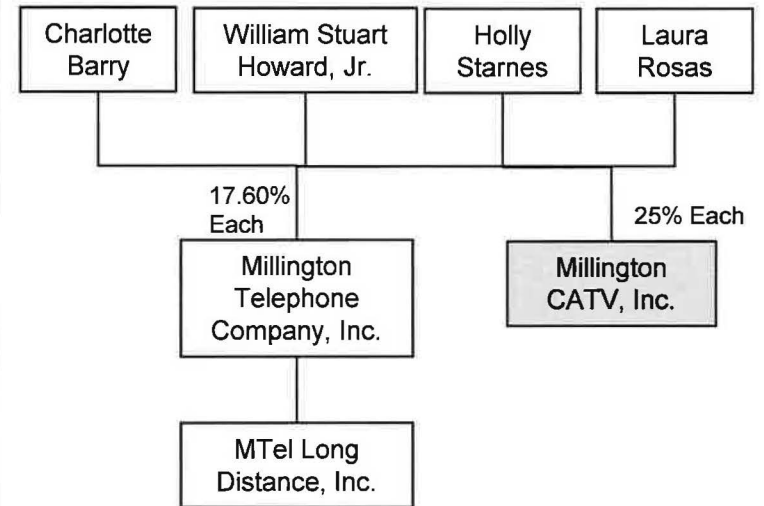
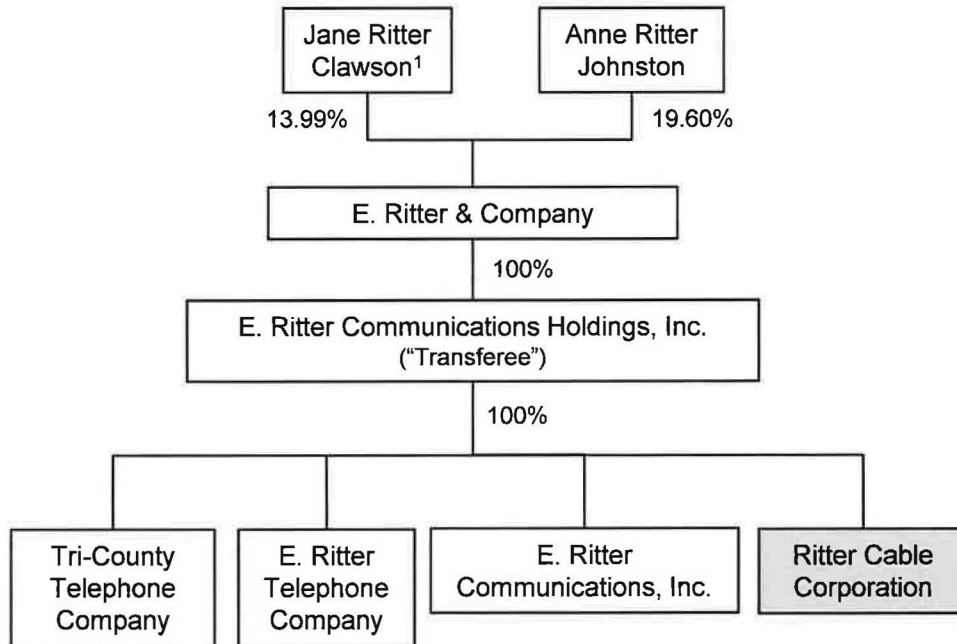
**EXHIBIT A**

**Diagrams of the Pre- and Post-Transaction Corporate Ownership Structures**

## EXHIBIT A

### Current Corporate Organization of the Applicants\*

\* The entities listed herein only include the Transferor, Transferee, their affiliates that hold FCC licenses or authorizations or provide cable service and their parent companies and other persons or entities that will own or control a 10% or greater interest of the licensees immediately prior to closing.



