

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

_____)	
In the Matter of the Joint Application of)	
)	
First Communications, Inc.,)	WC Docket No. 11-_____
First Communications, LLC,)	IB File No. ITC-T/C-20111003-00314
Globalcom, Inc.,)	IB File No. ITC-T/C-20111003-00313
Xtension Services, Inc., and)	IB File No. ITC-T/C-20111003-00312
First Telecom Services, LLC)	IB File No. ITC-T/C-20111003-00316
)	
and)	
)	
Gores FC Holdings, LLC)	
)	
For Grant of Authority Pursuant to)	
Section 214 of the Communications Act of 1934,)	
as amended, and Sections 63.04 and 63.24 of the)	
Commission’s Rules to Complete a)	
Transfer of Control of Authorized Domestic and)	
International Section 214 Carriers)	
_____)	

JOINT APPLICATION

First Communications, Inc. (“FCI”), First Communications, LLC (“FCL”), Globalcom, Inc. (“Globalcom”), First Telecom Services, LLC (“FTS”), Xtension Services, Inc. (“Xtension”), and Gores FC Holdings, LLC (“Gores”), through undersigned counsel and pursuant to Section 214 of the Communications Act, as amended, 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission’s Rules, request approval for the transfer of control of FCL, Globalcom, FTS, and Xtension (collectively, the “FCI Operating Companies” or “Licensees”) to Gores, an investment entity ultimately managed by The Gores Group, LLC (“The Gores Group”).¹ The Gores Group currently acts as managing member of the general partner of certain investment

¹ FCI, Licensees and Gores are hereinafter referred to collectively as the “Applicants.”

funds that together hold non-controlling ownership of 13.1 percent of the voting stock of FCI through Gores. Gores will acquire control of FCI and, indirectly, the FCI Operating Companies by the exercise of the right to appoint a majority of the Board of Directors. Applicants note that Gores may also purchase/acquire voting securities of FCI, as a result of which Gores will directly or indirectly hold more than 50 percent of the voting securities of FCI.

The proposed transaction will result in a change in the ultimate ownership of the Licensees, although no assignment of authorizations, assets or customers will occur as an immediate consequence of the proposed transaction. Licensees will continue to provide service to their existing customers pursuant to their authorizations under the same rates, terms and conditions. Accordingly, the transaction will be transparent to the customers of Licensees.

In support of this Application, Applicants provide the following information.

I. REQUEST FOR STREAMLINED PROCESSING

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §§ 63.12(a)-(b). In particular, none of the exclusionary criteria set forth in Section 63.12(c) applies, as described more fully in Part V, below. Accordingly, this Joint Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's Rules.

II. DESCRIPTION OF THE APPLICANTS

A. Gores FC Holdings, LLC

Gores is a Delaware limited liability company with its principal office located at 10877 Wilshire Boulevard, 18th Floor, Los Angeles, California 90024. Gores is ultimately managed by The Gores Group, LLC ("The Gores Group") and its manager, Alec E. Gores. The Gores Group is a private investment firm whose investment focus includes opportunities in the technology and

telecommunications sectors. The Gores Group has investment and oversight authority for the entities it manages, including Gores.

Gores is well-qualified managerially, technically and financially to own and control Licensees. In particular, The Gores Group has created an internal operations team which has a history of enhancing the value and operations of its investment companies by focusing on customers and employees, supporting management with operational expertise and providing access to capital. The Gores Group and its affiliates also have an extensive background in acquiring and managing network services, software and computer hardware companies.

Gores is financially qualified to take control of Licensees. In addition to its own capital resources, through an established network of debt financing sources and investment partners, The Gores Group also provides access to capital for its portfolio companies.

B. First Communications, Inc. and the FCI Operating Companies

FCI is a Delaware corporation located at 3340 West Market Street, Akron, Ohio 44333. FCI, through its operating subsidiaries FCL, Globalcom, FTS, and Xtension, provides local, private line, and/or long distance services to both business and residential customers in 49 states. Its services include traditional local and long distance services, toll-free services, conference calling packages, calling cards, prepaid calling cards, Internet access and dedicated and private line services.

