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JENNER & BLOCK LLP

June 9, 2017

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VIA ECFS

Ms. Kris Monteith
Chief
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *In re Request of Telcordia Technologies, Inc. d/b/a FP to Approve Modifications to the Local Numbering Portability Administrator Code of Conduct and the Ericsson Voting Trust, and, if Necessary, the Minority Investment by FP Icon Holdings, L.P.*, WC Docket Nos. 07-149 and 09-109; CC Docket No. 95-116

Dear Ms. Monteith:

In response to the May 25, 2017 Information and Documentation Request,¹ FP Icon Holdings, L.P. (“FP”) submits the attached responses to Requests 1-5 and 8-9. Under separate cover, as requested, FP has filed a copy of the sections of FP’s Limited Partnership Agreement that provide for the insulation of the limited partners.

Some of the submitted data contains material that is sensitive from a commercial, competitive and financial perspective, and that FP would not reveal to the public, to its competitors or to other third parties in the normal course of business. FP therefore respectfully requests that, pursuant to Sections 0.457 and 0.459 of the Federal Communications Commission’s (“Commission’s” or “FCC’s”) rules,² the Commission withhold from public

¹ See Letter from Kris Anne Monteith, Chief of the Wireline Competition Bureau, to John T. Nakahata, Counsel for Telcordia Technologies, Inc. d/b/a FP, Rebekah Goodheart, Counsel for Francisco Partners, LP, and Tara O’Neill Diaz, Executive Vice President & General Counsel, Telcordia Technologies, Inc. d/b/a FP, Request of Telcordia Technologies, Inc. d/b/a FP to Approve Modifications to the Local Numbering Portability Administrator Code of Conduct and the Ericsson Voting Trust, and, if Necessary, the Minority Investment by FP Icon Holdings, L.P., WC Docket Nos. 07-149 and 09-109; CC Docket No. 95-116 (May 25, 2017).

² 47 C.F.R. § 0.459.

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inspection and afford confidential treatment to the attached material (“Confidential Information”), as outlined below.

Section 552(b)(4) of the Freedom of Information Act (“FOIA Exemption 4”) permits an agency to withhold from public disclosure any information that qualifies as “trade secrets and commercial or financial information obtained from a person and privileged or confidential.”³ Section 0.457(d)(2) of the Commission’s Rules allows persons to file a request for non-disclosure when submitting materials that they wish withheld from public inspection.⁴ In addition, because this is a voluntary submission, if the Commission denies this request for confidential treatment, FP requests for its Confidential Information to be returned.

In accordance with Section 0.459 of the Commission’s rules,⁵ FP submits the following:

1. *Identification of the Specific Information for Which Confidential Treatment Is Sought*

FP seeks confidential treatment of the attached sections of FP’s Limited Partnership Agreement.

2. *Description of the Circumstances Giving Rise to the Submission*

FP is submitting sections of its Limited Partnership Agreement at the request of Commission staff. The Limited Partnership Agreement has never been disclosed publicly and contains commercial terms and proprietary information, including details of its business structure and management that could be detrimental to FP if they were public.

3. *Explanation of the Degree to Which the Information Is Commercial or Financial, or Contains a Trade Secret or Is Privileged*

The Confidential Information contains sensitive information about FP’s capital structure and management rights, and is thus protected from disclosure. This information constitutes highly sensitive commercial information “which would customarily be guarded from competitors.” 47 C.F.R. § 0.457. The Commission has recognized that, for purposes of Exemption 4, “records are ‘commercial’ as long as the submitter has a commercial interest in them.”⁶ In this regard, FP’s Limited Partnership Agreement—which describes details regarding FP’s business structure, rights of certain limited partners and the general partner, and contains

³ 5 U.S.C. § 552(b)(4).

⁴ 47 C.F.R. § 0.457(d)(2).

⁵ 47 C.F.R. § 0.459(b).

⁶ *Robert J. Butler*, Memorandum Opinion and Order, 6 FCC Rcd 5414 ¶ 12 (1991) (citing *Pub. Citizen Health Research Group v. F.D.A.*, 704 F.2d 1280, 1290 (D.C. Cir. 1983); *Am. Airlines v. Nat’l Mediation Bd.*, 588 F.2d 863, 868 (2d Cir. 1978)).

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sensitive financial and business information—constitutes commercial information which may be withheld under FOIA Exemption 4.

4. *Explanation of the Degree to Which the Information Concerns a Service that Is Subject to Competition*

FP's submission contains proprietary and non-public information about FP's business operations that, if publicly disclosed, could put FP at a competitive disadvantage with regard to other funds and investors competing in the same space.

