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February 7, 2003

VIA HAND DELIVERY

03-49

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Wireline Competition Bureau
P.O. Box 358145
Pittsburgh, PA 15251-5145

**Re: Application of Cypress Communications Operating Company, Inc. and
Gillette Global Network, Inc. for Authorization Pursuant to Section 214 of
the Communications Act of 1934, as Amended, to Transfer Certain
Telecommunications Services**

Dear Ms. Dortch:

On behalf of Cypress Communications Operating Company, Inc. ("Cypress") and Gillette Global Network, Inc. ("GGN") (together, "Applicants"), enclosed please find an original and six (6) copies of an application for Commission approval to transfer certain telecommunications services of GGN to Cypress.

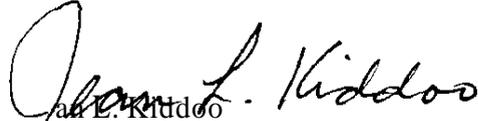
Pursuant to Section 63.04(b) of the Commission's rules, Applicants submit this filing as a combined domestic section 214 transfer of assets application and international section 214 transfer of assets application ("Combined Application"). Applicants are simultaneously filing the Combined Application with the International Bureau, in accordance with the Commission's rules.

Also enclosed is check in the amount of \$860.00, payable to the Federal Communications Commission, which satisfies the filing fee required for this application under line 2.b of Section 1.1105 of the Commission's rules.

Marlene H. Dortch, Secretary
February 7, 2003
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Please date-stamp the enclosed extra copy of this filing and return it in the envelope provided. Please do not hesitate to contact LIS if you have any questions regarding this filing.

Respectfully submitted,


Jean L. Kiddoo
Brett P. Ferenchak

Enclosures

cc: Deena Snipes (Cypress)
Charles H.N. Kallenbach (GGN)

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

In the Matter of the Application of)	
)	
CYPRESS COMMUNICATIONS)	
OPERATING COMPANY, INC.)	
)	File No. CC _____
and)	
)	File No. ITC-T/C-2003- ____
GILLETTE GLOBAL NETWORK, JNC.)	
)	
For Authorization Pursuant to Section 214 of the)	
Communications Act of 1934, as Amended, to)	
Transfer Certain Telecommunications Services)	

APPLICATION

Cypress communications Operating Company, Inc. (“Cypress Operating”) and Gillette Global Network, Inc. (“GGN”) (together the “Applicants”), through their undersigned counsel, hereby request authorization pursuant to Section 214 of the Communications Act of 1934, as amended,¹ and sections 63.03, 63.04, 63.12 and 63.18(e)(3) of the Commission’s rules,² to enable GGN, to transfer to Cypress Operating the interstate and international long distance services provided by GGN to customers at shared tenant services (“STS”) locations and elsewhere in California. This transfer is part of a larger transaction between Cypress Communications, Inc. (“Cypress Communications”), the parent of Cypress Operating, and Eureka Broadband Corporation (“Eureka”), the parent of GGN, involving the sale of Eureka’s STS and other

¹ 47 U.S.C. § 214 (the “Act”),

² 47 C.F.R. §§ 63.03, 63.04, 63.12 & 63.18(e)(3). This combined domestic and international 214 application is being tiled pursuant to the FCC’s new rules under section 63.04 and **63.18**. See In the Matter of Implementation

telecommunications services business in California, including interstate and international long distance services provided by GGN to STS customers and a number of other customers outside of those STS locations, to Cypress Communications. This proposed transaction will not result in any loss or impairment of service, and thus, this application is being filed pursuant to sections 63.24 and 63.04 of the Commission's rules.'

I. DESCRIPTION OF THE TRANSACTION

Shared tenant services consist generally of a package of single-source, managed communications solutions to small- and medium-sized businesses that are offered on a location-specific basis to tenants in multi-tenant office buildings and complexes. It enables such businesses to reap the advantages of advanced communications expertise, equipment and technology that would otherwise only be available to their larger competitors. Eureka has decided to focus its business plan and resources in markets outside of California. Accordingly, Cypress Communications and Eureka have entered into a Letter of Intent dated as of January 16, 2003, whereby Cypress Communications will acquire Eureka's shared tenant service business in California, including the provision of interstate and international long distance services currently provided by GGN to STS customers. In addition, as part of the transaction, Cypress will also acquire a number of other interstate and international long distance customers served by GGN outside of the STS locations.

