

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

In the Matter of )  
)  
)  
**ETS Telephone Company, Inc.,** )  
**ETS Cablevision, Inc.,** )  
*Licensees* )  
)  
)  
**En-Touch Holdings, LLC,** )  
*Transferor* ) WC Docket No. 17-\_\_\_\_\_  
)  
)  
and ) IB File No. ITC-T/C-2017\_\_\_\_\_  
)  
)  
**ACME Communications, Inc.,** )  
*Transferee* )  
)  
)  
For Authority Pursuant to Section 214 of the )  
Communications Act, as Amended, and )  
Sections 63.04 and 63.24 of the )  
Commission’s Rules to Complete a Transfer )  
Control of ETS Telephone Company, Inc. )  
and ETS Cablevision, Inc. )

**JOINT DOMESTIC AND INTERNATIONAL APPLICATION**

ETS Telephone Company, Inc. (“ETS”) and ETS Cablevision, Inc. (“ETS Cablevision” and together with ETS, “Licensees”), En-Touch Holdings, LLC (“Holdings” or “Transferor”), and ACME Communications, Inc. (“ACME” or “Transferee” and, together with Licensees and Transferor, the “Applicants”), hereby respectfully request authority pursuant to Section 214 of the Communications Act of 1934, as amended,<sup>1</sup> (the “Act”), and Sections 63.04 and 63.24 of the

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<sup>1</sup> 47 U.S.C. § 214

Federal Communications Commission (“FCC” or “Commission”) rules,<sup>2</sup> to indirectly transfer control of ETS, an entity with domestic and international section 214 authorization, and ETS Cablevision, an entity with domestic section 214 authorization, from Holdings to ACME (the “Proposed Transaction”). As explained below, Applicants respectfully request streamlined processing.

ETS is a competitive local exchange carrier (“CLEC”) providing voice services to business and residential customers in the Houston, Texas area. In addition to local telephone service, ETS provides domestic and international long distance service to its customers on a resale basis through domestic and international Section 214 authorizations from the FCC.<sup>3</sup>

ETS Cablevision is a competitive provider of cable services and voice services to customers in the Houston, Texas area. ETS provides domestic long distance service to its customers on a resale basis through domestic Section 214 authorization from the FCC.<sup>4</sup>

Under the terms of the Proposed Transaction, Holdings, a securities holding company that is the sole shareholder of En-Touch Systems, Inc. (“En-Touch”), will sell 100% of the outstanding stock of En-Touch to ACME. As a result, ACME will acquire 100% of the ownership interest in En-Touch and, indirectly, Licensees. Although the Proposed Transaction will result in a change in the ultimate ownership of Licensees, no assignment of licenses, assets, or customers will occur as a consequence of the Proposed Transaction. Licensees will continue to provide services to their existing customers under the same rates, terms, and conditions.

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<sup>2</sup> 47 C.F.R. §§ 63.04, 63.24.

<sup>3</sup> See International Bureau File No. ITC-214-19960311-00007 (previously ITC-96-108) for the Licensee’s international Section 214 authorization. Domestic authority was obtained by operation of rule. See 47 C.F.R. § 63.01.

<sup>4</sup> Domestic authority was obtained by operation of rule. See 47 C.F.R. § 63.01.

Accordingly, the Proposed Transaction will be seamless and transparent to customers of Licensees.

By granting this application, the Commission will serve the public interest, convenience, and necessity because it will provide Licensees with access to the managerial, and operational resources of ACME. This will enable Licensees to continue to innovate market solutions for the benefit of their consumers and to compete robustly in the marketplace for local and long distance services with other carriers. In addition, grant of this Application will serve the public interest, convenience, and necessity by ensuring continuity of service to Licensees' customers.

**I. DESCRIPTION OF THE APPLICANTS**

**A. En-Touch Holdings, LLC (Transferor) and ETS Telephone Company, Inc. and ETS Cablevision, Inc. (Licensees)**

Holdings, a Delaware limited liability company, is a securities holding company and the sole shareholder of En-Touch, a Delaware corporation that owns both Licensees. Boston Ventures Limited Partnership VII, a private equity firm, is currently the majority equity owner of Holdings.

ETS is a wholly-owned subsidiary of En-Touch. ETS is a Texas CLEC that provides local telephone service to residential and business customers in the Houston, Texas area. In addition to local telephone service, ETS provides domestic and international long distance service to its customers on a resale basis through domestic and international Section 214 authorizations from the Commission. ETS provides local and domestic and international long distance services to its customers under the names ETS Telephone Company, Inc. and En-Touch Systems.

ETS Cablevision is a wholly-owned subsidiary of En-Touch. ETS Cablevision provides cable services and domestic long distance service to its customers in the Houston, Texas area.

Each of Holdings, En-Touch, ETS, and ETS Cablevision have offices at 11011 Richmond, Suite 400, Houston, TX 77042.

**B. ACME Communications, Inc. (Transferee)**

ACME is a Texas corporation. Jim Chiu, a US citizen, is currently the majority equity owner of ACME. Mr. Chiu is an experienced entrepreneur in the telecommunications sector. Over the past twenty years, Mr. Chiu has invested in various telecommunications companies through both equity and asset acquisitions. In addition, Mr. Chiu has founded several telecommunications companies. Under his leadership, the companies that Mr. Chiu has founded or invested in have experienced rapid and sustained business growth.