5. *Explanation of How Disclosure of the Information Could Result in Substantial Competitive Harm*

Providing competitors and the public with the information contained in FP's submission would expose internal policies and other competitive and operational business information not ordinarily available to the public. The D.C. Circuit has found parties do not have to "show actual competitive harm" to justify confidential treatment.⁷ Rather, "[a]ctual competition and the likelihood of substantial competitive injury" is sufficient to bring commercial information within the realm of confidentiality."⁸

6. *Identification of Any Measures Taken to Prevent Unauthorized Disclosure*

The Confidential Information is not publicly available. FP has never publicly disclosed the contents of its Limited Partnership Agreement, and treats the Agreement as confidential.

7. *Identification of Whether the Information Is Available to the Public and the Extent of Any Previous Disclosure of the Information to Third Parties*

FP has not made the Confidential Information publicly available.

8. *Justification of the Period during Which the Submitting Party Asserts That Material Should Not Be Available for Public Disclosure*

Given the highly proprietary and non-public nature of the information in the Submissions, FP does not foresee a date after which it would no longer consider this information to be highly confidential, and requests that confidential treatment apply indefinitely.

⁷ *Pub. Citizen Health Research Grp.*, 704 F.2d at 1291 (quoting *Gulf & Western Indus. v. U.S.*, 615 F.2d 527, 530 (D.C. Cir. 1979)).

⁸ *Id.*

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9. *Any Other Information That the Party Seeking Confidential Treatment Believes May Be Useful in Assessing Whether Its Request for Confidentiality Should Be Granted*

The provisions of the Limited Partnership Agreement that FP is submitting qualify for Exemption 4 of the Freedom of Information Act. Exemption 4 protects information that is (i) commercial or financial; (ii) obtained by a person outside of the government; and (iii) privileged or confidential.⁹

Please contact me if you have any questions regarding these matters.

Sincerely,

/s/ Rebekah P. Goodheart

Rebekah P. Goodheart
Counsel to Francisco Partners, LP

Attachments

cc: Ann Stevens
Neil Dellar
Michele Sclater

⁹ 5 U.S.C. § 552(b)(4).

**FRANCISCO PARTNERS' INFORMATION AND
DOCUMENTATION REQUEST RESPONSE**

1. Please identify the individual or individuals who advise and manage Francisco Partners (“FP”). With respect to each such individual identified, please state whether they manage any other funds/investments and, if so, whether such other funds/investments are affiliated with Telecommunications Service Providers (each a “TSP”).

The following individuals advise and manage Francisco Partners:

- Dipanjan (DJ) Deb
- Keith Geeslin
- David Golob
- Ezra Perlman
- Deep Shah

None of these individuals manages any funds/investments outside of Francisco Partners except for each individual’s own personal investments. Except as described in the next paragraph, none of these individuals has any personal investments in any TSP.¹

One individual owns shares in two publicly traded companies that the Commission may consider to be TSPs: (1) < 0.01% of the outstanding shares of common stock of Belden Inc. (BDC); and (2) 0.014% of the outstanding shares of class A common stock of RingCentral, Inc. (RNG).

2. Please identify the individual(s) who owns the General Partner/corporation that is the ultimate parent of FP. With respect to each such individual identified, please identify their ownership interests in any TSPs.

The ultimate parent of Francisco Partners is Francisco Partners Management GP, LLC (“FPM GP”), a Delaware limited liability company. The following individuals are the members (owners) of FPM GP:

- Chris Adams
- Benjamin Ball
- Peter Christodoulo
- Dipanjan (DJ) Deb
- Neil Garfinkel
- Keith Geeslin
- David Golob
- Andrew Kowal
- Tom Ludwig
- Petri Oskanen

¹ Certain individuals maintain discretionary brokerage accounts over which they have no investment control; an investment manager has full decision making authority with respect to the securities bought, sold and held in such accounts. It is possible that such accounts hold securities representing de minimis ownership percentages of publicly traded companies that are TSPs.

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- Ezra Perlman
- Sanford Robertson
- Deep Shah
- Matt Spetzler

One partner owns < 0.01% of the outstanding shares of common stock of Mitel Networks Corporation (MITL).

Except as described above, none of these individuals has any ownership interest in any TSP.

3. Page 5 of the Request. Of the 87 portfolio companies in which FP invests, please identify those that are associated with the telecommunications industry (e.g., TSPs, equipment manufacturers, managed service providers etc.) and the size of the investment, in percentage terms, that FP owns, if any.

FP holds the following investments in the telecommunications industry:²

Portfolio Company	FP Ownership Percentage
Procera	89%
MetaSwitch	34%
Mitel Networks	5%

As further discussed in the response to Information Request 8 below, these investments represent a very small portion of FP’s portfolio. They each serve different segments of the telecommunications industry and have a highly diversified customer base. Moreover, of these companies, only Mitel Networks is a TSP, and its TSP-related activities represent a de minimis portion of its business (approximately 2% of its 2016 revenue).

4. Are any limited partners affiliated with TSPs? If so, please identify the limited partner, the TSP with whom he is affiliated, and the amount of the investment in percentage terms.

