**DA 16-416**

**April 15, 2016**

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE**

**TRANSFER OF CONTROL OF ETRALI NORTH AMERICA, LLC TO IPC SYSTEMS, INC.**

**STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 16-65**

**Comments Due: April 29, 2016**

**Reply Comments Due: May 6, 2016**

Etrali North America, LLC (Etrali NA) and IPC Systems, Inc. (IPC Systems) (together, Applicants) filed an application pursuant to section 214 of the Communications Act of 1934, as amended (Act), and section 63.03 of the Commission’s rules, requestingapproval to transfer control of Etrali NA to IPC Systems.[[1]](#footnote-1) Applicants consummated this transaction without Commission approval on January 26, 2016.

Etrali NA, a Delaware limited liability company, provides, as part of an entity named Etrali Trading Solutions, resold domestic private line services in California, Connecticut, Illinois, Massachusetts, New York, New Jersey, and Texas. Etrali NA was, prior to the transaction, an indirect wholly owned subsidiary of funds affiliated with The Gores Group, a private equity entity.

IPC Systems and its subsidiaries provide and/or are authorized to provide competitive telecommunications services to business customers in multiple states. Applicants state that IPC Systems is wholly owned by IPC Systems Holdings Corp., which is wholly owned by IPC Corp., all Delaware corporations. IPC Corp, through several Delaware entities, is majority owned by Centerbridge Capital Partners II, L.P. (Centerbridge), a Delaware limited partnership.[[2]](#footnote-2) Applicants state that the ownership of Centerbridge is widely distributed, and no investor holds 10 percent or more of the ownership interests. Centerbridge is managed by its sole general partner, Centerbridge Associates II, L.P., a Delaware limited partnership, which is managed by its general partner, CCP II Cayman GP Ltd, a Cayman Islands entity. Applicants state that the directors of CCP II Cayman GP Ltd. are Mark T. Gallogly and Jeffrey H. Aronson, both U.S. citizens.

Pursuant to the terms of the consummated transaction, on January 26, 2016, all shares of Etrali Trading Solutions were indirectly acquired by Extra UK Holdings Limited, a United Kingdom entity and IPC Systems’ indirectly wholly owned subsidiary, through an acquisition of Gores Knight Holdings (Cayman), LP and Gores Etrali Holdings SAS from funds affiliated with The Gores Group and certain members of Etrali management. Upon consummation of the transaction, Etrali Trading Solutions became an indirectly wholly owned subsidiary of Extra UK Holdings Limited, and an indirect wholly owned subsidiary of IPC Systems. Applicants state that the ownership structure of IPC Systems was not affected by the transaction. 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]](#footnote-3)

Domestic Section 214 Application Filed for the Transfer of Control of Etrali North America, LLC to IPC Systems, Inc., WC Docket No. 16-65 (filed Feb. 25, 2016).

**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 April 29, 2016**, and reply comments **on or before May 6, 2016**. 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 31st day after the date of this notice.

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): http://apps.fcc.gov/ecfs/.

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

1. Tracey Wilson, Wireline Competition Bureau, [tracey.wilson@fcc.gov](mailto:tracey.wilson@fcc.gov);
2. Jodie May, Wireline Competition Bureau, jodie.may@fcc.gov;
3. Jim Bird, Office of General Counsel, [jim.bird@fcc.gov](mailto:jim.bird@fcc.gov);

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), 1-888-835-5322 (tty).

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules. 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 Jodie May at (202) 418-0913.

**- FCC -**

1. *See* 47 C.F.R § 63.03; 47 U.S.C. § 214. On March 21, 2016, Applicants filed supplemental information amending the domestic section 214 application and withdrawing their request for confidential treatment of certain information contained in the application. Letter from Andrew M. Klein and Susan C Goldhar Ornstein, Counsel for IPC Systems, Inc. and Etrali North America, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-65 (filed Mar. 21, 2016). On March 28, 2016, the Wireline Competition Bureau granted Applicants' request for Special Temporary Authority (STA) for a period of 60 days for authorization to continue to provide service pending approval of the application. Letter from Andrew M. Klein and Susan C Goldhar Ornstein, Counsel for IPC Systems, Inc. and Etrali North America, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-65 (filed Mar. 21, 2016). A grant of the application will be without prejudice to any enforcement action by the Commission for non-compliance with the Act or the Commission's rules. [↑](#footnote-ref-1)
2. Applicants state that Centerbridge Capital Partners II, L.P. and its affiliates indirectly hold approximately 8 percent of the common units in Ligado Networks LLC, formerly known as New LightSquared, LLC, which provides mobile satellite voice and data services throughout North America. [↑](#footnote-ref-2)
3. 47 C.F.R. § 63.03(b)(2)(i). [↑](#footnote-ref-3)