**DA 16-454**

**April 27, 2016**

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE**

**TRANSFER OF CONTROL OF**

**AXIA NGNETWORKS USA, INC. TO DIGITAL CONNECTION (CANADA) CORP.**

**NON-STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 16-110**

**Comments Due: May 11, 2016**

**Reply Comments Due: May 18, 2016**

Axia NetMedia Corporation (Axia Canada), Axia NGNetworks USA, Inc. (Axia U.S.), and Digital Connection (Canada) Corp. (DCC) (together, Applicants) filed an application pursuant to section 214 of the Communications Act of 1934, as amended, and section 63.03 of the Commission’s rules, requesting approval to transfer control of Axia U.S. to DCC.[[1]](#footnote-1)

Axia U.S., a Delaware corporation, is a subsidiary of Axia Canada, a Canadian publicly listed company. Applicants state that, through a Master Agreement for Network Services (Master Agreement), Axia U.S. operates a network (MTC Network) on behalf of the Massachusetts Technology Park Corporation in Western Massachusetts under the name of MassBroadband 123 (MB123).[[2]](#footnote-2) Axia U.S. offers wholesale broadband services, including the transmission component of wireline broadband Internet access services to broadband service providers, government and small and medium-sized business in Western Massachusetts. Axia U.S. also offers lit and dark fiber services.

Applicants state that DCC does not provide telecommunications services in the United States. DCC is wholly owned by Digital Connection (Luxembourg) S.a.r.l. (DC Luxembourg). Partners Group Holding AG (PG Holding), a Swiss private investment firm, will indirectly hold control of DCC through DC Luxembourg. PG Holding is traded publicly on the SIX Swiss Exchange. Approximately 45 percent of PG Holding's shares are owned by its employees and partners, and no owners would have a 10 percent of greater interest in DCC. PG Holding controls the fifteen entities that own DC Luxembourg. Only three of the entities hold a ten percent or greater indirect interest in DCC, and in turn, will hold a ten percent or greater indirect interest in Axia Canada, as follows (all Guernsey entities): Partners Group Direct Infrastructure 2015 (USD), LP Inc. (20.80 percent); BVK Direct Infrastructure 2014, LP Inc. (16.30 percent); and Partners Group Global Infrastructure 2012, LP Inc. (13.10 percent).

Pursuant to an Arrangement Agreement dated March 9, 2016 and executed between DCC and Axia Canada, DCC will acquire all of the issued and outstanding common shares of the authorized share capital of Axia Canada. As a result of the transaction, DCC will directly own and control Axia Canada, will become Axia Canada’s ultimate owner, and will take control of Axia Canada’s subsidiaries, including Axia U.S.

Domestic Section 214 Application Filed for the Transfer of Control of

Axia Ngnetworks USA, Inc. to Digital Connection (Canada) Corp., WC Docket No. 16-110 (filed Apr. 5, 2016).

**GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-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 May 11, 2016**, and reply comments **on or before May 18, 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.

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. Myrva Freeman, Wireline Competition Bureau, myrva.freeman@fcc.gov;
2. Dennis Johnson, Wireline Competition Bureau, dennis.johnson@fcc.gov;
3. Jim Bird, Office of General Counsel, jim.bird@fcc.gov;
4. David Krech, International Bureau, david.krech@fcc.gov;
5. Sumita Mukhoty, International Bureau, sumita.mukhoty@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 Myrva Freeman at (202) 418-1506 or Dennis Johnson at (202) 418-0809.

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1. *See* 47 C.F.R § 63.03; 47 U.S.C. § 214. [↑](#footnote-ref-1)
2. Massachusetts Technology Park Corporation is an independent public instrumentality of the Commonwealth of Massachusetts established, organized, and existing pursuant to Chapter 40J of the Massachusetts General Laws. [↑](#footnote-ref-2)