FCI operates its communications business through operating subsidiaries, and therefore, does not directly hold any domestic or international Section 214 authority. Below is a brief description of each FCI operating subsidiary and its Section 214 authority:

First Communications, LLC is an Ohio limited liability company authorized to provide local, private line, and/or long distance services to both business and residential customers in 49 states. FCL holds international Section 214 authority (ITC-214-

19951215-00030) granted in File No. ITC-ASG-20011001-00509 and holds blanket domestic Section 214 authority.

Globalcom, Inc. is an Illinois corporation that provides voice and data services primarily to small and medium sized business customers. Globalcom holds international Section 214 authority granted in File No. ITC-214-19960718-00323 (previous File No. ITC-96-406) and holds blanket domestic Section 214 authority.

Xtension Services, Inc. is a Delaware corporation authorized to provide long distance telecommunications services in 13 states and resold local exchange services in New Jersey. Xtension holds international Section 214 authority granted in File No. ITC-214-20010305-00116 and holds blanket domestic Section 214 authority.

First Telecom Services, LLC is an Ohio limited liability company authorized to provide intrastate telecommunications services in New York. First Telecom Services, LLC holds international Section 214 authority granted in File No. ITC-214-20100827-00347 and holds blanket domestic Section 214 authority.

III. DESCRIPTION OF THE TRANSACTION

Gores intends to acquire control of FCI and indirectly, the FCI Operating Companies, by the exercise of the right to appoint a majority of the FCI Board of Directors. Accordingly, Applicants seek authorization for the transfer of control of the FCI Operating Companies to Gores. Applicants note that Gores may also purchase/acquire voting securities of FCI, as a result of which Gores would also directly or indirectly hold more than 50 percent of the voting securities of FCI. For the Commission's convenience, pre- and post-transaction illustrative charts are provided as Exhibit A.

Immediately following the consummation of the proposed transaction, Licensees will continue to offer service with no change in the name of the companies, or their rates or terms and conditions of service. Therefore, the transfer of control of Licensees will be seamless and virtually transparent to customers of Licensees.

IV. PUBLIC INTEREST STATEMENT

Applicants submit that the transaction described herein will serve the public interest. No existing or potential competitors will be eliminated as a result of the proposed transaction.

Instead, the Licensees will continue to provide services to their customers, furthering the Commission's policies favoring competition and diversity of services.

The proposed transaction will be conducted in a manner that will be transparent to customers of the Licensees. The transfers of control of the Licensees will not result in a change of carrier for customers or any assignment of authorizations. In addition, the Licensees will continue to provide high-quality communications services to their customers without interruption and without immediate change in rates, terms or conditions. Accordingly, the transaction will be virtually transparent to customers, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to customers.

V. INFORMATION REQUIRED BY SECTION 63.24(e)

Pursuant to Section 63.24(e)(3) of the Commission's Rules, the Applicants submit the following information requested in Section 63.18 (a)-(d) and (h)-(p) in support of this Application:

(a) Name, address and telephone number of each Applicant:

Transferor:

First Communications, Inc.
3340 West Market Street
Akron, Ohio 44333
(330) 835-2323

FRN: 0015806979

Transferee:

Gores FC Holdings, LLC
10877 Wilshire Boulevard, 18th Floor
Los Angeles, CA 90024
(310) 209-3010

FRN: 0016707374

Licensees:

First Communications, LLC	FRN: 0003764487
Globalcom, Inc.	FRN: 0004325320
Xtension Services, Inc.	FRN: 0004289658
First Telecom Services, LLC	FRN: 0018651927

3340 West Market Street
Akron, Ohio 44333
(330) 835-2323

(b) Jurisdiction of Organizations:

Transferor: First Communications, Inc. is a corporation formed under the laws of Delaware.

Transferee: Gores FC Holdings, LLC is a limited liability company organized under the laws of Delaware.

Licensees: First Communications, LLC is a limited liability company organized under the laws of Ohio.

Globalcom, Inc. is a corporation formed under the laws of Illinois.