Applicants emphasize that the proposed transaction will be virtually transparent to existing customers with respect to the services that they receive. Following the transition of the business

of Further Streamlining Measures for Domestic Section 214 Authorizations, Report and Order, CC Docket No. 01-150 (rel. Mar. 21, 2002).

from Eureka to Cypress Communications, Cypress Operating will provide interstate and international telecommunications services to the former GGN customers under the same rates, terms and conditions as those customers currently receive service from GGN. In accordance with applicable state and federal requirements, Applicants will notify the approximately 720 customers affected by the proposed transaction. Service to these customers will not be transferred until the requisite federal and state approval and notice periods have elapsed. At such time as the required notices are sent to GGN's customers, (at least 30 days prior to the expected transfer date), Cypress Operating will also file the notice and certification required by section 64.1120(e) of the Commission's rules.⁴ Applicants seek to complete the proposed transaction on an expedited basis so that the transition can be made to a service provider who is focused on the shared tenant service line of business and who can integrate the acquired operations into its existing STS business and thereby expand and improve its ability to offer valuable high quality service to this market segment.

II. DESCRIPTION OF CYPRESS

Cypress Communications is a leading provider of premium bundled telecommunications services to small and medium-sized businesses located in multi-tenant office buildings throughout the United States. Regulated telecommunications services, including interstate and international long distance services, are provided by Cypress Operating. Cypress Communications offers customized, fully integrated premium service bundles that may include some combination of high speed Internet connectivity, e-mail services, fully managed firewall

³ 47 C.F.R. §§ 63.04 & 63.24. *See* In the Matter of Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations, Report and Order, CC Docket No. 01-150 (rel. Mar. 21, 2002).

⁴ In connection with the proposed transaction, Cypress Operating has also filed an Advice Letter with the California Public Utilities Commission to advise it that the intrastate local and long distance services provided by GGN's affiliate, Eureka Telecom, LLC, will also be transferred to Cypress Operating.

services, web hosting, virtual private networks, feature rich digital desktop stations, local, long distance and toll free services, calling cards, audio and web conferencing and digital business television. Cypress Communications delivers these services over state-of-the-art fiber optic, digital, and broadband networks that it designs, constructs, owns, and operates inside large- and medium-sized office buildings. Cypress Communication's STS service greatly reduces its customers' administrative burdens by eliminating the need to manage multiple vendors, and offer a wide variety of communications solutions. The company prides itself on superior customer service and responsiveness, and it dedicates a team of in-building or near-building support specialists to each customer so all their service needs receive immediate attention.

Cypress Operating is a corporation organized and existing under the laws of the State of Delaware with its principal place of business located at 15 Piedmont Center, 3575 Piedmont Road, Suite 100, Atlanta, Georgia 30305. Cypress Operating is a wholly owned subsidiary of Cypress Communications, which, in turn, is a wholly owned subsidiary of U.S. RealTel, Inc. ("U.S. RealTel"). U.S. RealTel is a publicly traded corporation organized under the laws of the State of Delaware with its principal place of business also located at 15 Piedmont Center, 3575 Piedmont Road, Suite 100, Atlanta, Georgia 30305.

III. APPLICANTS' REQUEST FOR STREAMLINED TREATMENT UNDER SECTIONS 63.03 AND 63.12 OF THE COMMISSION'S RULES

For the reasons set forth below, Applicants respectfully submit that the requests for Section 214 authorization set forth herein qualify for treatment under the Commission's streamlined procedures set forth in Sections 63.03 and 63.12 of the Commission's rules.

A. Request for Section 214 authorization pursuant to Section 63.18(e)(3) to transfer certain telecommunications services of GGN to Cypress Operating

Cypress Operating has no affiliation with, and itself is not, a foreign carrier in any country where it intends to provide service. Cypress Operating therefore qualifies for a presumption of non-dominance under Section 63.10(a)(1) of the Commission's rules.⁵ Accordingly, Applicants submit that this Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules.

