



# PUBLIC NOTICE

Federal Communications Commission  
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**DA 06-1722**  
**Released: August 25, 2006**

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF  
CONTROL OF IPC INFORMATION SYSTEMS, LLC, GAINS ASIA ACQUISITION  
CORP., AND IPC NETWORK SERVICES, INC. FROM IPC ACQUISITION CORP.  
TO TRADER ACQUISITION CORP.**

**STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 06-162**

**Comments Due: September 8, 2006**

**Reply Comments Due: September 15, 2006**

On August 11, 2006, IPC Acquisition Corp. (“IPC”) and Trader Acquisition Corp. (“Trader”) (collectively, “Applicants”) filed an application, pursuant to section 63.04 of the Commission’s rules,<sup>1</sup> seeking authority to transfer control of IPC Information Systems, LLC (“IPC Info Systems”), Gains Asia Acquisition Corp. (“Gains Asia”), and IPC Network Services, Inc. (“IPC Network”)<sup>2</sup> from IPC to Trader.<sup>3</sup>

Applicants submit that this transaction is entitled to presumptive streamlined treatment under 63.03(b)(2)(i) of the Commission’s rules because immediately following the consummation of the transaction: (1) the Applicants and their affiliates combined will hold less than 10% of the market for interstate, interexchange services; (2) Applicants and their affiliates will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and (3) none of the Applicants or their affiliates are dominant with respect to any service it provides.<sup>4</sup>

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

<sup>2</sup> IPC Network was formerly known as Gains International (U.S.) Inc.

<sup>3</sup> Applicants are also filing an application for transfer of control associated with 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). Applicants also assert streamlined processing under 63.03(b)(1)(ii).

IPC, a Delaware Corporation, through various subsidiaries, including Gains Asia, IPC Info Systems, and IPC Network, provides communications solutions to global trading enterprises, principally utilizing proprietary trading and communications equipment interconnected using resold private lines or IP-based transport services. IPC, through IPC Network, provides domestic telecommunications services in several states.<sup>5</sup> Gains Asia, a Delaware Corporation, is a wholly-owned subsidiary of IPC Info Systems, a Delaware limited liability company, that is, in turn, a wholly-owned subsidiary of IPC.<sup>6</sup> IPC Network, a New York Corporation,<sup>7</sup> is wholly-owned by Gains Acquisition Corp., a Delaware Corporation, that is, in turn, wholly-owned by IPC Info Systems.<sup>8</sup> The following entities, which are all limited partnerships formed under the laws of Delaware, own a 10% or greater interest in IPC: GS Capital Partners 2000, L.P. (48.38%); GS Capital Partners 2000 Offshore, L.P. (17.58%) and GS Capital Partners Employee Fund, L.P. (17.37%).<sup>9</sup> Goldman Sachs Group Inc., a Delaware Corporation, owns 17.19% of GS Capital Partners 2000, L.P. and GS Capital Partners 2000 Offshore, L.P.<sup>10</sup> No entity owns more than 10% of GS Capital Partners Employee Fund, L.P.<sup>11</sup>

Trader, a Delaware Corporation, is a wholly-owned subsidiary of Silver Lake Partners II, L.P. (“Silver Lake”). Silver Lake, a Delaware limited partnership, is a private equity firm focused exclusively on large-scale investing in technology and related growth industries. The ownership of Silver Lake is widely distributed, and no entity holds more than a 10% equity interest in Silver Lake. Silver Lake is controlled by its general partner, Silver Lake Technology Associates II, L.L.C. (“SLTA II”), a Delaware limited liability company, whose principal

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<sup>5</sup> IPC, through IPC Network, provides domestic telecommunications service in the following states: Arizona, California, Colorado, Connecticut, Delaware, Illinois, Indiana, Massachusetts, Maryland, Michigan, Minnesota, Missouri, Montana, North Carolina, New Jersey, New Mexico, Nevada, New York, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Texas, and Virginia.

<sup>6</sup> IPC Info Systems and Gains Asia hold international section 214 authorizations and domestic section 214 authorizations.

<sup>7</sup> IPC Network (formerly known as Gains International (U.S.) Inc.) holds a domestic section 214 authorization.

