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

In the Matter of	)
SAVVIS, Inc.,	)
Transferor,	) ITC-214-20040122-00026
and	) ITC-ASG-20040126-00029
CENTURYLINK, INC., Transferee,	) ITC-ASG-20050429-00423
Application For Consent To Transfer of Control Pursuant to Section 214 of the Communications Act of 1934, as Amended	) ) ) )

## APPLICATION FOR CONSENT TO TRANSFER OF CONTROL OF SAVVIS, INC. AND SAVVIS COMMUNICATIONS CORPORATION

Pursuant to Section 214 of the Communications Act of 1934, as amended (the "Communications Act"), 47 U.S.C. §214, and Sections 63.03, 63.04, 63.18 and 63.24 of the Commission's rules, 47 C.F.R. §§63.03, 63.04, 63.18 and 63.24, CenturyLink, Inc. ("CenturyLink") and SAVVIS, Inc. ("SAVVIS Holdings") (together with CenturyLink, the "Applicants") hereby request FCC consent to transfer control to CenturyLink of SAVVIS Holdings and its wholly-owned subsidiary SAVVIS Communications Corporation ("SAVVIS"). Swift approval will serve the public interest, promoting innovation, investment and competition in the cloud computing and managed hosting markets.

SAVVIS Holdings and SAVVIS are authorized by the Commission to provide international interexchange telecommunications services, and SAVVIS also

provides some domestic interstate interexchange telecommunications services, all in conjunction with SAVVIS's core cloud computing and managed data hosting business. FCC consent to this transfer of control will permit CenturyLink to acquire all of the stock of SAVVIS Holdings through a merger of SAVVIS Holdings with a wholly-owned CenturyLink subsidiary formed to facilitate the merger, Mimi Acquisition Company ("MergerSub"). Streamlined processing is requested.

### I. THE PROPOSED TRANSFER OF CONTROL

### A. SAVVIS & SAVVIS HOLDINGS

SAVVIS Holdings is a Delaware corporation. The stock of SAVVIS Holdings is widely held and publicly traded on the NASDAQ. SAVVIS, a Missouri corporation, is wholly-owned by SAVVIS Holdings.

SAVVIS Holdings, through SAVVIS and its other subsidiaries, is a growing provider of cloud computing services, data hosting, and other sophisticated data services to enterprise customers internationally, with emphasis on Canada, Japan, Singapore and the United Kingdom, in addition to the United States. SAVVIS Holdings' core business consists of non-regulated information technology ("IT") offerings, including enterprise-class cloud computing, managed data hosting, network design and consulting, data storage, facilities colocation management, and managed security

Cloud services use a network of remote servers, rather than servers or computers located at the customer premises, for data storage, processing and management, providing the customer with scalability, flexibility, redundancy and cost-efficiency, dynamically aligning IT capacity with the customer's business needs.

Managed hosting provides a fully managed solution for a customer's IT infrastructure and networking needs.

The type of colocation offered by SAVVIS Holdings is designed for customers seeking data center-appropriate space and power for their servers and networking equipment.

services.<sup>4</sup> Through these services, customers are able to reduce their cost of acquiring and managing IT infrastructure, and achieve increased operating efficiency, allowing them to focus on their core missions. SAVVIS Holdings and its affiliates ensure the delivery and performance of the customer's IT services.

In 2010, SAVVIS Holdings' hosting services accounted for two-thirds of the company's revenue. SAVVIS Holdings provides interexchange and international private line data transmission services, such as transmission service between data centers, as a convenience to its data hosting and cloud computing customers. Managed private network services include virtual private network, hosting area network, and private channel bandwidth services. SAVVIS Holdings provides no local exchange or exchange access services. SAVVIS Holdings owns no U.S. or overseas telecommunications facilities, but provides transmission through a combination of leased dark fiber, which it lights and operates, and leased lit fiber capacity. SAVVIS Holdings' total share of the private line interexchange transmission services market is less than one-tenth of one percent.

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<sup>&</sup>lt;sup>4</sup> Managed security services provide around-the-clock IT monitoring and management to detect and filter malicious traffic before it reaches a customer's infrastructure.