FP has no knowledge that any of its limited partners are affiliated with any TSPs. The insulation provisions attached in response to Information Request 5 ensure that, consistent with FCC rules,³

² FP has an investment in a media company (SintecMedia) that provides business management solutions for broadcasters and multichannel video programming distributors (“MVPDs”) but it does not sell any products related to numbering or voice services. In addition, FP has investments in other technology companies (Optanix, Sonicwall, and WatchGuard) that have customers in the telecommunications industry but none of these companies sell products related to numbering.

³ See, e.g. 47 C.F.R §§ 1.5003 and 73.3555, Note 2(f) (insulation criteria sufficient to protect broadcast licensees from influence or control sufficient to implicate the multiple ownership rules); *see also Corporate Ownership Reporting and Disclosure of Broadcast Licensees*, Memorandum Opinion and Order, 1 FCC Rcd 802, 806 (1986) (insulation criteria designed to bar “ability to influence or control the media related activities of the partnership.”) Insulation rules sufficient to prevent limited partners from “influenc[ing]” broadcast licensees should be similarly sufficient to prevent limited partners from subjecting the numbering administrator to any “undue influence,” particularly where no limited partner holds more than a marginal stake in the partnership.

insulated limited partners cannot directly or indirectly influence the iconectiv investment and therefore cannot impact the administrator's neutrality. Insulated limited partners are barred from taking any management, consulting, employment, or controlling role in iconectiv and barred from communicating with the general partner about the day-to-day operations of iconectiv. The insulated limited partners are similarly barred from managing, controlling, and communicating regarding FP's telecommunications investments. These contractual provisions ensure that no limited partner has the ability to influence iconectiv and therefore cannot impact the administrator. In addition, the limited partners are also barred from taking any action that would violate any of the Commission's rules, adding a further protection against any action that could impact neutrality or any potential undue influence concerns.

Moreover, no limited partners have a significant interest in FP. In fact, the largest limited partner, a state pension plan, owns an interest of only 5.2%. All other limited partners have interests below 5%.⁴ Given the minimal interests of each limited partner in FP—and the insulation of the limited partners from iconectiv—no limited partner is in a position to influence either FP or iconectiv directly or indirectly.

5. Please provide a copy of the section(s) of the FP Investors' Limited Partnership Agreement that provides for the insulation of the limited partners.

Attached please find redacted copies of the sections of the Limited Partnership Agreement dealing with insulation. Unredacted copies have been filed under separate cover pursuant to a request for confidentiality under 47 C.F.R. §§ 0.457 and 0.459.

8. Page 9 of the Request refers to FP's "broad investments." Please describe in greater detail the nature of FP's broad investments and how they "... do not present any potential concerns regarding undue influence."

FP's investments span numerous segments of the technology industry, including security, financial services, healthcare, Internet, and systems/hardware. Its telecommunications-related investments are a very small part of a highly diversified portfolio. The vast majority of its portfolio companies have nothing to do with telecommunications, let alone numbering resources, and therefore offer no incentive or influence regarding the deployment of those resources.

As the Request noted, as of the end of 2016, MetaSwitch, Procera, and Mitel represented only 1.8%, 2.2%, and 2.8%, respectively, of FP's invested capital. Of these three companies, (1) only Mitel operates a business involved in numbering resources, (2) that segment of Mitel's business constitutes approximately 2% of its revenue, and (3) FP's holdings in Mitel are far below affiliation or control thresholds. Mitel's core business is providing on-premises and cloud business communications systems. MetaSwitch is a provider of cloud native communications software and Procera is a hardware and software vendor that sells network intelligence and traffic management solutions. Moreover, the customer base of each of the three companies is highly diversified, meaning the amount of business done by any of these companies with any of

⁴ No other limited partner has an interest above 5% but three limited partners, none of which are TSPs, have interests between 4-5%. These three limited partners are an international insurance company and two state pension plans. The remaining limited partners have interests below 4%.

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their customers that operate in the telecommunications industry would have no tangible impact on the overall performance of FP's investment portfolio.

Rather than raising undue influence concerns, the breadth of FP's experience as an investor in large technology companies will bring significant benefits to iconectiv. FP is a proven leader in assisting management teams in delivering high quality products with excellent customer satisfaction and executing their business plans.

9. Page 5 of the Request states that FP invested \$10 billion in 87 investments. Page 10 of the Request speaks of \$4 billion invested in 43 companies. Please clarify how much FP currently has invested and in how many investments? Please provide a copy of the Share Purchase Agreement.

FP currently has approximately \$4 billion invested in 44 companies. At the time of the Request, FP had 43 active investments but this information has been updated based on activity since the time the Request was submitted. The reference on Page 5 of the Request stating that FP had invested \$10 billion in 87 investments represented the total historical investment activity by FP (and therefore included investments that had been sold) while the reference on page 10 of the Request to \$4 billion invested in 43 companies represented only the investments held by FP at the time of submission.

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EXCERPTS FROM:

AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP

OF

FRANCISCO PARTNERS IV, L.P.

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