Xtension Services, Inc. is a corporation formed under the laws of Delaware.

First Telecom Services, LLC is a limited liability company formed under the laws of Ohio.

(c) (Answer to Question 10) Correspondence concerning this Application should be sent to:

Jean L. Kiddoo
Danielle C. Burt
BINGHAM MCCUTCHEN LLP
2020 K Street, N.W.
Washington, D.C. 20006
(202) 373-6000 (Tel)
(202) 373-6001 (Fax)
jean.kiddoo@bingham.com
danielle.burt@bingham.com

With copies to:
Sandi Murphy
General Counsel
First Communications, LLC
3340 West Market Street
Akron, OH 44333
(330) 835-2664
smurphy@firstcomm.com

(d) Section 214 Authorizations

FCL holds international Section 214 authority (ITC-214-19951215-00030) granted in File No. ITC-ASG-20011001-00509 and holds blanket domestic Section 214 authority.

Globalcom holds international Section 214 authority granted in File No. ITC-214-19960718-00323 (previous File No. ITC-96-406) and holds blanket domestic Section 214 authority.

Xtension holds international Section 214 authority granted in File No. ITC-214-20010305-00116 and holds blanket domestic Section 214 authority.

FTS holds international Section 214 authority granted in File No. ITC-214-20100827-00347 and holds blanket domestic Section 214 authority.

- (h) (***Answer to Questions 11 & 12***) The following entities hold, directly or indirectly, a 10% or greater interest in Applicants as calculated pursuant to the Commission ownership attribution rules for wireline and international telecommunications carriers:²

Pre-Transaction Ownership of FCI:

- (1) The following entities own a ten percent or greater equity interest, or controlling interest, in **First Communications, Inc.:**

- | | | |
|-----|---------------------|---|
| (a) | Name: | Marbel Investments, LLC |
| | Address: | 612 Market Ave., South
Canton, OH 44702 |
| | Citizenship: | U.S. |
| | Percentage Owned: | 19.3% |
| | Principal Business: | Investment |
| (b) | Name: | FirstEnergy Corp. |
| | Address: | 76 S. Main Street, Suite 1600
Akron, OR 44308 |
| | Citizenship: | U.S. |
| | Percentage Owned: | 14.30% |
| | Principal Business: | Energy |
| (c) | Name: | Gores FC Holdings, LLC |
| | Address: | 10877 Wilshire Boulevard, 18th Floor
Los Angeles, CA 90024 |
| | Citizenship: | U.S. |
| | Percentage Owned: | 13.10% |
| | Principal Business: | Holding Company |

- (2) The following entities own a ten percent or greater equity interest, or controlling interest, in **Marbel Investments, LLC:**

² While the Commission's rules for combined domestic and international applications require this information only for the assignee/transferee, *see* 47 C.F.R. §§ 63.04(b), 63.24(e)(2), Applicants are providing ownership information for all parties.

- (a) Name: Marshall Belden
 Address: 612 Market Ave., South
 Canton, OH 44702
 Citizenship: U.S.
 Percentage Owned: 25%
 Principal Business: Individual
- (b) Name: Timothy Belden
 Address: 612 Market Ave., South
 Canton, OH 44702
 Citizenship: U.S.
 Percentage Owned: 25%
 Principal Business: Individual
- (c) Name: Susan Belden
 Address: 612 Market Ave., South
 Canton, OH 44702
 Citizenship: U.S.
 Percentage Owned: 25%
 Principal Business: Individual
- (d) Name: Kismet Foundation
 Address: 612 Market Ave., South
 Canton, OH 44702
 Citizenship: U.S.
 Percentage Owned: 25%
 Principal Business: Charitable Organization

- (3) No shareholder in **FirstEnergy Corp.** owns or controls ten percent or more of its equity.

Pre- and Post-Transaction Ownership of Transferee:

As described above, the FCI Operating Companies will be controlled by Gores through the exercise of the right to appoint a majority of the Board of Directors. Applicants note that Gores may also purchase/acquire voting securities of FCI, as a result of which Gores would also directly or indirectly hold more than 50 percent of the voting securities of FCI.