See SAVVIS, Inc. Annual Report for Fiscal Year Ended December 31, 2010 (Form 10-K) at 27, available at: http://www.sec.gov/Archives/edgar/data/1058444/000119312511056435/d10k.htm

Hosting area network is a dedicated network service offering secure, high-speed Internet connectivity, along with value-added services such as load balancing and network-based firewalls, for hosting and cloud customers of SAVVIS Holdings' data centers.

SAVVIS Holdings owns a nominal length of dark fiber in Hazelwood, Missouri, but it is not being used to provide any services at this time.

See SAVVIS, Inc. Annual Report for Fiscal Year Ended December 31, 2010 (Form 10-K) at 27, available at:

SAVVIS and SAVVIS Holdings both hold Section 214 authority to provide international private line interexchange services on a resale basis as well as a facilities basis. SAVVIS also holds blanket U.S. domestic Section 214 authority in connection with the data hosting, cloud computing and managed network services described above. SAVVIS holds a single business radio license for its internal use in connection with its managed security services.

Welsh, Carson, Anderson & Stowe VIII, L.P. and certain related parties ("Welsh Carson") together hold approximately 22.8 percent of SAVVIS Holdings. No other party has an interest of ten percent or more in SAVVIS Holdings.

### B. CENTURYLINK, INC.

CenturyLink is a Louisiana corporation based in Monroe, Louisiana. It is widely-held and its stock is publicly traded on the New York Stock Exchange.

CenturyLink is a holding company that conducts its business operations principally through wholly-owned subsidiaries that offer a variety of communications services, including local and long-distance voice, wholesale local network access, high-speed

http://www.sec.gov/Archives/edgar/data/1058444/000119312511056435/d10k. htm

SAVVIS Holdings obtained international Section 214 authority in 2004 under the name SAVVIS Asset Holdings, Inc. (file no. ITC-214-20040122-0026). Also in 2004, SAVVIS Asset Holdings, Inc. applied for authority to acquire certain assets of C&W USA, Inc. (file no. ITC-ASG-20040126-0029). The latter was subsequently assigned to SAVVIS (file no. ITC-ASG-20050429-00423).

See 47 C.F.R. §63.01(a).

SAVVIS operates using RDX Series Business two-way security radios, Call Sign WQIA509.

Internet access, and information, entertainment, and fiber transport services through copper and fiber networks, to consumers and businesses in 37 states.<sup>12</sup>

As of April 1, 2011, CenturyLink provides local exchange services to approximately 15 million telephone access lines, and high-speed Internet access services to approximately 5.3 million customers. CenturyLink also provides interstate and international long-distance telecommunications services on a non-dominant basis to customers throughout the United States. In certain locations, CenturyLink provides competitive local exchange and exchange access services.

Particularly in the territory served by its indirect, wholly-owned subsidiary Qwest Corporation, CenturyLink offers additional communications and information services to enterprise customers, including data hosting. CenturyLink's data hosting business consists primarily of colocation (space and power) arrangements. CenturyLink's managed hosting business is limited. Its cloud computing services currently are at the proof-of-concept stage.

CenturyLink operates a national fiber transport system covering approximately 190,000 route miles, over which the company provides wholesale and retail fiber-based transport services. Notably, CenturyLink sells domestic and

The states are Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin, and Wyoming.

CenturyLink, Inc. news release (Mar. 31, 2011), available at: <a href="http://ir.centurylink.com/phoenix.zhtml?c=112635&p=irol-newsArticle-Print&ID=1560157&highlight="http://ir.centurylink.com/phoenix.zhtml?c=112635&p=irol-newsArticle-Print&ID=1560157&highlight="http://ir.centurylink.com/phoenix.zhtml?c=112635&p=irol-newsArticle-Print&ID=1560157&highlight="http://ir.centurylink.com/phoenix.zhtml?c=112635&p=irol-newsArticle-Print&ID=1560157&highlight="http://ir.centurylink.com/phoenix.zhtml?c=112635&p=irol-newsArticle-Print&ID=1560157&highlight="http://ir.centurylink.com/phoenix.zhtml?c=112635&p=irol-newsArticle-Print&ID=1560157&highlight="http://ir.centurylink.com/phoenix.zhtml?c=112635&p=irol-newsArticle-Print&ID=1560157&highlight="http://ir.centurylink.com/phoenix.zhtml?c=112635&p=irol-newsArticle-Print&ID=1560157&highlight="http://ir.centurylink.com/phoenix.zhtml?c=112635&p=irol-newsArticle-Print&ID=1560157&highlight="http://ir.centurylink.com/phoenix.zhtml?c=112635&p=irol-newsArticle-Print&ID=1560157&highlight="http://ir.centurylink.com/phoenix.zhtml?c=112635&p=irol-newsArticle-Print&ID=1560157&highlight="http://ir.centurylink.com/phoenix.zhtml">http://ir.centurylink.com/phoenix.zhtml</a>

