



PUBLIC NOTICE

Federal Communications Commission
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DA 05-532
Released: March 1, 2005

DOMESTIC SECTION 214 APPLICATION FILED FOR ASSIGNMENT OF ASSETS OF IDS TELCOM, LLC TO IDS TELCOM CORP.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 05-70

Comments Due: March 15, 2005

Reply Comments Due: March 22, 2005

On February 11, 2005, IDS Telcom, LLC (“Old IDS”) and IDS Telcom Corp. (“New IDS”) (together, “Applicants”), filed an application pursuant to sections 63.03 and 63.04 of the Commission’s rules¹ requesting authority for Old IDS to assign all of its assets, including its domestic section 214 authorizations, to New IDS.²

Applicants assert that this transaction is entitled to presumptive streamlined treatment pursuant to section 63.03(b)(2)(i) of the Commission’s rules³ because immediately following the transaction: (1) Applicants and their affiliates combined will hold less than a ten percent (10%) share of the interstate, interexchange market; (2) to the extent that the Applicants or their affiliates provide U.S. local exchange or exchange access services, those services are provided only in geographic areas served by dominant local exchange carriers, none of which is a party to the proposed transaction; and (3) none of the Applicants or their affiliates is dominant with respect to any service.

Old IDS is a limited liability company organized and existing under the laws of the State of Florida. Old IDS provides local exchange and interexchange services primarily to residential and small to medium-sized business customers in eight southeastern states. Old IDS provides service over an optical fiber network in Florida and via resale and unbundled network element arrangements elsewhere.

¹ 47 C.F.R. §§ 63.03, 63.04; *see also* 47 U.S.C. § 214.

² As part of this same transaction, Applicants have also requested authority to assign assets related to international section 214 authority held by Old IDS. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications.

³ 47 C.F.R. § 63.03(b)(2)(i).

New IDS is a recently created corporation organized and existing under the laws of the State of Delaware. Affiliates of New IDS provide domestic interexchange and local exchange services throughout the United States. New IDS is a wholly owned, indirect subsidiary of Cleartel Communications, Inc., which is a directly and wholly owned U.S. subsidiary of MCG Capital Corporation (“MCG”), a Delaware corporation. GS Capital Partners 2000, L.P., a U.S. entity, holds a 13% direct interest in MCG; no other entity owns more than 10% of MCG. GS Advisors 2000, L.L.C., also a U.S. entity, is the General Partner of GS Capital Partners 2000, L.P., and is itself a wholly owned subsidiary of The Goldman Sachs Group, Inc., a publicly held U.S. corporation. To the best of the Applicants’ knowledge, no entity owns more than half of the equity of The Goldman Sachs Group, Inc.

Applicants have entered into an asset purchase agreement whereby New IDS will acquire all of the operations, customers, and other assets of Old IDS. As a result of the proposed transaction, New IDS will replace Old IDS as the service provider to the customers of Old IDS. Because New IDS will continue to provide service under the “IDS” brand name, using the same IDS facilities and assets, and without changes to the rates, terms, and conditions of service, the transition will be transparent to consumers of Old IDS’s services.

The Applicants assert that the proposed transaction will serve the public interest by ensuring that current customers of Old IDS enjoy continuity of high-quality telecommunications service. The Applicants state that New IDS has the technical, managerial, and financial resources that are necessary to ensure that New IDS can provide high-quality services in the states Old IDS currently serves. According to the Applicants, the proposed Transaction will provide greater financial support for the IDS operations and will not cause customer confusion. By enhancing their ability to provide high-quality telecommunications services, Applicants assert that the proposed transaction will invigorate competition and benefit consumers.

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 March 15, 2005** and **reply comments on or before March 22, 2005**.⁴ Unless otherwise notified by the Commission, Applicants are permitted to transfer the stock and related control on the 31st day after the date of this notice.⁵ 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,

⁴ See 47 C.F.R. § 63.03(a).

⁵ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

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, 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:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, SW, Room CY-B402, Washington, DC 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Tracey Wilson-Parker Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; e-mail: tracey.wilson-parker@fcc.gov;
- (3) Carol Simpson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C224, Washington, D.C. 20554; e-mail: carol.simpson@fcc.gov
- (4) Terri B. Natoli, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C234, Washington, D.C. 20554; e-mail: terri.natoli@fcc.gov;
- (5) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (6) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: 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, 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.

For further information, please contact Tracey Wilson-Parker, at (202) 418-1394, or Carol Simpson at (202) 418-2391.

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