

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

In the Matter of	)	
	)	
Application of	)	
	)	
Midcontinent Communications	)	
	)	
<i>Licensee</i>	)	
	)	
Midcontinent Media, Inc.	)	
	)	
<i>Transferor</i>	)	File No. _____
and	)	
	)	
Midcontinent Media, Inc.	)	
	)	
<i>Transferee.</i>	)	
	)	
Application for Consent to Transfer Control of	)	
International Authority Pursuant to Section 214	)	
of the Communications Act of 1934, as amended	)	
	)	

**APPLICATION FOR CONSENT TO PRO FORMA TRANSFER OF CONTROL OF
INTERNATIONAL AUTHORITY PURSUANT TO SECTION 214 OF THE
COMMUNICATIONS ACT OF 1934, AS AMENDED**

Pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Sections 63.03, 63.04 and 63.24 of the Commission’s Rules, 47 C.F.R. §§ 63.03, 63.04, 63.24, Midcontinent Media, Inc. (“MMI”) hereby requests consent to the *pro forma* transfer of control of Midcontinent Communications (“Midcontinent”) as the result of the transfer of voting stock in MMI from Patrick J. McAdaragh and Steven E. Grosser to Patrick J. McAdaragh, as Trustee of the Patrick J. McAdaragh Revocable Trust and Steven E. Grosser, as trustee of the Steven E. Grosser Revocable Trust (Mr. McAdaragh in his individual capacity, Mr. Grosser in

his individual capacity, Mr. McAdaragh as trustee, Mr. Grosser as trustee, Midcontinent and MMI, collectively, the “Applicants” and the application for such consent, the “Application”).¹

In support of this Application, the Applicants respectfully submit the following information:

I. Description of the Transaction and the Applicants

This application requests authorization for the transfer of the ownership interests in Midcontinent Media, Inc. (“MMI”) held by Mr. Grosser and Mr. McAdaragh as individuals to the same individuals as trustees for revocable trusts, which took place on September 27, 2022. The revocable trusts now hold the stock interests in MMI that Mr. Grosser and Mr. McAdaragh previously held, and those interests constitute all of the voting ownership of MMI. MMI, in turn, is the sole owner of Midcontinent Communications Investor, LLC (“MCI”), which holds a fifty (50) percent interest in Midcontinent, and is the managing partner.² The remaining interests in Midcontinent are held indirectly by Comcast Corporation, and are not affected by this application. Midcontinent holds the international Section 214 authorizations that is the subject of this application.³

¹ Concurrently with this application, the Applicants are filing applications for transfer of control of more than 480 wireless licenses and three Cable Television Relay Service licenses held by Midcontinent, as well as notifications for 16 receive-only earth stations registered to Midcontinent.

² The Commission has determined that MCI controls Midcontinent. *See* Auction of Priority Access Licenses for the 3550-3650 MHz Band (Auction 105), *Order*, 35 FCC Rcd 4585 (2020) (waiving requirement that Midcontinent and Comcast file a single application to participate in Auction 105 in light of determination that Midcontinent is controlled by MCI).

³ Midcontinent holds two international Section 214 authorizations. The first authorization originally was granted in 2001. *See* Public Notice, DA No. 01-1604 (Jun. 29, 2001), granting File No. ITC-214-20010606-00327. That authorization was the subject of an involuntary transfer of control in 2009, when the Larry Bentson, the original owner of MMI died, and subsequently was transferred to new ownership in 2010. *See* Public Notice, Rep. No. TEL-01365S (June 5, 2009) (granting involuntary transfer of control application); Public Notice, Rep. No. TEL-01435 (Jul. 1, 2010) (granting approval for sale by estate to new ownership). The second authorization was acquired from Knology in a transaction in 2016. *See* ITC-214-20000203-0075 (initial authorization to Knology); Public Notice, Rep No. TEL-01828 (Dec. 23, 2016) (public notice of grant of assignment from Knology to Midcontinent. 2016) No application is being filed as to the transfer of the domestic Section 214 authorization held by Midcontinent because the rules do not require approval of *pro forma* transfers of control of domestic Section 214 authorizations. 47 C.F.R. §§ 63.01, 63.03.