CenturyLink's colocation revenues make up about 90 percent of the company's total hosting revenues.

international private line interexchange capacity to other telecommunications carriers, cable companies, Internet service providers, and resellers, as well as selling database services on a wholesale basis. CenturyLink's total share of the private line interexchange transmission services market is less than ten percent.<sup>15</sup>

No party has an interest of ten percent or more in CenturyLink.

### C. THE ACQUISITION

Pursuant to an Agreement and Plan of Merger entered into as of April 26, 2011 among CenturyLink, MergerSub and Savvis Holdings (the "Merger Agreement"), MergerSub will be merged with and into SAVVIS Holdings on the closing date (as defined in the Merger Agreement), and MergerSub will cease to exist, and SAVVIS Holdings will be the surviving entity, and a wholly-owned subsidiary of CenturyLink. The directors of MergerSub, appointed by CenturyLink, will become the directors of SAVVIS Holdings following the merger. SAVVIS Holdings shareholders will exchange each share of their stock for cash and a fraction of a share of CenturyLink stock, <sup>16</sup> and SAVVIS Holdings stock will cease to be traded.

The Applicants contemplate only a transfer of control of SAVVIS

Holdings at the parent level – SAVVIS will continue to be directly held by SAVVIS

Holdings. The proposed transaction will not effect a change in control of CenturyLink.

CenturyLink will remain widely-held and publicly-traded, with no shareholder holding

Atlantic-ACM, "Wireless Wins, Wireline Loses – U.S. Telecom Wired and Wireless Sizing and Share 2010-2015" (2010) (reporting that legacy CenturyLink and Qwest had a combined market share in 2009 of approximately eight percent of long-haul private line business revenues).

The total value of the transaction is estimated at about \$3.2 billion, of which about \$2.5 billion will be paid by CenturyLink in cash and stock to SAVVIS Holdings shareholders. Another \$700 million in SAVVIS debt will be refinanced or assumed by CenturyLink.

ten percent or more of the company's outstanding shares of voting stock. No changes to the CenturyLink board of directors will occur as a result of this transaction.

The boards of CenturyLink, MergerSub and SAVVIS Holdings have approved this transaction. The shareholders of SAVVIS Holdings will vote to approve the transaction at a special meeting that SAVVIS Holdings anticipates will be held in July or August 2011, but which has not yet been set. CenturyLink has entered into an agreement with Welsh Carson as holders of 22.8 percent of SAVVIS Holdings' stock to vote in favor of the merger. CenturyLink shareholder approval of this transaction is not required.

### D. THE TRANSACTION WILL SERVE THE PUBLIC INTEREST

The global data services business is highly competitive. The data hosting segment is mature, but the managed hosting segment is growing, and cloud computing is quickly taking hold among large enterprise customers, with future growth predicted. This transaction will allow CenturyLink to expand in the burgeoning cloud computing business and offer an expanded suite of managed data services to CenturyLink customers. It will allow SAVVIS to expand the reach of its services as well, building on CenturyLink's customer base as well as its technical, managerial and financial expertise.

The transaction also will provide marketing and operating synergies, for example, between SAVVIS' core cloud computing, managed data hosting and colocation businesses, and CenturyLink's enterprise broadband customer base. By linking

 $\frac{http://c1776742.cdn.cloudfiles.rackspacecloud.com/downloads/pdfs/Gartner Magic Quadrant.pdf}{}$ 

See, e.g., "Magic Quadrant for Cloud Infrastructure as a Service and Web Hosting," Gartner RAS Core Research Note G00209074 (Dec. 22, 2010) (discussing 19 leading and rising providers, including SAVVIS, in the "Cloud Infrastructure as a Service" (IaaS) market), available at:

SAVVIS' experience with cloud computing and managed hosting to CenturyLink's scale and scope, the combined companies will be better positioned to offer innovative hosting and cloud computing products and services to their combined customer base. Moreover, synergies can be achieved in the government services sector, based on SAVVIS' GSA-approved cloud offering. SAVVIS' platform, which uses proprietary intellectual property for its cloud orchestration layer, will give CenturyLink and its customers a benefit that could not be achieved in the absence of this merger.

