



# PUBLIC NOTICE

Federal Communications Commission  
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**DA 04-3136**  
**Released: September 28, 2004**

**DOMESTIC SECTION 214 APPLICATION FILED FOR *NUNC PRO TUNC* APPROVAL  
TO TRANSFER CONTROL OF QUANTUMSHIFT COMMUNICATIONS, INC. TO  
VCOM SOLUTIONS, INC.**

**STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 04-365**

**Comments Due: October 12, 2004**  
**Reply Comments Due: October 19, 2004**

On August 26, 2004, QuantumShift Communications, Inc. (QuantumShift) and VCOM Solutions, Inc. ("VCOM") (together "Applicants") filed an application, pursuant to sections 63.03 and 63.04 of the Commission's rules,<sup>1</sup> requesting *nunc pro tunc*<sup>2</sup> approval to transfer control of QuantumShift to VCOM.<sup>3</sup>

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules because (1) the proposed transfer will result in the Joint Applicants having less than a 10 percent share of the interstate, interexchange market; (2) local exchange services will be provided in geographic areas served by a dominant local exchange carrier who is not a party to this transaction; and (3) neither QuantumShift nor VCOM is a dominant carrier with respect to any service.<sup>4</sup>

<sup>1</sup> 47 C.F.R. §§ 63.03, 63.04; *see* 47 U.S.C. § 214.

<sup>2</sup> The term *nunc pro tunc*, meaning "now for then," refers to acts allowed to be done after the time when they should be done, with a retroactive effect. *See* BLACK'S LAW DICTIONARY 1069 (6<sup>th</sup> ed. 1990).

<sup>3</sup> Applicants are also filing an application for consent to transfer authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related pending applications.

<sup>4</sup> 47 C.F.R. § 63.03(b)(2)(i).

QuantumShift, a privately held corporation organized under California law, provides local exchange and interexchange telecommunications services in 47 states and the District of Columbia.

VCOM, a privately-held corporation organized under California law, provides a full spectrum of telecommunications services to small and medium-sized businesses, including voice, data, conferencing, Internet hosting and access. The 10 percent or greater owners of VCOM are Gary Storm, 29.7%; Sameer Hilal, 25.9%; Joe Condy, 24.4%, and Mike Storm, 12.6%.

On May 25, 2004, Applicants entered into a Stock Purchase Agreement (Agreement) and formally closed the transaction on May 28, 2004.<sup>5</sup> Under the terms of the Agreement, VCOM assumes 100% of the outstanding shares of common stock in QuantumShift, but QuantumShift continues to exist as a subsidiary. The Agreement contemplates that VCOM will continue to provide telecommunications services only in California, except indirectly through QuantumShift.

Applicants state that the proposed transaction is in the public interest because it will ensure uninterrupted service to QuantumShift's former customers. Applicants state that the transaction will benefit consumers by providing lower prices and increased availability of a variety of service options. Applicants also assert that the transaction will be transparent to customers and will not result in the change of any rates, terms or conditions of service. According to the Applicants, the proposed transaction will ensure that QuantumShift has the capital necessary to grow and expand its business by replacing high cost debt with lower cost debt, improving cash flow, thereby enabling realization of significant economic and marketing efficiencies. Applicants assert that QuantumShift will then be able to compete more effectively and efficiently in the competitive telecommunications marketplace, and enhance its ability to offer high-quality cost-competitive services.

### **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 of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file **comments on or before October 12, 2004** and **reply comments on or before October 19, 2004**.<sup>6</sup> Unless otherwise notified by the Commission, Applicants are permitted to transfer assets

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<sup>5</sup> The Competition Policy Division of the Commission's Wireline Competition Bureau granted the Applicant's request for special temporary authority to transfer control on September 15, 2004. *See* Letter from Patrick J. O'Connor, Steel Hector & Davis, LLP to Marlene H. Dortch, FCC, WC Docket No. 04-365 (filed August 26, 2004, granted September 21, 2004).

<sup>6</sup> *See* 47 C.F.R. § 63.03(a).

on the 31<sup>st</sup> day after the date of this notice.<sup>7</sup> Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov), and should include the following words in the subject line "get form <your e-mail address>." A sample form and directions will be sent in reply.

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, commenters 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 (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. 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 mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

**In addition, one copy of each pleading must be sent to each of the following:**

The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, SW, Room CY-B402, Washington, DC 20554, [www.bcpweb.com](http://www.bcpweb.com), phone: (202) 488-5300 fax: (202) 488-5563;

(1) Christina Parker, Competition Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W. Room 5C-103, Washington, D.C. 20554; email: [christina.parker@fcc.gov](mailto:christina.parker@fcc.gov);

(2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street,

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<sup>7</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

S.W., Room 5-C212, Washington, D.C. 20554; e-mail: [tracey.wilson-parker@fcc.gov](mailto:tracey.wilson-parker@fcc.gov);

- (3) Kimberly Jackson, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W., Room 5-C142, Washington, D.C. 20554; e-mail: [kimberly.jackson@fcc.gov](mailto:kimberly.jackson@fcc.gov);
- (4) Julie Veach, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W., Room 5-C124, Washington, D.C. 20554; e-mail: [julie.veach@fcc.gov](mailto:julie.veach@fcc.gov);
- (5) Susan O'Connell, Policy Division, International Bureau, 445 12<sup>th</sup> Street, S.W., Room 7-B544, Washington, D.C. 20554; email: [susan.o'connell@fcc.gov](mailto:susan.o'connell@fcc.gov); and
- (6) James Bird, Office of General Counsel, 445 12<sup>th</sup> Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: [james.bird@fcc.gov](mailto:james.bird@fcc.gov).

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail [www.bcpiweb.com](http://www.bcpiweb.com).

For further information, please contact Christina Parker, at (202) 418-1394, or Kimberly Jackson at (202) 418-7393.

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