- (1) The following entities own a ten percent or greater equity interest, or controlling interest, in **Gores FC Holdings LLC**:

Name: Gores Alternative Investments I, L.P.
 Address: 10877 Wilshire Boulevard, 18th Floor
 Los Angeles, CA 90024

Citizenship: U.S.
Ownership: 44.1%
Principal Business: Investment Fund

Name: Gores Alternative Investments II, L.P.
Address: 10877 Wilshire Boulevard, 18th Floor
Los Angeles, CA 90024

Citizenship: U.S.
Ownership: 20.76%
Principal Business: Investment Fund

Name: Gores Co-Invest Partnership, L.P.
Address: 10877 Wilshire Boulevard, 18th Floor
Los Angeles, CA 90024

Citizenship: U.S.
Ownership: 22.5%
Principal Business: Investment Fund

Name: Gores Capital Advisors, LLC
Address: 10877 Wilshire Boulevard, 18th Floor
Los Angeles, CA 90024

Citizenship: U.S.
Ownership: 10%
Principal Business: Private Equity/Merger & Acquisitions

- (2) The following entity owns or controls **Gores Alternative Investments I, L.P., Gores Alternative Investments II, L.P.** and **Gores Co-Invest Partnership, L.P.:**

Name: Gores Capital Advisors, LLC
Address: 10877 Wilshire Boulevard, 18th Floor
Los Angeles, CA 90024

Citizenship: U.S.
Ownership: General Partner (all three limited partnerships)
Principal Business: Private Equity/Merger & Acquisitions

- (3) The following entity owns or controls **Gores Capital Advisors, LLC:**

Name: The Gores Group, LLC
Address: 10877 Wilshire Boulevard, 18th Floor
Los Angeles, CA 90024

Citizenship: U.S.
Ownership: Managing Member
Principal Business: Private Equity/Merger & Acquisitions

(4) The following individual owns or controls **The Gores Group, LLC**:

Name: Alec E. Gores
Address: c/o The Gores Group, LLC
10877 Wilshire Boulevard, 18th Floor
Los Angeles, CA 90024
Citizenship: U.S.
Ownership: Manager
Principal Business: Individual

None of the equity and/or controlling interest holders reported above have a ten percent or greater direct or indirect interest in any FCC regulated businesses other than:

(1) Gores Capital Partners III, LP and Gores Co-Invest Partnership III, LP hold an approximately 86 percent interest in CoBridge Holdings, LLC, the parent of Cobridge Communications, LLC, a company that provides cable television, voice and data services mostly in Arkansas, Alabama, Texas, Missouri, Georgia, and Louisiana.

(2) Gores AC Holdings, LLC has applied to acquire control of Alpheus Communications, L.P. ("Alpheus") and Alpheus Data Services, L.L.C. ("ADS"), which are authorized to provide telecommunications services in Texas.

To the best of Applicants' knowledge, there are no officers or directors of Applicants who also serve as an officer or director of a foreign carrier as defined in Section 63.09(d).

(i) **(Answer to Question 14)** The Applicants certify that following consummation of the Transaction: (i) Transferee will not be a foreign carrier within the meaning of Section 63.09(d) of the Commission's Rules, 47 C.F.R. § 63.09(d); and (ii) Transferee will not become affiliated with a foreign carrier.

(j) **(Answer to Question 15)** The Applicants certify that upon consummation of the transaction, they do not seek to provide international telecommunications services to any destination country where:

- (1) An Applicant is a foreign carrier in that country; or
- (2) An Applicant controls a foreign carrier in that country; or
- (3) Any entity that owns more than 25 percent of an Applicant, or that controls an Applicant, 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 an Applicant and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

- (k) Not applicable.
- (l) Not applicable.
- (m) Not applicable.
- (n) Applicants certify that they have 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.
- (o) Applicants certify that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. *See* 21 U.S.C. § 853a; *see also* 47 C.F.R. §§ 1.2001-1.2003.
- (p) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, Section 63.12(c)(1) is inapplicable because none of the Applicants are or are affiliated with any foreign carriers and none of the scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), apply.