Nor will this transaction harm consumers or competition in any way. The only FCC-regulated service offered by SAVVIS Holdings, SAVVIS's private line data transmission service, represents a small portion of the total business of SAVVIS Holdings, less than one percent of the company's total revenues last year. As noted above, SAVVIS has less than one-tenth of one percent of the U.S. interexchange private line business. Similarly, CenturyLink is non-dominant in the interexchange market. <sup>18</sup> Following the proposed merger, the combined companies' total share of the private line business will remain below ten percent. Because the transaction is a merger at the SAVVIS Holdings (*i.e.*, parent company) level, SAVVIS customers will experience no change in their service provider as a result of the transaction.

The data hosting and managed services sector is populated by some of the largest telecommunications and computing companies in the world, including AT&T, Verizon/Terremark, BT, Level 3 Communications, IBM, Accenture, HP/EDS,

See, e.g., Applications filed by Qwest Communications International, Inc. and CenturyTel, Inc. d/b/a CenturyLink for Consent to Transfer Control, Memorandum Opinion and Order, 26 FCC Rcd 4194, para. 28, n. 102 (rel. Mar. 18, 2011); Applications Filed for the Transfer of Control of Embarq Corporation to CenturyTel, Inc., Memorandum Opinion and Order, 24 FCC Rcd 8741, para. 33, n.106 (2009).

Amazon.com, Time Warner Cable/NaviSite, Equinix, and Rackspace. Wholesalers such as Digital Realty Trust and Dupont Fabros also are significant competitors.<sup>19</sup> Moreover, customers' ability to self-supply data hosting through internal hosting infrastructure adds a significant competitive constraint.<sup>20</sup>

Thus, without threatening competitive harm the proposed transaction will strengthen SAVVIS' ability to invest in infrastructure, while making CenturyLink less reliant on revenues from its basic telecommunications transmission services, stimulating investment in the cloud computing and managed data services business.

Applicants are affiliated with only non-dominant foreign carriers.

Combined, the Applicants would continue to be non-dominant in the highly competitive international telecommunications market, in which AT&T, Verizon, BT and other entities enjoy significantly greater market share. The Commission has been concerned with international mergers principally "when a U.S. carrier is affiliated with a foreign carrier that has sufficient market power on the foreign end of a route to affect competition adversely in the U.S. market." CenturyLink will not be acquiring any such affiliations with foreign carriers having market power.

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See, e.g., Tier1 Research Group, "Global Managed Hosting Market Overview 2011" (Jan. 2011).

For more information on the highly competitive data center market, *see* Tier 1 Research Group, "Multi-Tenant Datacenter Global Market Overview 2011" (Feb. 2011).

See International Bureau Revises and Reissues the Commission's List of Foreign Telecommunications Carriers That Are Presumed to Possess Market Power in Foreign Telecommunications Markets, 22 FCC Rcd 945 (2007).

See VoiceStream Wireless Corp., 15 FCC Rcd 3341, para. 34 (2000).

For all of the reasons discussed above, the proposed transaction will have no harmful effect on competition in domestic or international markets, and will serve the public interest, convenience and necessity.

### II. INFORMATION REQUIRED BY SECTION 63.18 OF THE RULES

The Applicants request joint consideration of the SAVVIS

Communications international and domestic Section 214 applications. <sup>23</sup> In support of this application and pursuant to Section 63.24(e) of the Commission's rules, the Applicants provide the following information as required by Section 63.18(a) through (d) for both SAVVIS Holdings (the "Transferor") and CenturyLink (the "Transferee").

CenturyLink then provides the information required in paragraphs 63.18(h) through (p) as Transferee.

