



# PUBLIC NOTICE

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## DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF SMOOTHSTONE IP COMMUNICATIONS CORPORATION TO WEST CORPORATION

### STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 11-73

**Comments Due: May 17, 2011**

**Reply Comments Due: May 24, 2011**

On April 19, 2011, Smoothstone IP Communications Corporation (Smoothstone) and West Corporation (West) (collectively, Applicants), filed an application pursuant to section 63.03 of the Commission's rules<sup>1</sup> seeking approval to transfer control of Smoothstone to West.

Smoothstone, a Delaware corporation, provides a full range of IP-based services in forty-two states and the District of Columbia.<sup>2</sup> Smoothstone also provides ancillary telecommunications services used for fax line or alarm monitoring services. Applicants state that Smoothstone does not provide any telecommunications services in the operating territories of West's incumbent LEC affiliates.

West, also a Delaware corporation, provides communications and infrastructure services business customers throughout the United States. West's indirect subsidiary, Intrado Communications, Inc. (Intrado), a U.S. entity, provides 911-related telecommunications services in Florida, North Carolina, Pennsylvania and Virginia. Another subsidiary, InterCall, Inc. (a U.S. entity), is a private services provider, delivering audio, event, Web and video conferencing solutions throughout the United States and in fourteen countries as well as Latin America. No other West subsidiaries provide telecommunications services in the United States. West is primarily owned by Gary L. West, Mary E. West (both U.S. citizens) and two investment funds, the Quadrangle Group Funds and the Thomas H. Lee Funds. Quadrangle's interest in West is held through three entities: Quadrangle Capital Partners II LP, Quadrangle Select Partners II LP, and Quadrangle Capital Partners II-A LP (collectively, the Quadrangle

<sup>1</sup> 47 C.F.R. § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. Applicants filed supplements to their application on April 28 and May 2, 2011.

<sup>2</sup> Smoothstone provides service in the following states: Alabama, Arkansas, Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Iowa, Illinois, Indiana, Kansas, Kentucky, Louisiana, Massachusetts, Maryland, Maine, Michigan, Minnesota, Missouri, Mississippi, North Carolina, New Hampshire, New Jersey, New Mexico, Nevada, New York, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, Vermont, Washington, Wisconsin, West Virginia.

Funds) (aggregate 11.4% Class A shares; 12.5% Class L shares). Voting or investment control over securities that the Quadrangle Funds own are acted upon by the investment committee of QCP GP Investors II LLC as general partner of Quadrangle GP Investors II LP, the common general partner of the Quadrangle Funds. The current members of the investment committee of QCP GP Investors II LLC are Michael A. Huber, Peter R. Ezersky and Steven G. Felsher. All of the Quadrangle entities and the listed committee members are U.S. entities or citizens.

Quadrangle's current investments include Hargray Communications Group (Hargray), NTELOS and Cequel Communications. Hargray's operations include traditional telephone carrier services serving southeastern South Carolina and northeastern Georgia both directly and through its subsidiaries. Hargray subsidiaries include two incumbent local exchange providers, Hargray Telephone Company, Inc. and Bluffton Tel. Co. Inc., both of which operate in South Carolina. Additional Hargray's subsidiaries include Hargray of Georgia, Inc. and Hargray, Inc., competitive access providers/local exchange carriers operating, respectively, in Georgia and South Carolina. Low Country Carriers, Inc. (Hargray Long Distance) is a toll reseller operating in Georgia and South Carolina.

NTELOS provides wireline services to consumers and businesses primarily in Virginia and West Virginia. NTELOS subsidiaries include two incumbent local exchange carriers, NTELOS Telephone Inc. and Roanoke and Botetourt Telephone Company. Both of these companies operate in Virginia. Additional NTELOS subsidiaries - NTELOS Network Inc., NA Communications, R&B Network, Inc., NTELOS of West Virginia, FiberNet, L.L.C., FiberNet of Ohio, LLC, FiberNet of Virginia, Inc., and FiberNet Telecommunications of Pennsylvania, LLC are competitive local exchange carriers operating within the collective NTELOS service territory.

Cequel Communications which, under the name Suddenlink Communications, offers a variety of services that include cable TV, high-speed Internet access and telephone. Cequel recently acquired control of Mercury Voice and Data Company, a competitive telecommunications carrier operating in Arizona and Missouri. Cequel Communications is an indirect, wholly owned subsidiary of Cequel Holdings, a U.S. entity and indirectly controls the following entities that provide competitive telecommunications services: Cebridge Telecom CA, LLC, Cebridge Telecom LA, LLC, Cebridge Telecom MO, LLC, Cebridge Telecom NC, LLC, Cebridge Telecom OK, LLC, Cebridge Telecom TX, LLC and Cebridge Telecom WV, LLC. Cequel Holdings also indirectly controls TCA Communications, LLC, which provides interexchange services.

