



PUBLIC NOTICE

Federal Communications Commission
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DOMESTIC SECTION 214 APPLICATION GRANTED FOR THE TRANSFER OF CONTROL OF IMPACT TELECOM, LLC TO 46 LABS, LLC

WC Docket No. 24-88

By this Public Notice, the Wireline Competition Bureau grants an application filed by Lingo Management, LLC (Lingo or Transferor), Impact Telecom, LLC (Impact), and 46 Labs, LLC (46 Labs or Transferee) (Transferor and Transferee collectively, Applicants), pursuant to section 214(a) of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules,¹ requesting consent for the transfer of control of Impact to 46 Labs.²

On June 24, 2024, the Bureau released a public notice seeking comment on the Application.³ We did not receive comments or petitions in opposition to the Application.

Impact, a Nevada limited liability company and domestic 214 authority holder, provides wholesale interstate interexchange service to other carriers throughout the United States.⁴ Impact currently has or is pursuing licenses from state regulatory authorities to provide wholesale domestic, intrastate interexchange services, where such licenses are required.⁵ Impact intends to provide such services in all 50 states upon receipt of all required licenses.⁶

¹ See 47 U.S.C. § 214(a); 47 CFR §§ 63.03-04.

² Application for Consent to Transfer Control of Impact Telecom, LLC to 46 Labs LLC, Pursuant to Section 214 of the Communications Act of 1934, as Amended, WC Docket No. 24-88 (filed Mar. 14, 2024) (Application). Applicants filed supplements to the Application on March 27, 2024 and June 23, 2024. Supplement to Application to Transfer Control of Impact Telecom LLC to 46 Labs LLC, Pursuant to Section 214 of the Communications Act of 1934, as Amended, WC Docket No. 24-88 (filed Mar. 27, 2024) (Supplement); Supplement to Application to Transfer Control of Impact Telecom LLC to 46 Labs LLC, Pursuant to Section 214 of the Communications Act of 1934, as Amended, WC Docket No. 24-88 (filed June 23, 2024). Applicants also filed an application for the transfer of authorizations associated with international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

³ *Domestic Section 214 Application Filed for the Transfer of Control of Impact Telecom, LLC to 46 Labs LLC*, WC Docket No. 24-88, Public Notice, DA 24-599 (WCB 2024).

⁴ Application at 2, 5, 7.

⁵ *Id.* at 7.

⁶ *Id.*

Lingo, a Delaware limited liability company, is the 100% direct parent of Impact.⁷ Although several of its subsidiaries provide telecommunications services, Lingo does not provide any telecommunications services.⁸ Lingo is 100% directly owned by B. Riley Principal Investments, LLC (BRPI), a financial-services holding company.⁹ BRPI is 100% owned by B. Riley Financial, Inc., a publicly traded Delaware corporation (NASDAQ: RILY) and diversified financial services company.¹⁰ Bryant R. Riley, a U.S. citizen, beneficially owns approximately 23% of the outstanding shares of B. Riley.¹¹ No other individual or entity, directly or indirectly, holds 10% or more equity or voting interest in Lingo or Impact.¹²

46 Labs, an Oklahoma limited liability company, provides voice, data, and messaging services to organizations in the healthcare, finance, retail, transportation, manufacturing, government, and education sectors. 46 Labs' wholly-owned subsidiary, Versatel, provides VoIP services.¹³ The 10% or greater direct or indirect owners of 46 Labs are: Trevor Francis, a U.S. citizen, who is the Chief Executive Officer and Founder of 46 Labs (55.096%); VPH Interests LTD LLC, an investment vehicle (28.059%); and Daniel Howard, a U.S. Citizen, who is General Counsel of 46 Labs (8.42%).¹⁴ No other individual or entity, directly or indirectly, holds 10% or more equity or voting interest in 46 Labs.¹⁵

Pursuant to the terms of the proposed transaction, 46 Labs will acquire control of Impact. Applicants state the transaction entails a change in the ultimate equity ownership of Impact, but there will be no sale of operating assets, account receivables, or other assets of Impact. Applicants assert, after consummation of the proposed transaction, Impact will continue to exist and operate under the same name and will continue to provide service pursuant to then-existing rates, terms, and conditions for the near term. Applicants further assert that any future changes to the rates, terms, and conditions of service will be undertaken pursuant to customers' contracts, tariffs, and applicable law. Applicants also note that no carrier change charges will result from the proposed transaction, and no customer service or billing contact information will change as a result of the proposed transaction. Finally, Applicants assert that Impact and 46 Labs both provide services throughout the United States; however, while the entities overlap in terms of geographic area, they do not overlap in terms of services provided.¹⁶

We find that grant of the Application will serve the public interest, convenience, and necessity. Pursuant to section 1.103 of the Commission's rules, 47 CFR § 1.103, the grant is effective upon

⁷ *Id.* at 2-4.

⁸ *Id.* at 4. Aside from Impact, Lingo's other subsidiaries that provide telecommunications services are: Lingo Telecom, LLC (f/k/a Matrix Telecom, LLC); Lingo Telecom of Virginia, LLC (f/k/a Matrix Telecom of Virginia, LLC); Lingo Telecom of the West, LLC; Lingo Communications of Kentucky, LLC; and BullsEye Telecom, LLC. Supplement at 1-3. Tempo Telecom, LLC, another subsidiary of Lingo, provides wireless services. *Id.*

⁹ Application at 3, 5. Lingo's affiliates based on BRPI's ownership interests include: United Online, Inc.; YMax Communications Corp.; and magicJack SMB, Inc. Supplement at 1-3.

¹⁰ Application at 3, 5.

¹¹ *Id.*

¹² *Id.* at 3-4.

¹³ Supplement at 5.

¹⁴ Application at 6.

¹⁵ *Id.* at 4.

¹⁶ Supplement at 2.

release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 CFR §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

For further information, please contact Megan Danner, Wireline Competition Bureau, Competition Policy Division, at (202) 418-1151.

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