



PUBLIC NOTICE

Federal Communications Commission
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DA 06-2321
Released: November 16, 2006

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF
COMPUTER NETWORK TECHNOLOGY CORPORATION FROM MCDATA
CORPORATION TO
BROCADE COMMUNICATIONS SYSTEMS, INC.**

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 06-201

Comments Due: November 30, 2006
Reply Comments Due: December 7, 2006

On October 26, 2006, McDATA Corporation (“Transferor“ or “McDATA”), its wholly owned subsidiary, Computer Network Technology Corporation (“CNT”), and Brocade Communications Systems, Inc. (“Transferee” or “Brocade”) (collectively, the “Applicants”), filed an application, pursuant to section 63.04 of the Commission’s rules,¹ requesting authority to transfer control of CNT to Brocade.²

Applicants assert that this transaction is entitled to presumptive streamlined treatment pursuant to section 63.03(b)(2)(i) of the Commission’s rules, because the proposed transaction would result in: (1) Brocade having a market share in the interstate, interexchange market of less than 10 percent, (2) Brocade will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by dominant local exchange carrier that is not a party to the transaction, and (3) neither of the Applicants is dominant with respect to any service.³

McDATA is a Delaware corporation that does not hold any authorizations relating to the provision of telecommunications services or provide any such services. McDATA is a publicly traded company with no 10% or greater interest holders. CNT, a Minnesota corporation, is a wholly-owned subsidiary of McDATA that operates as both CNT and McDATA Services Corporation. CNT is authorized to provide interstate domestic telecommunications services in the District of Columbia and in

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

² Applicants have also filed 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.

³ 47 C.F.R. § 63.03(b)(2)(i).

all states except Alabama, Idaho, Iowa, Michigan, Oklahoma, and Virginia. CNT's wholly-owned affiliate, CNT Telecom Services, Inc. ("CNTTSI"), is authorized to provide telecommunications services in Alabama and Virginia, and has focused exclusively on the provision of connectivity equipment and services.

Brocade is a Delaware corporation that does not hold any authorizations relating to the provision of telecommunications services. Brocade offers data storage networking products, software and services that enable companies to implement highly manageable and secure environments for data storage applications. Brocade is a publicly traded company with no 10% or greater interest holders.

Pursuant to an August 7, 2006 Agreement and Plan of Reorganization, Brocade will acquire McDATA in an all stock transaction. Specifically, Worldcup Merger Corporation, a wholly-owned subsidiary of Brocade created for the purposes of this transaction, will be merged with and into McDATA, with McDATA surviving the merger. Applicants indicate that the merger will be accomplished by the cancellation of the Class A and Class B common stock of McDATA and the conversion of Merger Sub's stock into common stock of McDATA. McDATA stockholders will receive 0.75 shares of Brocade common stock for each share of McDATA Class A or Class B common stock that they hold. As a result of the transaction, CNT will become a wholly-owned indirect subsidiary of Brocade. Upon consummation of the proposed transaction, CNT will change its name to Brocade Services Corporation and CNTTSI will change its name to Brocade Telecom Services, Inc.

Applicants assert that the proposed transaction will serve the public interest because the transaction will increase competition in the telecommunications market by reinforcing the status of CNT as a viable competitor. Further, Applicants contend that CNT's customers will continue to receive service under the same rates, terms and conditions of service as before.

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 November 30, 2006** and **reply comments on or before December 7, 2006**.⁴ Unless otherwise notified by the Commission, Applicants are permitted to transfer control on the 31st day after the date of this notice.⁵ 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.

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.

- 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, 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.

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.

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 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.bepiweb.com; telephone: (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;

- (3) Rodney McDonald, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 6-A430, Washington, D.C. 20554; e-mail: rodney.mcdonald@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; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: 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 CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail: www.bcpiweb.com.

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 or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

For further information, please contact Cecilia Seppings at (202) 418-1588, or Rodney McDonald at (202) 418-7513.

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