B. Request for Section 214 authorization pursuant to Section 63.04 to transfer certain telecommunications services of GGN to Cypress Operating

Applicants submit that the proposed transaction would result in Cypress Operating having a market share in the interstate, interexchange market of less than 10 percent, and Cypress Operating would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction. Further, neither of the Applicants is dominant with respect to any service. Accordingly, this Application qualifies for streamlined processing pursuant to Section 63.03 of the Commission's rules

IV. INFORMATION REQUIRED BY SECTIONS 63.04 AND 63.24

Applicants submit the following information in support of their requests for Section 214 authorization pursuant to Section 63.04 and 63.24 of the Commission's rules.

(a) Name, Address and Telephone Number of Each Applicant

Transferors: Gillette Global Network, Inc. ("GGN")
39 Broadway, 19th Floor
New York City, NY 10006
(212) 897-8330
FRN: 0003753852

⁵ 47C.F.R. § 63.10(a)(1).

Transferee: Cypress Communications Operating Company, Inc
15 Piedmont Center, Suite 100
3575 Piedmont Road
Atlanta, Georgia 30305
(404) 869-2500
FRN: 0005038914

(b) State of Organization

Transferor: GGN is organized under the laws of the State of Delaware.

Transferee: Cypress Operating is organized under the laws of the State of Delaware.

(c) Contact persons for this Application

Questions or inquiries concerning this Application may be directed to:

For Cypress Operating:

Jean L. Kiddoo
Brett P. Ferenchak
Swidler Berlin Shereff Friedman, LLP
3000 K Street, N.W., Suite 300
Washington, D.C. 20007-5116
(202) 424-7834 (Tel)
(202) 424-7645 (Fax)

with a copy to:

Deena Snipes
Cypress Communications Operating Company, Inc.
15 Piedmont Center, Suite 100
3575 Piedmont Road
Atlanta, Georgia 30305
(404) 442-0043 (Tel)
(404) 442-0057 (Fax)

For GGN:

Charles H. N. Kallenbach
General Counsel
Eureka Broadband Corporation
39 Broadway, 19th Floor
New York, New York 10006
(212) 404-5005 (Tel)
(212) 404-5199 (Fax)

(d) Section 214 Authorizations

Transferors: GGN is authorized to provide domestic interstate common carrier services pursuant to blanket authority under Section 63.01 of the Commission's rules. GGN holds international Section 214 authority to operate **as** an international resale carrier of switched telecommunications services.⁶

Transferee: Cypress Operating is authorized to provide domestic interstate common carrier services pursuant to blanket authority under Section 63.01 of the Commission's rules. Cypress Operating also holds an international Section 214 authority to provide global or limited global facilities-based and resale services.⁷

(h) The following entity directly or indirectly owns ten percent (10%) or more of the equity of Cypress Operating:

Name: Cypress Communications, Inc.
Address: 15 Piedmont Center, Suite 100
3575 Piedmont Road
Atlanta, Georgia 30305
Citizenship: U.S.
Percentage Owned: 100%
Principal Business: Telecommunications

The following entity directly or indirectly owns ten percent (10%) or more of Cypress Communications, Inc.:

Name: U.S. RealTel, Inc.
Address: 15 Piedmont Center, Suite 100
3575 Piedmont Road
Atlanta, Georgia 30305
Citizenship: U.S.
Percentage Owned: 100%
Principal Business: Telecommunications

⁶ FCC File No. ITC-214-19951226-00060 (Mar. 11, 1996) (Old File No. ITC-96-029).

⁷ FCC File No. ITC-214-20000413-00203 (May 17, 2000). *See also* FCC File No. ITC-T/C-20020522-00297 (accepted for filing June 21, 2002) (application for indirect transfer of control to U.S. RealTel).

The following persons or entity directly or indirectly owns ten percent (10%) or more of U.S. RealTel, Inc.:

Name: Steve G. Nussrallah
Address: 4200 Northside Parkway, N.W.
Atlanta, Georgia
Citizenship: U.S.
Percentage Owned: 29%
Principal Business: Individual

Name: Ross J. Mangano
Address: 112 W. Jefferson Street, Ste. 613
South Bend, Indiana 46601
Citizenship: U.S.
Percentage Owned: 14%
Principal Business: Individual

Name: *Jo & Co*
Address: 112 W. Jefferson Street, Ste. 613
South Bend, Indiana 46601
Citizenship: U.S.
Percentage Owned: 15%
Principal Business: Investment