VI. INFORMATION REQUIRED BY SECTION 63.04

Pursuant to Commission Rule 63.04(b), 47 C.F.R. § 63.04(b), Applicants submit the following information in support of their request for domestic Section 214 authority in order to address the requirements set forth in Commission Rule 63.04(a)(6)-(12):

- (a)(6) A description of the proposed transaction is set forth in **Section III** above.
- (a)(7) First Communications, LLC is authorized to provide telecommunications services in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming. In these states, FCL is authorized to provide competitive local and/or long distance telecommunications services. All of the services provided by FCL are competitive in nature and neither FCL nor any affiliated company holds a dominant position in any market.

Globalcom, Inc. is authorized to provide telecommunications services in Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New

Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Washington, Wisconsin, and Wyoming. All of the services provided by Globalcom are competitive in nature and neither Globalcom nor any affiliated company holds a dominant position in any market.

Xtension Services, Inc. is authorized to provide telecommunications services in California, Colorado, Florida, Illinois, Iowa, Kansas, Michigan, Nevada, New Jersey, New York, North Carolina, Pennsylvania, Texas, Utah, Virginia and Washington. In these states, Xtension is authorized to provide competitive local and/or long distance telecommunications services. All of the services provided by Xtension are competitive in nature and neither Xtension nor any affiliated company holds a dominant position in any market.

First Telecom Services, LLC is authorized to provide telecommunications services in New York. In this state, FTS is authorized to provide competitive local and/or long distance telecommunications services. All of the services provided by FTS are competitive in nature and neither FTS nor any affiliated company holds a dominant position in any market.

An affiliate of Gores, Gores AC Holdings, LLC, has applied to acquire control of Alpheus and ADS, which are both authorized to provide telecommunications services in Texas.

- (a)(8)** Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, Transferee (and its Affiliates) will have a market share in the interstate, interexchange market of less than 10 percent, and the Transferee (and its Affiliates) will 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, and none of the Applicants (or their Affiliates) are dominant with respect to any service.
- (a)(9)** By this Application, Applicants seek authority with respect to both international and domestic Section 214 authorizations (this Application is being separately and concurrently filed with respect to both types of authorities in compliance with Commission Rule 63.04(b), 47 C.F.R. § 63.04(b)). An application will also be filed with the Commission to seek authority with respect to radio authorizations held by First Communications, LLC.
- (a)(10)** Prompt completion of the proposed transaction is important to ensure that Applicants can obtain the benefits described in the foregoing application. Accordingly, Applicants respectfully request that the Commission approve this Application expeditiously in order to allow Applicants to consummate the proposed transaction as soon as possible.
- (a)(11)** Not applicable.

(a)(12) A statement showing how grant of the application will serve the public interest, convenience and necessity is provided in **Section IV** above.

