Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov TTY: 1-888-835-5322

DA 08-581

Released: March 14, 2008

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF FONES4ALL CORPORATION TO TELSCAPE COMMUNICATIONS, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 08-34

Comments Due: March 28, 2008 Reply Comments Due: April 4, 2008

On March 6, 2008, Fones4All Corporation (Fones4All) and Telscape Communications, Inc. (Telscape) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules for authority to transfer control of Fones4All to Telscape. Fones4All, a California corporation, provides competitive local exchange and long distance services to low-income residential and small business customers in California, including customers participating in the California Lifeline Telephone Program. Telscape, a Delaware corporation, provides competitive local exchange and long distance service to residential customers in California and Nevada. Applicants state that the following U.S.-based entities own at least 10 percent of the equity of Telscape: GP/T Holdings, LLC (68 percent) and Gemini Partners, Inc. (18 percent), and that the following U.S. citizens each hold 50 percent interests in, and share control of, GP/T Holdings, Inc. and Gemini Partners, Inc.: Nathan Johnson and Mathew Johnson. They further state that none of these entities or persons has a 10 percent or greater ownership interest in any other telecommunications carrier. Applicants state that Fones4All is not in a financial position to continue to serve its customers and has entered into an agreement with Telscape whereby Telscape will purchase a substantial portion of Fones4All's customer base.² Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.3

¹ 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants filed a supplement to their domestic section 214 application on March 11, 2008.

² On March 11, 2008, Applicants filed a request for special temporary authority (STA) to close the transaction while their domestic section 214 application is pending. Applicants state that, due to severe financial difficulties, Fones4All is subject to termination of service by its underlying service providers and seeks to immediately transfer customers to Telscape to avoid discontinuance of their service. On March 14, 2008, the Wireline Competition Bureau granted the STA for the domestic authorization for a period of 60 days. Letter from John L. Clark, Counsel for Joint Applicants, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 08-34 (filed Mar. 11, 2008).

³ 47 C.F.R. § 63.03(b)(2)(i).

Domestic Section 214 Application Filed for the Transfer of Control of Fones4All Corporation to Telscape Communications, Inc., WC Docket No. 08-34 (filed Mar. 6, 2008).

GENERAL INFORMATION

The Wireline Competition Bureau finds, upon initial review, that the transfer of control identified herein is 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 section 63.03(a) of the Commission's rules, 47 C.F.R. § 63.03(a), interested parties may file comments **on or before March 28, 2008,** and reply comments **on or before April 4, 2008.** Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.⁴ Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's eRulemaking Portal. *See* 47 C.F.R. § 63.03(a) ("All comments on streamlined applications shall be filed electronically"); *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- 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, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

In addition, email one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: 202 / 488-5300; fax: 202 / 488-5563;
- 2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, <u>tracey.wilson-parker@fcc.gov</u>;
- 3) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 4) David Krech, International Bureau, Policy Division, International Bureau, <u>david.krech@fcc.gov</u>; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

⁴ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

Filings and comments are 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; email: fcc@bcpiweb.com; url: 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 Tracey Wilson-Parker at 202 / 418-1394 or Jodie May at 202 / 418-0913.