Midcontinent is the largest cable provider in the Dakotas. Midcontinent offers cable service, high speed Internet and telephone service across North Dakota and South Dakota, and also serves customers in Kansas, Minnesota, and Wisconsin. Midcontinent has been offering long distance telephone service since 1982 and local telephone service since 1999. It received its international Section 214 authorization in 2001.

Midcontinent's telephone service is a direct replacement for incumbent telephone company offerings, including local and long distance services; features like call waiting and call forwarding; and voice mail. Midcontinent's telephone service is offered via its own facilities, and it is certificated as a local exchange carrier in Kansas, Minnesota, North Dakota, South Dakota, and Wisconsin.⁴

Mr. Grosser and Mr. McAdaragh are long-time executives of Midcontinent and acquired their ownership interests in the transaction with Mr. Larry Bentson's estate.⁵ Prior to this transaction, each held a fifty percent interest in MMI and, consequently, an indirect fifty percent interest in MCI, and a twenty-five percent indirect interest in Midcontinent, which collectively gave them negative control of Midcontinent. Following the transfer of their shares of MCI to the trusts, each of them will continue to control a fifty percent voting interest in MCI, but as trustees, not as individuals. Thus, the transfer of the shares is *pro forma* in nature, and does not affect the actual control of MCI, MMI, or Midcontinent.

Midcontinent is a nondominant carrier in all of the markets it serves.

II. Public Interest Benefits

Applicants respectfully submit that the proposed transaction will serve the public interest. Approval will ensure that the Commission has authorized the going-forward ownership

⁴ Midcontinent does not currently have any customers for telephone service in Wisconsin.

⁵ See Public Notice, Rep. No. TEL-01435 (Jul. 1, 2010) (granting approval for sale by estate to new ownership).

structure of Midcontinent, and that Midcontinent will be able to provide uninterrupted service to its customers.

III. Qualification of the Transaction for Streamlined Treatment

This transaction qualifies for streamlined treatment under Section 63.03 of the Commission's rules. 47 C.F.R. § 63.03. The Application is eligible for streamlined processing under Section 63.03(b)(2)(i) of the Commission's rules, 47 C.F.R. § 63.03(b)(2)(i), because, immediately following the transaction, (a) the Applicants and their affiliates (as defined in Section 3(1) of the Communications Act), will have a combined share of the interstate, interexchange market of less than 10 percent; (b) Applicants and their affiliates will provide local exchange service only in areas also served by a dominant local exchange carrier not a party to the proposed transaction; and (c) none of the Applicants is dominant with respect to any service.

Further, given the nature of changes described above, approval of the application will cause no harm to competition because there is no change in the parties that control the voting stock that ultimately controls Midcontinent. In the absence of any potential harm to competition, streamlined processing is warranted.

Consequently, the Application should be granted streamlined processing.

IV. Information Required by Section 63.24 of the Commission's Rules

The following information is provided to address the requirements of Section 63.24:

(1) Name, address and telephone number of each Applicant (Section 63.18(a))

Transferors

Patrick J. McAdaragh
3600 Minnesota Drive, Suite 700
Minneapolis, MN 55435
Tel: 952-844-2600

Steven A. Grosser

3600 Minnesota Drive, Suite 700
Minneapolis, MN 55435
Tel: 952-844-2600

Transferees

Patrick J. McAdaragh, as Trustee of the Patrick J. McAdaragh Revocable Trust
3600 Minnesota Drive, Suite 700
Minneapolis, MN 55435
Tel: 952-844-2600

Steven A. Grosser, as Trustee of the Steven A. Grosser Revocable Trust
3600 Minnesota Drive, Suite 700
Minneapolis, MN 55435
Tel: 952-844-2600

Midcontinent

Midcontinent Communications
3600 Minnesota Drive, Suite 700
Minneapolis, MN 55435
Tel: 952-844-2600

(2) Government, state or territory under the laws of which each corporate or partnership Applicant is organized (Section 63.18(b))

Midcontinent is a South Dakota general partnership.

MCI is a South Dakota limited liability company.

MMI is a South Dakota corporation.

The Patrick J. McAdaragh Revocable Trust is organized as a Minnesota trust.

The Steven A. Grosser Revocable Trust is organized as a Minnesota trust.