### 1. Name, Address, and Telephone Number of Each Applicant:

Transferor:

SAVVIS, Inc. One Savvis Parkway Town & Country, Missouri 63017 Telephone: (314) 628-7000

### Transferee:

CenturyLink, Inc. 100 CenturyLink Drive Monroe, Louisiana, 71203 Telephone: (318) 388-9000

## 2. Government, State, or Territory Under the Laws of Which Each Applicant is Organized:

Pursuant to Section 63.24(e) of the Commission's rules, the Applicants hereby provide the information required for the transfer of control of parties holding international Section 214 authorizations. Pursuant to Section 63.04(b) of the Commission's rules, Attachment A to this application sets forth the information required for domestic Section 214 transfer of control applications.

### Transferor:

SAVVIS, Inc. is a corporation organized under the laws of Delaware.

### Transferee:

CenturyLink, Inc. is a corporation organized under the laws of Louisiana.

### 3. Contact Information:

### Transferor:

Scott Feira ARNOLD & PORTER, LLP 555 12<sup>th</sup> Street, NW Washington, DC 20004 (202) 942-5769 scott.feira@aporter.com

### Transferee:

Karen Brinkmann KAREN BRINKMANN PLLC 555 11<sup>th</sup> Street, NW Suite 1010 Washington, DC 20004-1304 (202) 365-0325 KB@KarenBrinkmann.com

## 4. Previous Section 214 Authorizations, Categories of Facilities and Services Authorized:

### Transferor:

ITC-214-20040122-00026 -- Resale and facilities-based services – SAVVIS, Inc.
ITC-ASG-20040126-00029 -- Assignment from Cable & Wireless USA – SAVVIS Communications Corp. (assigning ITC-214-20020627-00315)
ITC-ASG-20050429-00423 – Pro Forma Assignment (internal) – SAVVIS Communications Corp.

### Transferee:

ITC-214-20100317-00102 -- Global or Limited Global Resale -CenturyTel Fiber Company II, LLC d/b/a LightCore ITC-214-19990224-00099 -- Global or Limited Global Resale -CenturyLink Long Distance, Inc. ITC-214-19930720-00130 -- Global or Limited Global Resale -CenturyLink Long Distance Services LLC ITC-214-20050816-00336 – Facilities-Based – Embarg Communications of Virginia, Inc. ITC-214-20050816-00337 – Facilities-Based – Embarg Communications. Inc ITC-214-19930622-00106 -- Global or Limited Global Resale - Gulf Long Distance LLC ITC-214-20000706-00385 - Facilities-Based - Madison River Communications Corp. ITC-214-19980820-00614 – Facilities-Based & Global or Limited Global Resale -- Madison River Long Distance Solutions LLC ITC-214-19960916-00448 – Qwest Communications Company, LLC ITC-214-20030117-00022 – Qwest Communications Company, LLC ITC-214-19960215-00016 – Owest Communications Company, LLC ITC-214-19940829-00393 – Owest Communications Company, LLC ITC-214-19930315-00261 – Qwest Communications Company, LLC ITC-214-20021009-00495 – Qwest LD Corp. ITC-214-19971031-00673 – Qwest Services Corporation SCL-LIC-19981117-00025 - Owest Communications Company, LLC

## 5. Direct or Indirect Holder of At Least Ten Percent Equity Interest in Transferee: None

### **Interlocking Directorates of Transferee With Foreign Carriers:** None

# 6. Transferee's Affiliation With Foreign Carriers (Section 63.18(i)-(k)): As a result of its recent acquisition of Qwest Communications International, Inc., CenturyLink is affiliated with the following foreign carriers, each of which operates on a non-dominant basis in the jurisdictions identified in parentheses next to its name:

- Qwest Communications International Ltd. (United Kingdom)
- Qwest Netherlands BV (Netherlands and Switzerland)
- Qwest France SAS (France)
- Qwest Germany GmbH (Germany )
- Qwest Hong Kong Telecommunications Ltd (Hong Kong)
- Qwest Singapore Pte Ltd (Singapore)
- Qwest Australia Pty Ltd (Australia)
- Qwest Communications Japan Corporation (Japan)

- Qwest Telecommunications Taiwan Ltd (Republic of China)
- Qwest Communications Korea Ltd (Korea)

Following the SAVVIS acquisition, CenturyLink also will be affiliated with the following foreign carriers, each of which operates on a non-dominant basis in the jurisdiction identified in parentheses next to its name:

