Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

GLOBAL COMMUNICATION NETWORKS, INC.
Assignor

and

UPSTACK GLOBAL LLC,
Assignee

Joint Application for Consent to Assign
Assets and Customers Subject to
Domestic and International Section 214
Authority

WC Docket No. 21-____
IB File No. ITC 2021________

JOINT APPLICATION

Pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (the “Act”), and Sections 63.04 and 63.24 of the Commission’s rules, 47 C.F.R. §§ 63.04 and 63.24, Global Communication Networks, Inc. (“GCN” or “Assignor”) and UPSTACK GLOBAL LLC (“UPSTACK” or “Assignee” and together with Assignor, the “Applicants”), hereby respectfully request Commission consent to the assignment to UPSTACK of domestic and international Section 214 authority held by GCN in connection with the assignment of assets and customers from GCN to UPSTACK. Pursuant to Section 63.04(b), this Joint Application is being filed simultaneously with the Wireline Competition Bureau and the International Bureau.

I. REQUEST FOR STREAMLINED TREATMENT

The Applicants respectfully request streamlined treatment of this Joint Application. Under Section 63.04(b) of the Commission’s rules, the Applicants are filing a combined
domestic and international application. The Applicants respectfully request streamlined treatment of this Joint Application pursuant to Sections 63.03, 63.10, and 63.12 of the Commission’s rules.

The Joint Application is eligible for streamlined processing pursuant to Section 63.03(b)(1)(ii) of the Commission’s rules because the Assignee is not a telecommunications provider and has no direct or indirect wholly owned subsidiaries that are telecommunications providers. The Joint Application is also eligible for streamlined processing pursuant to Section 63.03(b)(2) of the Commission’s rules because immediately following the proposed transaction: (1) UPSTACK will have a market share in the interstate interexchange market of less than ten percent (10%); (2) UPSTACK has no direct or indirect wholly owned subsidiaries that provide competitive telephone exchange services; and (3) no Applicant nor any of their respective affiliates are regulated as dominant with respect to any service.

This Joint Application also qualifies for streamlined processing under Sections 63.10 and 63.12 of the Commission’s rules because: (1) none of the Applicants nor any of their affiliates are affiliated with a foreign carrier; (2) as a result of the transaction, none of the Applicants nor any of their affiliates will be affiliated with any foreign carrier; and (3) none of the other scenarios outlined in Section 63.12(c) of the Commission’s rules apply.

II. DESCRIPTION OF THE APPLICANTS

A. Assignor

Global Communication Networks is a Florida corporation with its headquarters located at 360 North East 1st Ave., Deerfield Beach, FL 33441. Global Communication Networks provides resold broadband Internet access and high capacity telecommunications services to fewer than
ten enterprise customers located in various states. Global Communication Networks holds an international 214 authorization, ITC-214-20160714-00189.

B. Assignee

UPSTACK GLOBAL LLC is a New York limited liability company with headquarters located at 745 Fifth Ave (7th floor), New York, NY 10151. Its principal business is the design, procurement and implementation of integrated network, data center and cloud technologies solutions for end users and providing related consulting and other services, selling and reselling network, data center and cloud technologies solutions to end users, and acting as a sales agent for suppliers and a broker of related services. Neither UPSTACK nor any of its direct or indirect parents hold any domestic or international or other Commission authorizations or provide any telecommunications services. As set forth in Section III, infra, after Commission approval of this Application, UPSTACK will add to its portfolio the telecommunications services that are now provided by GCN.

III. DESCRIPTION OF THE TRANSACTION AND PUBLIC INTEREST STATEMENT

On October 15, 2021, UPSTACK, GCN and GCN’s owner, Christopher Palermo, executed an Asset Purchase Agreement (“Agreement”) for UPSTACK to purchase substantially all of the assets of GCN. The initial closing occurred at the time of the execution of the Agreement. Pursuant to the Agreement, the initial closing excluded all contracts for the provision of telecommunications services, all regulated customer accounts, and GCN’s domestic and international 214 authorizations (collectively, the “FCC Assets”). GCN proposes to transfer the FCC Assets to UPSTACK after approval of this Application, at which time UPSTACK will continue to provide the telecommunications services that the customers currently receive from GCN. As required by Section 63.24(b) of the Commission’s rules, in order to permit transfer of
the FCC Assets and the assignment of these customers of GCN’s telecommunications services provided pursuant to GCN’s domestic and international Section 214 authority, the Applicants hereby seek the Commission’s consent to assign GCN’s domestic and international Section 214 authorizations to UPSTACK. The Applicants propose to transfer the FCC Assets via a second closing (the “FCC Closing”) to take place on or after the effective date of Commission approval of the proposed assignment. Upon consummation of the FCC Closing, GCN will discontinue its telecommunications service offerings; its international 214 license, ITC-214-20160714-00189, will be transferred to Assignee.