(3) Name, title, post office address, and telephone number of the officer or contact point of each Applicant to whom correspondence concerning the Application is to be addressed (Section 63.18(c))

For Midcontinent Transferors and Transferees:

J.G. Harrington
Cooley LLP
1299 Pennsylvania Avenue, NW

Suite 700
Washington, DC 20004
Tel. (202) 776-2818
Fax (202) 842-7899
Email jgharrington@cooley.com

(4) Statement as to whether the applicant has previously received authority under Section 214 of the Act (Section 63.18(d))

Midcontinent holds two international Section 214 authorizations. The first was granted under File No. ITC-214-20010606-00327. That authorization was the subject of an involuntary transfer of control in 2009, when Larry Bentson, the original owner of MMI, died. *See* File No. ITC-T/C-20090511-00210. It subsequently was transferred to new ownership in 2010. *See* File No. ITC-T/C-20100527-00220.

1. The second authorization originally was issued to Knology and was assigned to Midcontinent in a transaction in 2016. *See* ITC-214-20000203-00075 (initial authorization to Knology); ITC-ASG-20161110-00296, granted Dec. 16, 2016. *See* Public Notice DA-16-1436, released December 22, 2016 (assignment to Midcontinent).

Midcontinent also holds a domestic Section 214 authorization. *See* Public Notice, *Notice of Domestic Section 214 Authorization Granted*, WC Docket No. 10-121, DA 10-1260 (Jul. 6, 2010) (approving transfer of control from Bentson estate to new ownership).

(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 Transferor or Transferee (Section 63.18(h))

MCI owns fifty (50) percent of Midcontinent. MCI is a wholly owned subsidiary of MMI. A chart showing the corporate structure is attached hereto as Exhibit 1. The principal business of both MCI and MMI is investments. The following is the ownership information for MMI.

Transferors:

<u>Name and Address</u>	<u>Ownership</u>	<u>Citizenship</u>	<u>Principal Business</u>
Patrick J. McAdaragh 3600 Minnesota Drive, Suite 700 Minneapolis, MN 55435	50%	U.S.	Communications
Steven A. Grosser 3600 Minnesota Drive, Suite 700 Minneapolis, MN 55435	50%	U.S.	Communications

<u>Name and Address</u>	<u>Ownership</u>	<u>Citizenship</u>	<u>Principal Business</u>
Tel: 952-844-2600			

Transferees:

<u>Name and Address</u>	<u>Ownership</u>	<u>Citizenship</u>	<u>Principal Business</u>
Patrick J. McAdaragh Revocable Trust 3600 Minnesota Drive, Suite 700 Minneapolis, MN 55435	50%	Minnesota	Trust
Steven A. Grosser Revocable Trust 3600 Minnesota Drive, Suite 700 Minneapolis, MN 55435 Tel: 952-844-2600	50%	Minnesota	Trust

Mr. McAdaragh is the sole trustee of the Patrick J. McAdaragh Revocable Trust. Mr. Grosser is the sole trustee of the Steven A Grosser. Revocable Trust. The remaining required information on Mr. McAdaragh and Mr. Grosser is provided above under "Transferors."

(6) Certification as to nature of the transaction. (Section 64.24(f)(2)(ii))

The parties certify that the transfer of control described herein was pro forma and that, together with all previous pro forma transactions, the changes do not result in a change in the actual controlling party. *See* Attachment 2.

(7) Certification by Transferee 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

The parties 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 this 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. *See* Attachment 2.

Conclusion

For the foregoing reasons, the Applicants respectfully submit that grant by the Commission of this *pro forma* transfer of control of the international Section 214 authorization held by Midcontinent Communications would serve the public interest, convenience and necessity.

Respectfully submitted,

Patrick J. McAdaragh
Steven A. Grosser
Patrick J. McAdaragh, as trustee for the Patrick J.
McAdaragh Revocable Trust
Steven A. Grosser, as trustee for the Steven A. Grosser
Revocable Trust
Midcontinent Media, Inc.
Midcontinent Communications

By: /s/
J.G. Harrington
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Counsel to Patrick J. McAdaragh, Steven A. Grosser,
Patrick J. McAdaragh, as trustee for the Patrick J.
McAdaragh Revocable Trust, Steven A. Grosser, as trustee
for the Steven A. Grosser Revocable Trust, Midcontinent
Media, Inc., and Midcontinent Communications