* * * * *

VII. 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 for the transfer of control of Applicants.

Respectfully submitted,



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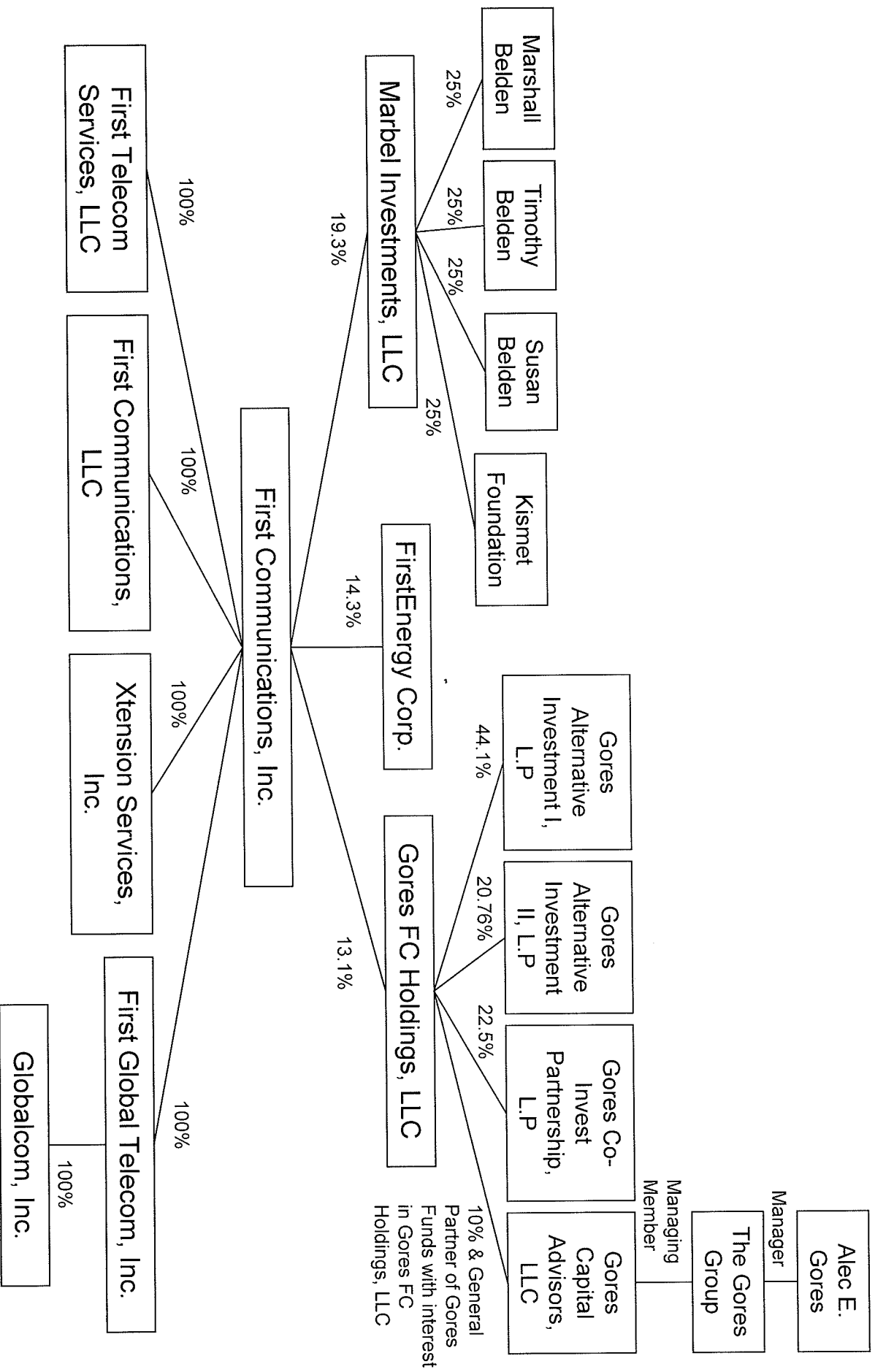
Counsel for Applicants