The proposed transfer of GCN’s customer base, authorizations and contracts for the provision of telecommunications services to UPSTACK will have no adverse impact on GCN’s existing customers, who will continue to receive the same resold telecommunications services following the assignment to UPSTACK.

UPSTACK has notified all affected customers of the proposed assignment and has filed a notification of the customer base assignment with the Commission pursuant to Section 64.1120(e)(1) of the Commission’s rules.

Approval of the proposed transaction will serve the public interest, convenience and necessity. As noted above, the transaction will have no negative impact on the customers now served by GCN, who will continue to receive the same services at the same rates, terms and conditions. In addition, at the initial closing, the key managers of GCN – CEO Chris Palermo and President Kurt Walk – became President and Vice President of Delivery (Customer Experience), respectively, of UPSTACK. In those positions, they will continue to manage the provision of telecommunications services to the former GCN customers after the FCC Closing. Accordingly, the proposed transaction will be seamless to customers and will not result in any
discontinuance, reduction, loss, or impairment of the services provided. UPSTACK will notify
the customers of any future changes in rates, terms and/or conditions of service consistent with
applicable regulatory requirements.

The transaction will further serve the public interest because UPSTACK will provide
invaluable management and strategic business skills to augment the level of service and selection
of offerings provided by GCN to its customers. The combined UPSTACK /GCN management
team will anticipate and implement technology changes to strengthen UPSTACK’s position in an
evolving marketplace. In addition, the team will have available substantial additional financial
resources through UPSTACK’s shareholder Berkshire Partners, which has invested $50 million
in UPSTACK. The additional financial resources will strengthen UPSTACK’s ability to provide
high-quality telecommunications and other services not just to existing GCN customers, but also
to enterprise customers throughout the United States.

The proposed transaction does not present any anticompetitive issues, as it will not result
in a reduction in the number of service providers in the U.S. UPSTACK does not currently hold
a section 214 authorization, but after assignment of GCN’s authorizations it will continue to
provide high-quality communications services to customers currently served by GCN without
interruption.

For all these reasons, the proposed transaction will positively benefit operations and
customers now served by GCN and also other potential enterprise customers throughout the
United States.

IV. INFORMATION REQUIRED BY 47 C.F.R. § 63.24(e)

A. Name, Address, Telephone Number, and Place of Formation of Each
Applicant, 47 C.F.R. §§ 63.18(a)-(b)
Assignor: Global Communication Networks is a Florida corporation whose primary address is 360 North East 1st Ave., Deerfield Beach, FL 33441. Assignor’s telephone number is (954) 788-9191.

Assignee: UPSTACK GLOBAL LLC is a New York limited liability company whose primary address is 745 Fifth Ave (7th floor), New York, NY 10151. Assignee’s telephone number is (917) 341-1344.

B. Contact Information for Applicants, 47 C.F.R. § 63.18(c) – Answer to Question 10

Correspondence concerning this Joint Application should be sent to:

Assignor Contact Information:

Chris Palermo
CEO
Global Communication Networks, Inc.
360 North East 1st Ave.
Deerfield Beach, FL 33441
Telephone: (954) 788-9191
Email: chris.palermo@gcnsolutions.com

with a copy to:

Mark Del Bianco
Law Office of Mark C. Del Bianco
3929 Washington St.
Kensington, MD 20895
301-602-5892
mark@markdelbianco.com

Assignee Contact Information:

Andrew Reiben
Chief Financial Officer
UPSTACK GLOBAL LLC
745 Fifth Ave (7th floor)
New York, NY 10151
(646) 784-0317
andrew.reiben@upstack.com
C. Section 214 Authority Held by Each Applicant, 47 C.F.R. § 63.18(d)

Global Communication Networks is authorized to provide global facilities-based and resale services pursuant to File No. ITC-214-20160714-00189. Global Communication Networks will not continue to provide international service under its existing entity authority post-closing.

Assignee does not currently hold a domestic or international Section 214 authorization.

D. Name, Address, Citizenship and Principal Business of Disclosable Interest Holders, 47 C.F.R. § 63.18(h) – Answer to Question 11

The following entities hold directly or indirectly a ten percent or greater equity and/or voting interest, or a controlling interest, in the Assignee:

Name: UPSTACK HOLDCO INC.
Address: 745 Fifth Ave (7th floor)
New York, NY 10151
Citizenship: USA
Type of Organization: Corporation
Principal Business: Holding company
Percentage Held: 100% direct interest in Assignee

Name: UpStack, Inc.
Address: 745 Fifth Ave (7th floor)
New York, NY 10151
Citizenship: USA
Type of Organization: Corporation
Principal Business: Software and Technology
Percentage Held: 100% direct interest in UPSTACK HOLDCO INC.;
100% indirect interest in Assignee

Name: Christopher Trapp
Address: 745 Fifth Ave (7th floor)
New York, NY 10151
Berkshire Fund IX, L.P. is controlled by its general partner, Ninth Berkshire Associates LLC. Berkshire Partners LLC (“Berkshire Partners”) is the management company for Berkshire Fund IX, as well as all of the Berkshire funds. Berkshire Partners is wholly owned by BPSP, L.P. BPSP, L.P’s general partner is Berkshire Partners Holdings LLC, which is controlled by its 25 Managing Directors (the “Berkshire Managing Directors”), all of whom are U.S. citizens. The Berkshire Managing Directors are also the managers of the general partner of Berkshire Fund IX, L.P. All of the Berkshire entities have the same address and citizenship as Berkshire Fund IX, L.P.