Thomas H. Lee (THL) a private equity firm, holds interest in West primarily through six subsidiary funds: Thomas H. Lee Equity Fund VI, L.P. (22.6% Class A, 24.9% Class L); Thomas H. Lee Parallel Fund VI, L.P. (15.3% Class A, 16.9% Class L); Thomas H. Lee Parallel Fund (DT) Fund VI, L.P. (2.7 % Class A, 2.9% Class L); THL Coinvestment Partners, L.P. (0.0% Class A and L); THL Equity Fund VI Investors (West), L.P. (11.9% Class A, 13.1% Class L); THL Equity Fund VI Investors (West) HL, L.P. (1.8% Class A, 2.0% Class L) (the THL Funds).<sup>3</sup> These funds hold an aggregate interest of approximately 55-60 % in West (54.4% of Class A and 59.9% of Class L shares). THL Equity Advisors VI, LLC is general partner of five of the six THL Funds. Thomas H. Lee Partners, L.P. is the sole member of THL Equity Advisors VI, LLC and general partner of the sixth THL Fund. Thomas H. Lee Advisors, LLC (Advisors) is the general partner of Thomas H. Lee Partners, L.P. Voting or investment control over securities that the THL Funds own are acted upon by majority vote of the members of a ten-member committee, whose current members are Todd M. Abbrecht, Charles A. Brizius, Anthony J. DiNovi, Thomas M. Hagerty, Scott L. Jaeckel, Seth W. Lawry, Soren L. Oberg, Scott A. Schoen, Scott M. Sperling and Kent R. Weldon. Only Thomas H. Lee Equity Fund VI, L.P., Thomas H. Lee Parallel Fund VI, L.P. and THL Equity Fund VI Investors (West), L.P. individually hold more than 10% of West

<sup>3</sup> Putnam Investments Holdings, LLC (0.1% A and L) and Putnam Investments Employee's Securities Company III LLC (0.1% A and L) (Putnam Funds) both hold an interest in West. The Putnam funds are co-investment entities of the THL Funds (all U.S. entities).

Corporation and, post-close, will hold more than 10% of Smoothstone. THL does not hold a 10% or greater interest in any domestic telecommunications providers. No limited partner in the Thomas H. Lee fund holds a ten percent or greater interest in West. Applicants state that all of the THL Funds are U.S. entities and the listed committee members are U.S. citizens.

Pursuant to the terms of an Agreement and Plan of Merger dated April 11, 2011, by and among West, Goliath Merger Corporation (Merger Sub), a newly formed wholly-owned subsidiary of West, and Smoothstone, Merger Sub will merge with and into Smoothstone. Smoothstone will be the surviving corporation and will continue in existence as a wholly-owned subsidiary of West. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(ii) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>4</sup>

Domestic Section 214 Application Filed for the Transfer of Control of Smoothstone IP Communications Corporation to West Corporation, WC Docket No. 11-73 (filed Apr. 19, 2011).

### **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 May 17, 2011**, and reply comments **on or before May 24, 2011**. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31<sup>st</sup> day after the date of this notice.<sup>5</sup> Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's e-Rulemaking Portal. See 47 C.F.R. § 63.03(a) ("All comments on streamlined applications shall be filed electronically . . ."); *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Comments may be filed electronically using the Internet by accessing the ECFS, <http://www.fcc.gov/cgb/ecfs/>, or the Federal e-Rulemaking Portal, <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov) and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

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

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com); phone: (202) 488-5300; fax: (202) 488-5563;

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<sup>4</sup> 47 C.F.R. § 63.03(b)(2)(ii).

<sup>5</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- 2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, [tracey.wilson@fcc.gov](mailto:tracey.wilson@fcc.gov);
- 3) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, [dennis.johnson@fcc.gov](mailto:dennis.johnson@fcc.gov);
- 4) David Krech, Policy Division, International Bureau, [david.krech@fcc.gov](mailto:david.krech@fcc.gov); and
- 5) Jim Bird, Office of General Counsel, [jim.bird@fcc.gov](mailto:jim.bird@fcc.gov).

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com); url: [www.bcpiweb.com](http://www.bcpiweb.com).

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For further information, please contact Tracey Wilson at (202) 418-1394 or Dennis Johnson at (202) 418-0809.

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