Dated: October 26, 2011

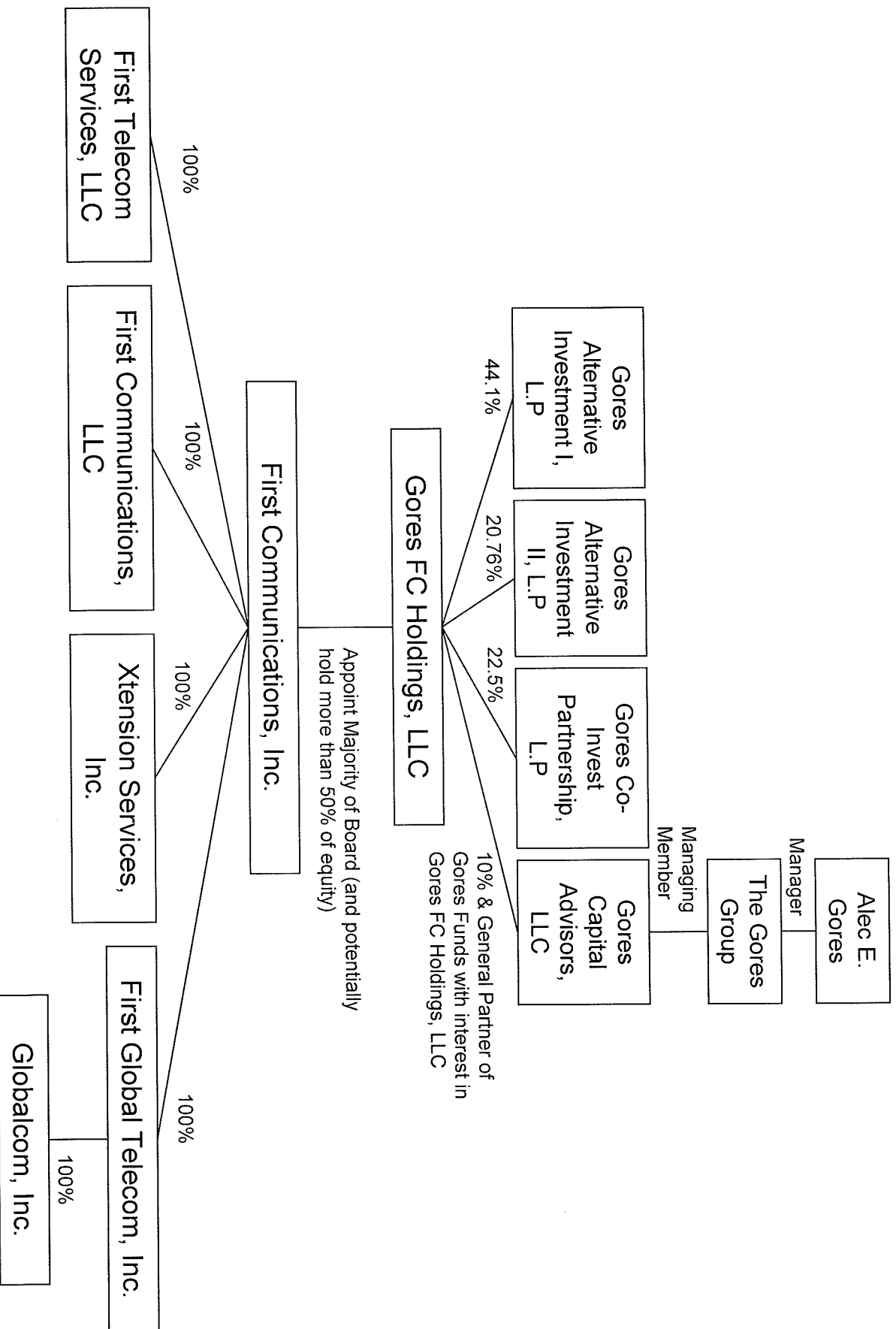
EXHIBIT A

Illustrative Corporate Structure Charts

First Communications Pre-Transaction Illustrative Corporate Structure Chart



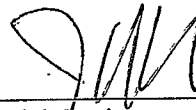
First Communications Post-Transaction Illustrative Corporate Structure Chart



VERIFICATION

I, Joseph Morris, state that I am President of First Communications, Inc. and its operating companies ("FCI"); that I am authorized to make this Verification on behalf of FCI; that the foregoing application as it pertains to FCI is true and accurate to the best of my knowledge, information and belief; and that FCI is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a), as amended.

I declare under penalty of perjury that the foregoing is true and accurate. Executed this 26 day of October, 2011.

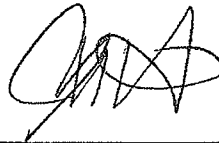


Joseph Morris
President
First Communications, Inc.

VERIFICATION

I, Eric Hattler, state that I am Vice President of Gores FC Holdings, LLC ("Gores"); that I am authorized to make this Verification on behalf of Gores; that the foregoing application as it pertains to Gores is true and accurate to the best of my knowledge, information and belief; and that Gores is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a), as amended.

I declare under penalty of perjury that the foregoing is true and accurate. Executed this 16 day of October, 2011.



Eric Hattler
Vice President
Gores FC Holdings, LLC