No other entity holds a 10% or greater direct or indirect interest in the Assignee. The remaining equity interest in UpStack, Inc. is held by 36 individual and institutional shareholders, none holding a 10% or greater direct or indirect interest in the Assignee.

Pursuant to a voting agreement among the principal shareholders of UpStack, Inc., two members of the Board of Directors of UpStack, Inc. are appointed by Berkshire Partners, two are appointed by Christopher Trapp, one is the Chief Executive Officer, who is Christopher Trapp, and one is appointed by agreement between Christopher Trapp and Berkshire Partners.
E. Interlocking Directorates with Foreign Carriers, 47 C.F.R. § 63.18(h)

The Assignee has no interlocking directorates with any foreign carriers.

F. Narrative Description of the Transaction and Public Interest Statement – Answer to Question 13

A description of the transaction and public interest statement are provided in Section III, supra.

G. Affiliations with Foreign Carriers, 47 C.F.R. § 63.18(i) – Answer to Question 14

Assignee has no affiliations with any foreign carrier.

H. Destination Countries and Foreign Carrier Affiliations, 47 C.F.R. § 63.18(j) – Answer to Question 15

Assignee does not seek to provide international telecommunications services to any destination country for which any of the following is true: (1) Assignee is a foreign carrier in that country; or (2) Assignee controls a foreign carrier in that country; (3) any entity that owns more than 25 percent of Assignee, or that controls Assignee, controls a foreign carrier in that country; or (4) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of Assignee and are parties to, or the beneficiaries of, a contractual relation (e.g., a joint venture or market alliance) affecting the provision or marketing of international basic telecommunications services in the United States.

I. WTO Status of Destination Countries, 47 C.F.R. § 63.18(k) – Answer to Question 18

N/A

J. Classification of Foreign Carrier Affiliates as Dominant or Non-Dominant, 47 C.F.R. § 63.18(m), 63.10 – Answer to Question 16

N/A
K. Certification of Agreement Not To Accept Special Concessions, 47 C.F.R. § 63.18(n)

Assignee certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and Assignee will not enter into such agreements in the future.

L. Certification Pursuant to Anti-Drug Abuse Act of 1988, 47 C.F.R. § 63.18(o)

Assignee certifies pursuant to §§ 1.2001 through 1.2003 of this chapter that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853a.

M. Streamlined Processing, 47 C.F.R. § 63.18(p)

The Applicants’ request for streamlined processing is set forth in Section I, supra.

V. ADDITIONAL INFORMATION REQUIRED FOR FILING AN APPLICATION FOR ASSIGNMENT OF DOMESTIC SECTION 214 AUTHORITY

A. Description of the Transaction, 47 C.F.R. § 63.04(a)(6)

A description of the proposed transaction is set forth in Section III above.

B. Description of the geographic areas served and services provided, 47 C.F.R. § 63.04(a)(7)

Assignor currently provides resold broadband Internet access and high capacity telecommunications services to approximately ten enterprise customers located in various states. Assignee does not currently provide telecommunications services.
C. Statement as to how the Joint Application fits into one or more of the presumptive streamlined categories in Section 63.03 of the Commission’s Rules or why it is otherwise appropriate for streamlined treatment, 47 C.F.R. § 63.04(a)(8)

The Applicants’ domestic 214 portion of this Joint Application is eligible for streamlined processing pursuant to Section 63.03 of the Commission’s rules for the reasons set forth in Section I, supra.

D. Other related Commission applications, 47 C.F.R. § 63.04(a)(9)

No other Commission applications related to the proposed transaction are being filed.

E. Statement Regarding Special Considerations, 47 C.F.R. § 63.04(a)(10)

The Applicants are not requesting special consideration based on any imminent business failure.

F. Identification of any separately filed waiver requests being sought in conjunction with the transaction, 47 C.F.R. § 63.04(a)(11)

The Applicants have made no separately filed waiver requests in conjunction with this Joint Application.

G. Public Interest Statement, 47 C.F.R. § 63.04 (a)(12)

A public interest showing is provided in Section III, supra.

VI. CONCLUSION

For the foregoing reasons, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Joint Application.

Respectfully submitted,

/s/ Chris Palermo
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For UPSTACK GLOBAL LLC

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