- SAVVIS Australia Pty. Ltd. (Australia)
- SAVVIS Europe B.V. (Austria)
- SAVVIS Europe B.V. (Belgium)
- 2099418 Ontario Corp. (Canada)
- SAVVIS Communications Canada, Inc. (Canada)
- SAVVIS Europe B.V. (Denmark)
- SAVVIS France S.A.S. (France)
- SAVVIS Germany GmbH (Germany)
- SAVVIS Europe B.V. (Greece)
- SAVVIS Hong Kong Limited (Hong Kong)
- SAVVIS Hungary Telecommunications Kft (Hungary)
- SAVVIS Communications Private Limited (India)
- SAVVIS Europe B.V. (Ireland)
- SAVVIS Italia S.r.L.(Italy)
- SAVVIS Communications K.K. (Japan)
- SAVVIS Korea Limited (South Korea)
- SAVVIS Europe B.V. (Luxembourg)
- SAVVIS Malaysia Sdn. Bhd (Malaysia)
- SAVVIS Europe B.V. (Netherlands)
- SAVVIS New Zealand Limited (New Zealand)
- SAVVIS Europe B.V., Norway Branch (Norway)
- SAVVIS Philippines Inc. (Philippines)
- SAVVIS Singapore Company Pte. Ltd. (Singapore)
- SAVVIS Europe B.V., Sucursal en España (Spain)
- SAVVIS Europe B.V., filial Sweden (Sweden)
- SAVVIS Switzerland A.G. (Switzerland)
- SAVVIS Taiwan Limited (Taiwan)
- SAVVIS Thailand Limited (Thailand)
- SAVVIS UK Limited (United Kingdom)
- 7. Sections 63.18 (I) and (m) are not applicable.

### 8. No Special Concessions:

Transferee 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 will not enter into such agreements in the future.

### 9. Anti-Drug Abuse Act Certification:

Transferor and Transferee each hereby certifies pursuant to Sections 1.200I through 1.2003 of the Commission's rules that no party to this application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

### 10. Eligibility for Streamlined Processing:

This application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules. Both Applicants qualify for non-dominant classification under Section 63.10 of the Commission's rules. Neither of the Applicants is, or has any affiliation with, a foreign carrier that is dominant or owns any facilities in any destination country. Moreover, none of the conditions rendering an application ineligible for streamlined processing set forth in Section 63.12(c) of the Commission's rules apply. Therefore, streamlined processing presumptively applies.

### III. CONCLUSION

For the foregoing reasons, the proposed transaction will benefit the public interest without any offsetting harm to consumers or competition, and streamlined processing is appropriate. The Applicants respectfully request that the Commission expeditiously consent to the transfer of control of SAVVIS and SAVVIS Holdings to CenturyLink in connection with the transaction described in this application.

Respectfully submitted,

CENTURYLINK, INC.

SAVVIS, INC.

Stacey Goff, Executive Vice President, General Counsel & Secretary CenturyLink, Inc. 100 CenturyLink Drive Monroe, LA 71203 (318) 388-9000

May 19, 2011<sup>24</sup>

Peter J. Bazil, Vice President, General Counsel & Secretary SAVVIS, Inc. One Savvis Parkway Town & Country, Missouri 63017 (314) 628-7000

Related applications: SAVVIS, SAVVIS Holdings and CenturyLink may have applications and petitions pending before the Commission, and prior to grant of this Application or consummation of the proposed transaction, the Applicants may file additional applications or petitions, or have currently pending applications or petitions granted. The Applicants therefore request that, consistent with Commission precedent, the grant of this Application include authority for CenturyLink to acquire control with respect to: (i) all licenses and authorizations issued or assigned to SAVVIS Holdings or any of its subsidiaries during the pendency of this Application and prior to the consummation of any approved transaction; and (ii) all applications or petitions pending at the time of consummation of the proposed transaction (the Applicants will amend all then-pending applications as necessary to reflect the new corporate structure described herein).