<sup>8</sup> Gains Acquisition Corp. is the sole (100%) owner of IPC Network Services Limited (“IPC UK”), an entity formed under the laws of England and Wales. Gains Asia is the sole (100%) owner of IPC Network Services Asia Ltd, an entity formed under the laws of Hong Kong (“IPC Asia”), which is the sole (100%) owner of IPC Network Services (Hong Kong) Limited, an entity formed under the laws of Hong Kong and IPC Network Services (Singapore) PTE Limited, an entity formed under the laws of Singapore. IPC Network Services (Australia) PTY Limited, an entity formed under the laws of Australia, is also wholly-owned by IPC Asia.

<sup>9</sup> All of the current owners of IPC will exchange their shares for consideration and after the completion of the transaction will have no remaining interest in IPC, IPC Info Systems, IPC Network, or Gains Asia, directly or indirectly.

<sup>10</sup> The Applicants note that this structure will remain in place after consummation of the transaction.

<sup>11</sup> IPC, nor any of its other affiliates has any other interests in entities holding section 214 authorizations.

business is serving as the sole general partner of Silver Lake and certain of its related investment vehicles. The managing members of SLTA II, all U.S. citizens, are Alan K. Austin, James A. Davidson, Glenn H. Hutchins, John R. Joyce, and David J. Roux. Their principal occupation is serving as managing members of SLTA II and affiliated entities. None of the managing members has a controlling interest in SLTA II, nor does any managing member have individually either positive or negative control over SLTA II.

Pursuant to an Agreement and Plan of Merger dated July 30, 2006, Trader, formed specifically by Silver Lake for the transaction described herein, will acquire 100% of the ownership interests of IPC by merging Trader Merger Corp., (a Delaware Corporation and a wholly-owned subsidiary of Trader) with and into IPC, with IPC surviving the merger and the prior owners of IPC exchanging their shares in IPC for specified consideration. As a result of the merger, IPC will become a wholly-owned subsidiary of Trader, thereby changing the control of Gains Asia, IPC Info Systems, and IPC Network, the 214 authorization holders.

The Applicants state that the transfer of control to Trader will serve the public interest because the transaction will ensure the continued viability of IPC, and consequently IPC Info Systems, and IPC Network, and the services they provide to numerous customers. In addition, Trader, as a wholly-owned subsidiary of Silver Lake, provides extensive financial resources and management expertise to expand the network and marketing potential of IPC, thereby providing increased competition and enhanced service capabilities in the telecommunications market. The Applicants add that the services will be provided on the same terms and conditions as prior to consummation. The Applicants state that the proposed changes in ownership will not confuse, inconvenience or otherwise harm IPC's customers. Furthermore, because Trader and its parent, Silver Lake, are not telecommunications providers, the transaction results in no concentration in the relevant markets.

## **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. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before September 8, 2006 and reply comments on or before September 15, 2006.**<sup>12</sup> Unless otherwise notified by the Commission, Applicants are permitted to transfer the control on the 31<sup>st</sup> day after the date of this notice.<sup>13</sup> Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/> or the Federal eRulemaking Portal: <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers 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, filers should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov), and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- **Paper Filers:** 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, filers 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). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

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<sup>12</sup> See 47 C.F.R. § 63.03(a).

<sup>13</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

The Commission's contractor 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, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

**You may submit comments, identified by the above noted docket number, by any of the following methods:**

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: <http://www.fcc.gov/cgb/ecfs/>. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: [FCC504@fcc.gov](mailto:FCC504@fcc.gov) or phone: 202-418-0530 or TTY: 202-418-0432.

**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, S.W., Room CY-B402, Washington, D.C. 20554, [www.bcpiweb.com](http://www.bcpiweb.com); phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Cecilia Seppings, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C230, Washington, D.C. 20554; email: [cecilia.seppings@fcc.gov](mailto:cecilia.seppings@fcc.gov);
- (3) Denise Coca, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C160, Washington, D.C. 20554; e-mail: [denise.coca@fcc.gov](mailto:denise.coca@fcc.gov);
- (4) 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](mailto:susan.o'connell@fcc.gov); and
- (5) Jim Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: [jim.bird@fcc.gov](mailto:jim.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, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CYB402, Washington, D.C. 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 Cecilia Seppings at (202) 418-1588, or Denise Coca at (202) 418-0574.

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