Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

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DA 13-437

Released: March 14, 2013

## DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF ACCESSLINE COMMUNICATIONS CORP. FROM TELANETIX, INC. TO INTERMEDIA HOLDINGS, INC.

## STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 13-45

Comments Due: March 28, 2013 Reply Comments Due: April 4, 2013

On February 15, 2013, AccessLine Communications Corp. (AccessLine), Telanetix, Inc. (Telanetix), and Intermedia Holdings, Inc. (Intermedia) (collectively, the Applicants) filed an application, pursuant to section 63.03 of the Commission's rules, to transfer control of AccessLine from Telanetix to Intermedia.

AccessLine, a Delaware corporation, is authorized to provide competitive telecommunications services in forty-nine states. AccessLine is a wholly-owned subsidiary of AccessLine Holdings, Inc., a Delaware corporation, which in turn, is a wholly-owned subsidiary of Telanetix. Telanetix, a Delaware corporation, does not hold any authorizations related to the provision of telecommunications services. Telanetix is a provider of communications solutions, offering a variety of non-regulated services to business customers.

Intermedia, a Delaware corporation, provides, through its operating subsidiaries, cloud services to small and mid-sized businesses. Intermedia's wholly-owned subsidiary, Intermedia.Net, Inc., in turn wholly owns Intermedia Voice Services, Inc., a provider of VoIP solutions to many of its customers.

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<sup>&</sup>lt;sup>1</sup> 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international services. Applicants filed supplements to their application March 5, 12, and 14, 2013. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. On February 11, 2013, Telanetix, AccessLine, and HCP-TELA, LLC filed an application for a July 2, 2010 unauthorized transfer control (2010 Transaction) of Telanetix and AccessLine to HCPT-TELA, LLC. *See Domestic Section 214 Application Filed for the Transfer of Control of Telanetix, Inc. and AccessLine Communications Corporation to HCP-TELA, LLC*, WC Docket 13-41, Public Notice, DA 13-287 (rel. Feb. 26, 2013). The Wireline Competition Bureau granted a request for Special Temporary Authority related to the 2010 Transaction for authorization to continue to provide service pending approval of that application. A grant of either application will be without prejudice to any enforcement action by the Commission for non-compliance with the Communications Act of 1934, as amended, or the Commission rules.

Intermedia's primary shareholder is Oak Hill Capital Partners III, L.P. (together, with related entities, Oak Hill Capital), a Cayman Islands entity. Oak Hill Capital owns WaveDivision Holdings, LLC (Wave Parent), a Delaware limited liability company, which provides cable TV, broadband Internet access, and Voice over Internet Protocol services through its operating subsidiaries to residential and commercial customers. Its subsidiary, Astound, a Washington limited liability company, provides competitive local exchange, long distance, and wholesale telecommunications services to residential and commercial customers in California, Oregon, and Washington, and has authority to provide these services in Maryland. The general partner of Oak Hill Capital is OHCP MGP III, Ltd., a Cayman Islands entity. The voting members of OHCP MGP III, Ltd. are all U.S. citizens/entities.<sup>2</sup>

Pursuant to the Asset Purchase Agreement between Intermedia, Telanetix, and Sierra Merger Sub Co. (MergerSub), an indirect, wholly-owned subsidiary of Intermedia, which was created solely for the purposes of this proposed transaction, Intermedia will acquire control of Telanetix and AccessLine through an all cash transaction. Specifically, MergerSub will be merged with and into Telanetix, with Telanetix surviving the merger. Concurrently with this proposed transaction, Intermedia's existing shareholders will invest an additional approximately \$15 million into the equity of Intermedia. Oak Hill Capital will remain the company's largest shareholder. 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.<sup>3</sup>

Domestic Section 214 Application Filed for the Transfer of Control of AccessLine Communications Corp. from Telanetix, Inc. to Intermedia Holdings, Inc., WC Docket No. 13-45 (filed Feb. 15, 2013).

## **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 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 CFR § 63.03(a), interested parties may file comments **on or before March 28, 2013,** and reply comments **on or before April 4, 2013.** Pursuant to section 63.52 of the Commission's rules, 47 C.F.R. § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31<sup>st</sup> day after the date of this notice.<sup>4</sup>

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): <a href="http://fjallfoss.fcc.gov/ecfs2/">http://fjallfoss.fcc.gov/ecfs2/</a>.

## In addition, e-mail one copy of each pleading to each of the following:

1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;

<sup>&</sup>lt;sup>2</sup> The following are the voting members of the OHCP MGP III, Ltd.: The J. Taylor Crandall Revocable Trust, John Fant, Steven B. Gruber, Kevin G. Levy, Denis J. Nayden, Ray Pinson, Mark Wolfson.

<sup>&</sup>lt;sup>3</sup> 47 C.F.R. § 63.03(b)(2)(i).

<sup>&</sup>lt;sup>4</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- 2) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;
- 3) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 4) Jim Bird, Office of General Counsel, <a href="mailto:jim.bird@fcc.gov">jim.bird@fcc.gov</a>.

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The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules.<sup>5</sup> Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 C.F.R. § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

For further information, please contact Tracey Wilson at (202) 418-1394 or Dennis Johnson at (202) 418-0809.

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<sup>&</sup>lt;sup>5</sup> 47 C.F.R. §§ 1.1200 et seq.