## APPLICATION FOR CONSENT TO TRANSFER CONTROL OF SAVVIS, INC. AND SAVVIS COMMUNICATIONS CORPORATION

### **Attachment A**

Pursuant to Sections 63.04(b) of the Commission's rules, SAVVIS as

Transferor and CenturyLink as Transferee provide the following information required by

Sections 63.04(a)(6) through (a)(12):

### 1. Name, Address, and Telephone Number of Each Applicant:

Transferor:

SAVVIS, Inc. One Savvis Parkway Town & Country, Missouri 63017 Telephone: (314) 628-7000

Transferee:

CenturyLink, Inc. 100 CenturyLink Drive Monroe, Louisiana, 71203 Telephone: (318) 388-9000

## 2. Government, State, or Territory Under the Laws of Which Each Applicant is Organized:

Transferor:

SAVVIS, Inc. is a corporation organized under the laws of Delaware.

Transferee:

CenturyLink, Inc. is a corporation organized under the laws of Louisiana.

### 3. Contact Information:

Transferor:

Scott Feira ARNOLD & PORTER, LLP 555 12<sup>th</sup> Street, NW Washington, DC 20004 (202) 942-5769 scott.feira@aporter.com

### Transferee:

Karen Brinkmann KAREN BRINKMANN PLLC 555 11<sup>th</sup> Street, NW Suite 1010 Washington, DC 20004-1304 (202) 365-0325 KB@KarenBrinkmann.com

### 4. Direct or Indirect Holder of At Least Ten Percent Equity Interest in Transferor:

Welsh, Carson, Anderson & Stowe VIII, L.P. ("WCAS VIII") and certain related parties have a 22.8 percent interest in SAVVIS Holdings.

WCAS VIII is U.S. limited partnership organized under the laws of Delaware, whose principal business is investing. Its address is: 320 Park Avenue, Suite 2500, New York, NY 10022.

No party owns ten percent or more of WCAS VIII. The sole general partner of WCAS VIII is WCAS VIII Associates, L.L.C., a Delaware limited liability company ("VIII Associates"). The principal business of VIII Associates is that of general partner of WCAS VIII. VIII Associates holds no equity interest in WCAS VIII.

The managing members of VIII Associates are: Patrick J. Welsh, Russell L. Carson, Bruce K. Anderson, Thomas E. McInerney, Robert A. Minicucci, Anthony J. deNicola, Paul B. Queally, Jonathan M. Rather, D. Scott Mackesy, John D. Clark, and Sanjay Swani.

## **Direct or Indirect Holder of At Least Ten Percent Equity Interest in Transferee:** None

### 5. Anti-Drug Abuse Act Certification:

Transferor and Transferee each hereby certifies pursuant to Sections 1.200I through 1.2003 of the Commission's rules that no party to this application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

### 6. Description of the Transaction:

A description of the transaction is provided in Section I.C of the Application.

## 7. Geographic Areas in Which Transferor and Transferee (and Their Affiliates) Offer Domestic Telecommunications Services:

A description of the geographic areas in which Transferor and its affiliates offer domestic telecommunications services is provided in Section I.A of the Application.

A description of the geographic areas in which Transferee and its affiliates offer domestic telecommunications services is provided in Section I.B of the Application.

### 8. Presumptive Qualification for Streamlined Processing:

The Application presumptively qualifies for streamlined processing procedures pursuant to Section 63.03(b)(2)(ii) of the Commission's rules. Neither of the Applicants is dominant in the domestic interexchange telecommunications market, the only regulated services sector in which both operate. Moreover, the combined market share of the Applicants is less than ten percent of the interstate interexchange market. While CenturyLink (through its subsidiaries) is regulated by the Commission as a dominant carrier in those locations where it is the incumbent local exchange carrier, it has no intention by this acquisition to provide competitive telephone exchange service or exchange access service, and SAVVIS has never provided competitive local exchange or exchange access services in any geographic area where CenturyLink affiliates are dominant. Therefore, the Application qualifies for streamlined treatment.

### 9. Other Commission Applications Related to the Same Transaction:

This Application seeks approval, under Section 214 of the Communications Act and Section 63.04(b) of the Commission's rules, for transfer of control of SAVVIS Communications as both a domestic and an international telecommunications carrier. In addition, SAVVIS Communications has a single business radio license for internal use (Call Sign WQIA509) and the Applicants separately are seeking approval for transfer of control with respect to that license in connection with the merger described herein.

## **Special Consideration Related to Imminent Business Failure:** The Applicants seek no such special consideration.

**11. Waiver Requests:** The Applicants are filing no separate waiver requests in conjunction with this transaction.