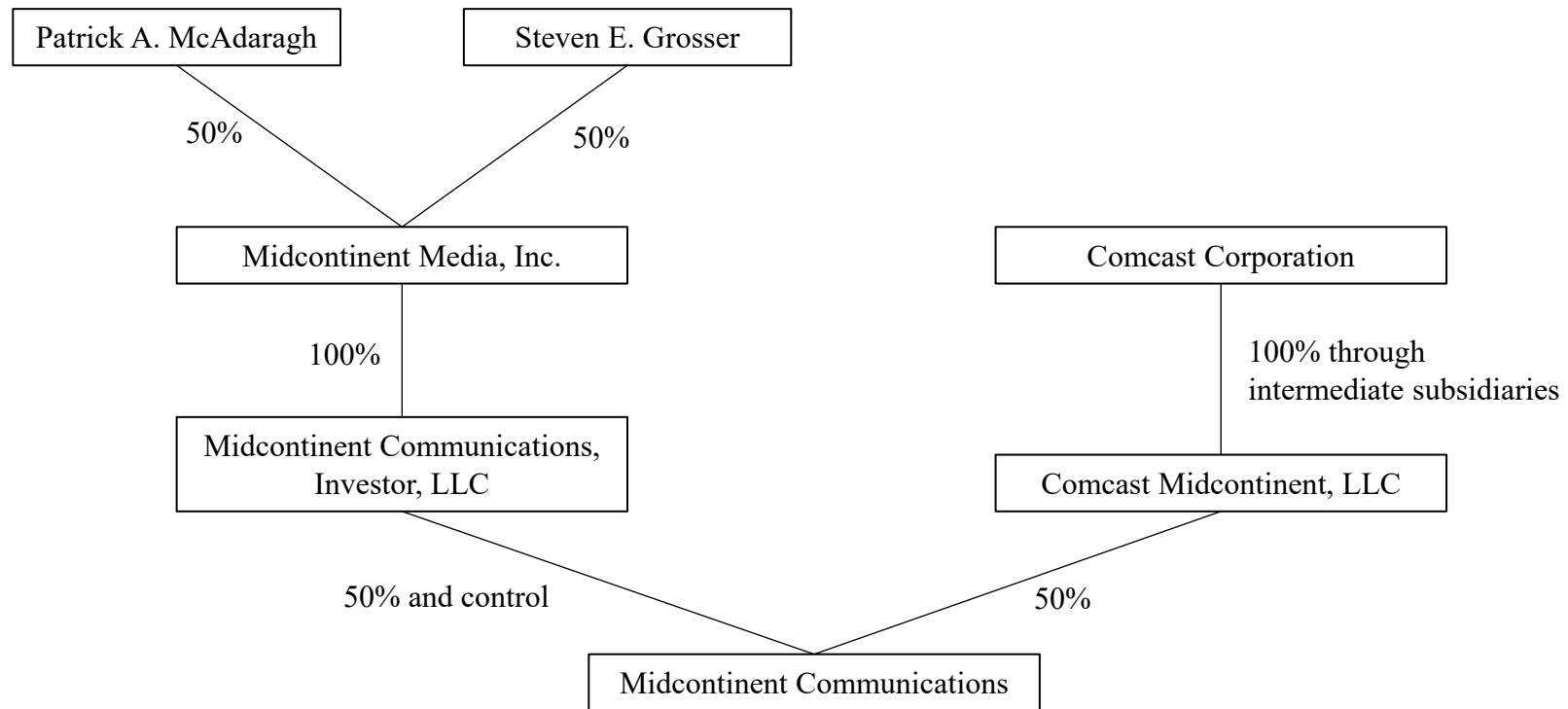
Date: October 26, 2022

ATTACHMENT 1

Corporate Structure

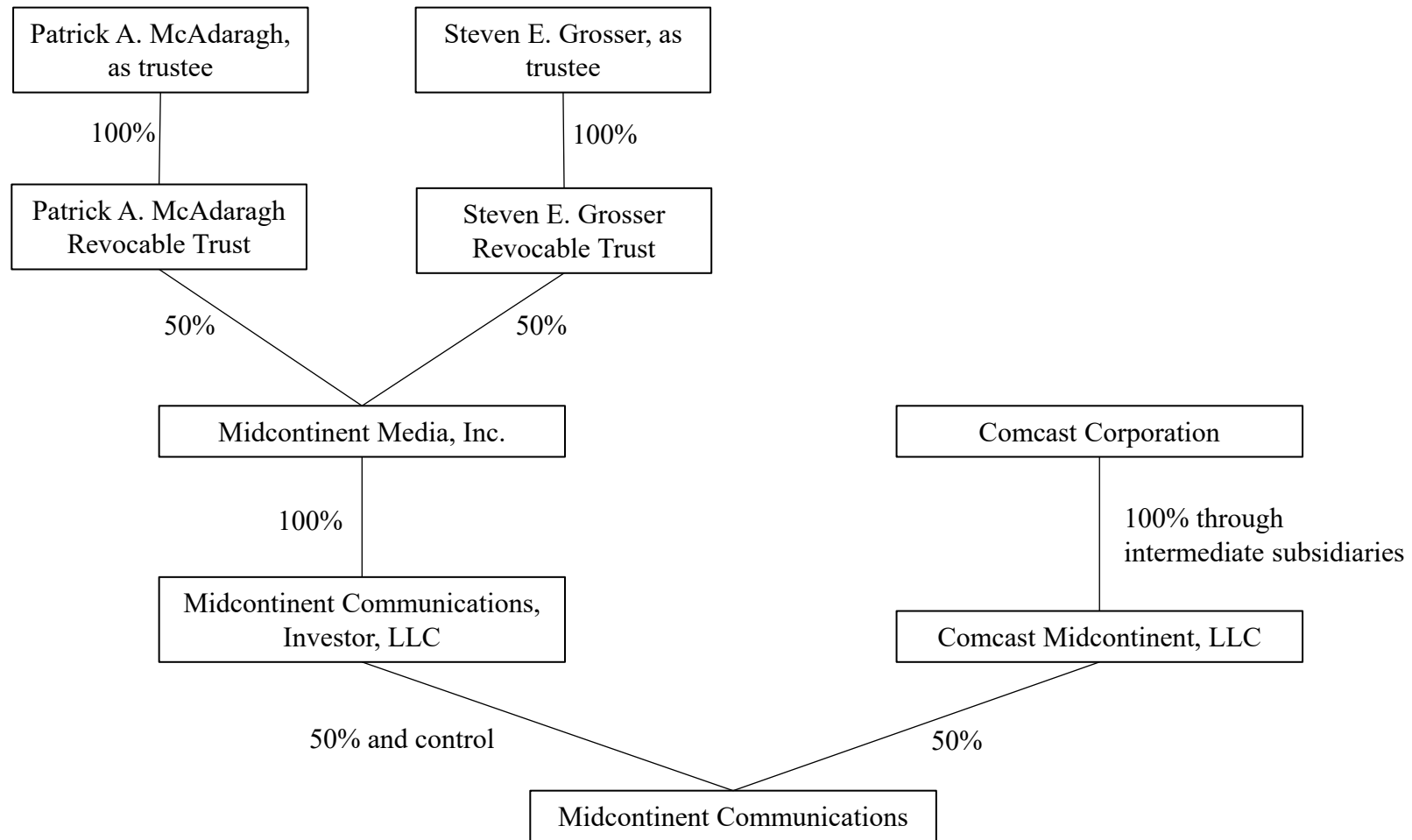
Midcontinent Communications Ownership

Prior to Transfer of Control



Midcontinent Communications Ownership

Following Transfer of Control



ATTACHMENT 2

Certification

**APPLICATION FOR PRO FORMA TRANSFER OF CONTROL OF
INTERNATIONAL SECTION 214 AUTHORIZATION**

CERTIFICATION OF STEVEN A. GROSSER

I, Steven A. Grosser, Chief Financial Officer of Midcontinent Communications hereby certify that Midcontinent, MMI, MCI, Patrick J. McAdaragh, Steven A. Grosser, the Patrick J. McAdaragh Revocable Trust, and the Steven A. Grosser Revocable Trust are not subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988; and (2) the factual statements in this Application concerning the Applicants are true and correct to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: October 26, 2022

/s/

Steven A. Grosser
Chief Financial Officer
Midcontinent Communications
3600 Minnesota Drive, Suite 700
Minneapolis, MN 55435