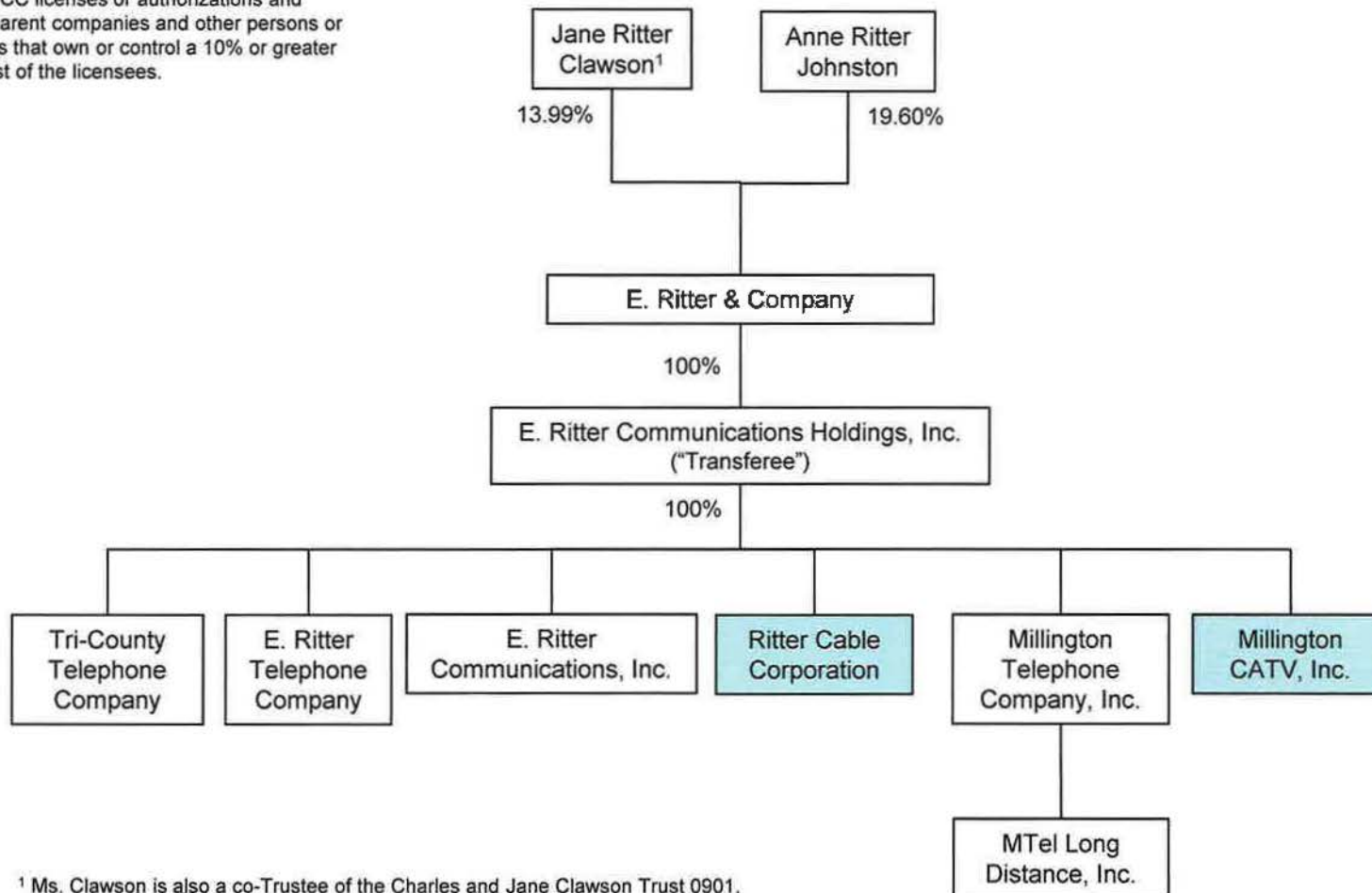
<sup>1</sup> Ms. Clawson is also a co-Trustee of the Charles and Jane Clawson Trust 0901, which direct holds a 5.7% interest in Transferee.



## EXHIBIT B

### Post-Transaction Corporate Organization of the Applicants\*

\* The entities listed herein only include the Transferor, Transferee, their affiliates that hold FCC licenses or authorizations and their parent companies and other persons or entities that own or control a 10% or greater interest of the licensees.



<sup>1</sup> Ms. Clawson is also a co-Trustee of the Charles and Jane Clawson Trust 0901, which direct holds a 5.7% interest in Transferee.

## **VERIFICATIONS**

VERIFICATION

I, Holly Howard Starnes, state that I am President of Millington Telephone Company, Inc. and MTel Long Distance, Inc. (together, the "Company:"), Applicants in the foregoing Application; that I am authorized to provide this verification on behalf of the Company; that the foregoing Application was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.


I declare under penalty of perjury that the foregoing is true and correct. Executed this 26 day of September 2012.

  
Name: Holly Howard Starnes  
Title: President  
Millington Telephone Company, Inc.  
MTel Long Distance, Inc.

VERIFICATION

I, John D. Strode, state that I am Vice President of E. Ritter Communications Holdings, Inc. (the "Company"), an Applicant in the foregoing Application; that I am authorized to provide this verification on behalf of the Company; that the foregoing Application was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 28 day of September 2012.

  
\_\_\_\_\_  
Name: John D. Strode  
Title: Vice President  
E. Ritter Communications Holdings, Inc.