Name: Jordan E. Glazov
Address: 24714 Nodding Flower Court
Barrington, Illinois 60010
Citizenship: U.S.
Percentage Owned: 10%
Principal Business: Individual

Name: Perry H. Ruda
Address: 5030 Champion Blvd., G-6, #270
Boca Raton, Florida 33496
Citizenship: U.S.
Percentage Owned: 12%
Principal Business: Individual

The following individuals hold a ten percent (10%) or greater direct or indirect ownership interest in *Jo & Co.*

Name: Oliver Cunningham
Address: Cottage 46
Harbor Springs, Michigan 49740
Citizenship: U.S.
Percentage owned: 25%

Principal Business: Individual

Name: Anne McClure
Address: Cottage 86
Harbor Springs, Michigan 49740

Citizenship: U.S.
Percentage owned: 25%
Principal Business: Individual

Name: Jane Warner
Address: 79 Puffin Lane
Pajaro Dunes
Watsonville, California 95076

Citizenship: U.S.
Percentage owned: 25%
Principal Business: Individual

No other person or entity directly or indirectly owns ten percent (10%) or more of the equity of Cypress Operating.

Cypress Operating does not have any interlocking directorates with a foreign carrier. There are no interlocking officers and directors of either U.S. RealTel, Inc. or Jo & Co. with foreign carriers.

- (i) Cypress Operating certifies that it is not a foreign carrier, as defined in Section 63.09(d) of the Commission's rules. In addition, Cypress Operating certifies that it is not affiliated with a foreign carrier within the meaning of Section 63.09(e) of the Commission's rules.
- (j) Cypress Operating certifies that it does not seek to provide international telecommunications services to any destination country to which paragraphs (j)(1)-4 of Section 63.18 of the Commission's Rules apply.
- (k) Not applicable.
- (l) Not applicable.
- (m) Not applicable
- (n) Cypress Operating certifies that it has not agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, directly or indirectly, from any foreign carrier where the foreign carrier, as defined in Section 63.09(d) of the Commission's Rules, with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to

affect competition adversely in the U.S. market, and will not enter into **such** agreements in the future.

- (o) Cypress Operating certifies, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853a), that no party to this Joint Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) Cypress Operating has no affiliation with, and itself is not, a foreign carrier in any country where it intends to provide service. Cypress Operating therefore qualifies for a presumption of non-dominance under Section 63.10(a)(1) of the Commission's rules. Accordingly, Applicants submit that this Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules.

V. INFORMATION REQUIRED BY SECTION 63.04

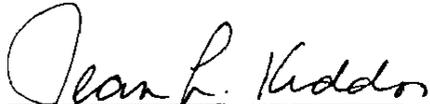
With respect to Applicants' request for domestic Section 214 authority pursuant to Section 63.04 of the Commission's rules to transfer certain telecommunications services of GGN to Cypress Operating, attached hereto as Attachment 1 is the information required under paragraphs (a)(6) through (a)(12) of Section 63.04 of the Commission's rules

VI. CONCLUSION

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

Respectfully submitted,

Gregory P. McGraw
President & COO
CYPRESS COMMUNICATIONS
OPERATING COMPANY, INC.
15 Piedmont Center
3575 Piedmont Road
Atlanta, GA 30305
(404) 442-0043 (Tel)
(404) 442-0057 (Fax)


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39 Broadway, 19th Floor
New York, NY 10006
(212) 404-5005 (Tel)
(212) 404-5199 (Fax)

Dated: February 7, 2003

ATTACHMENT 1

INFORMATION REQUIRED BY SECTION 63.04

ATTACHMENT 1

INFORMATION REQUIRED BY SECTION 63.04

Pursuant to Section 63.04(b) of the Commission's rules to transfer certain telecommunications services of GGN to Cypress Operating, the information required under paragraphs (a)(6) through (a)(12) of Section 63.04 of the Commission's rules is provided below:

(a)(6) Description of the Transaction

Through the proposed transaction, Cypress Communications proposes to acquire and operate Eureka's existing shared tenant service operations in California, including, through Cypress Operating, provision of the interstate and international long distance telecommunications services provided by Eureka's subsidiary, GGN, to customers at STS locations and elsewhere. Specifically, Cypress Communications and Eureka have entered into a Letter of Intent dated as of January 16, 2003, whereby Eureka will assign its STS operations and certain non-STS customers to Cypress Communications through an asset sale, including approximately 720 customers located in the Los Angeles, California metropolitan area.⁸ This application seeks approval to transfer to Cypress Operating the interstate and international long distance services provided to Eureka's California STS and certain other customers by GGN. As noted previously, the proposed transaction will be virtually transparent to existing customers in terms of the services they receive, and will not affect the rates, terms and conditions of any of the existing customers. Cypress Operating and GGN will cooperate to allow each Applicant to complete the arrangements necessary to ensure that customers continue to receive uninterrupted services from Cypress that are the same as the service those customers currently receive, including the interstate and international telecommunications services currently provided by GGN. The proposed transaction also contemplates the assignment of the

⁸

A copy of the Agreement will be provided to the Commission upon request

necessary physical plant and equipment currently used by Eureka and **GGN** to provide its services to the customers. In addition, in compliance with FCC and applicable state rules, Applicants will notify all affected customers at least 30 days prior to the transfer and will file the necessary information and certification regarding such notice at the Commission pursuant to 47 C.F.R. § 64.1120(e). The proposed transaction will not affect the manner in which **GGN** otherwise provide telecommunications service in the United States generally. Other **GGN** customers will not be affected in any way by the transaction. Therefore, Applicants do not seek authority through this Application to transfer or relinquish GGN's existing Section 214 authorizations.

(a)(7) Geographic Areas Affected

GGN currently provides interstate and international long distance and data telecommunications services in California, the District of Columbia and New **York**. Cypress Operating is authorized to provide interexchange and local exchange services in multiple states nationwide. The interstate and international long distance services that are the subject of this application are provided to customers located in the Los Angeles, California metropolitan area.

(a)(8) Application is Qualified for Streamlined Processing

Applicants submit that the proposed transaction would result in Cypress Operating having a market share in the interstate, interexchange market of less than 10 percent, and Cypress Operating would provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction. Further, none of the Applicants is dominant with respect to any service. Accordingly, this Application qualifies for streamlined processing pursuant to Section 63.03 of the Commission's rules.

(a)(9) Other FCC Applications

Applicants have not yet tiled any other applications with the FCC related to this transaction. At least 30 days prior to the expected date of the transfer, Cypress Operating will file the notice and certification required by Section 64.1120(e) of the Commission’s rules regarding the transfer of presubscribed customers.

(a)(10) Special Consideration

Applicants are not requesting special consideration because either party to the transaction is facing imminent business failure. Applicants do seek streamlined processing so that they can complete the proposed transaction as soon as possible.

(a)(11) Waiver Requests

Applicants have not filed any waiver requests in conjunction with the proposed transaction.

(a)(12) Public Interest Considerations

Applicants submit that the proposed transaction serves the public interest. The proposed transaction is expected to invigorate competition in California. Through the transaction, Cypress will obtain assets and customers which will expand the company’s client base, provide Cypress a greater presence in the STS segment of the telecommunications market in California and thereby make Cypress a more viable competitor in California markets.

The transaction will not adversely impact existing GGN customers. The proposed transaction is structured to assure an orderly transition of the affected customers to Cypress Communications, a company that specializes in the provision of in-building services to commercial customers. Moreover, given that Cypress Operating will provide service on the same rates, terms and conditions of the services that GGN currently provide and that the transaction will not involve a

change in the equipment through which that service is provided, Applicants expect the transaction to be virtually transparent to customers. GGN's customers will be notified of the transaction and the change in their telecommunications provider from GGN to Cypress Operating.

CERTIFICATION

I, Gregory P. McGraw, President and Chief Operating Officer of Cypress Communications Operating Company, Inc., hereby certify, under the penalty of perjury that the statements in the foregoing section 214 application for the transfer of certain telecommunications services from Gillette Global Networks, Inc. to Cypress Communications Operating Company, Inc. is true, complete, and correct to the best of my knowledge and are made in good faith.

Cypress Communications Operating Company, Inc



Gregory P. McGraw
President & Chief Operating Officer

Cypress Communications Operating Company, Inc

Date 6/03