**II. DESCRIPTION OF THE TRANSACTION (ANSWER TO QUESTION 13)**

Under the terms of a Securities Purchase Agreement, dated March 24, 2017, Holdings will sell 100% of the outstanding stock of En-Touch to ACME. As a result, following consummation of the Proposed Transaction, ACME shall own 100% percent of the outstanding stock of En-Touch and will indirectly own ETS and ETS Cablevision. The pre- and post-transaction ownership structure may be found in the diagrams attached as **Exhibit B**.

**III. PUBLIC INTEREST STATEMENT**

Applicants submit that the Proposed Transaction will serve the public interest. Under new ownership, Licensees will continue to provide high quality telecommunications services to their customers and will gain access to the strong managerial and operational expertise and resources of ACME. Access to ACME's resources will allow Licensees to continue to develop market strategies that will benefit its consumers. The Proposed Transaction will not result in a change or disruption in carrier, services, rates, terms, or conditions for customers of Licensees and will therefore be fully transparent to them.

At the same time, the Proposed Transaction will not diminish or negatively affect competition. Both ETS and ETS Cablevision are non-dominant carriers and will continue to compete with other carriers in the local and long distance markets. Applicants submit that access to ACME's resources will only strengthen the competitive position of Licensees to the benefit of the marketplace. Additionally, no existing or potential competitors will be eliminated as a result of the Proposed Transaction.

By granting this application, the Commission will serve the public interest, convenience, and necessity by ensuring continuity of service to the Licensees' customers, allowing ETS and ETS Cablevision to continue to develop pro-consumer market strategies, and promoting competition in the domestic and international services markets. Accordingly, the Applicants respectfully request that the Commission grant this application.

**IV. INFORMATION REQUIRED BY SECTION 63.24(e)**

Pursuant to Section 63.24(e)(2) of the Commission's Rules,<sup>5</sup> the Applicants submit the following information set forth in Section 61.18(a)-(d) and (h)-(p) in support of this Application:

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

**ACME Communications Inc. (Transferee)**

ACME Communications, Inc.  
555 South Flower Street, 31st Floor  
Los Angeles, CA 90071  
Telephone: (213) 810-8188  
FRN: 0026421313

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<sup>5</sup> 47 C.F.R. § 63.24(e)(2)

**En-Touch Holdings, LLC (Transferor)**  
**ETS Telephone Company, Inc. (Licensee)**  
**ETS Cablevision, Inc. (Licensee)**

FRN: 0026417436  
FRN: 0004322814  
FRN: 0003749678

11011 Richmond, Suite 400  
Houston, TX 77042  
Telephone: (281) 225-1000

**63.18(b) Laws under which each Applicant is organized**

ETS is a Delaware corporation. ETS Cablevision is a Delaware corporation. Holdings is a Delaware limited liability company. ACME is a Texas corporation.

**63.18(c): Correspondence concerning the Application (*Answer to Question 10*)**

**ACME Communications Inc. (Transferee)**

Jim Chiu  
President  
ACME Communications, Inc.  
555 South Flower Street, 31st Floor  
Los Angeles, CA 90071  
Telephone: (213) 810-8188  
Email: jchiu219@hotmail.com

with a copy to:

Robert E. Stup, Jr.  
Peter M. Bean  
Squire Patton Boggs (US) LLP  
2550 M Street NW  
Washington, DC 20037  
Telephone: (202) 626-6721  
Email: robert.stup@squirepb.com  
peter.bean@squirepb.com

**En-Touch Holdings, LLC (Transferor)**  
**ETS Telephone Company, Inc. (Licensee)**  
**ETS Cablevision, Inc. (Licensee)**

J. Findley, President and CEO  
11011 Richmond, Suite 400  
Houston, TX 77042  
Telephone: (281) 225-1000

with a copy to:

Catherine Wang  
Danielle Burt  
Morgan, Lewis & Bockius LLP  
1111 Pennsylvania Avenue, N.W.  
Washington, DC 20004  
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Email: catherine.wang@morganlewis.com  
danielle.burt@morganlewis.com

**63.18(d): Prior Section 214 Authorizations (*Answer to Question 10*)**

**Transferee:** ACME does not hold any Section 214 authority.

**Transferor:** Holdings does not hold any Section 214 authority.

**Licensees:** Both ETS and ETS Cablevision hold domestic Section 214 authority by operation of law pursuant to Section 63.01 of the Commission's rules.<sup>6</sup> ETS holds international resale authority granted in International Bureau File No. ITC-214-19960311-00007.

**63.18(h): Ownership and Interlocking Directorates (*Answer to Questions 11 and 12*)**

The following individual holds a 10% or greater equity ownership interest in the Transferee, ACME:

Name: Mr. Jim Chiu  
555 South Flower Street, 31st Floor  
Los Angeles, CA 90071  
Citizenship: U.S.  
Principal Business: Investment  
Ownership interest in Transferee: 95% (Direct)

No other person or entity directly or indirectly owns 10% or more of the equity of the Transferee. Following consummation of the Proposed Transaction, the following entity will hold a 10% or greater ownership interest in Licensees:

Name: ACME Communications, Inc.  
555 South Flower Street, 31st Floor  
Los Angeles, CA 90071  
Citizenship: U.S. Texas  
Principal Business: Investment  
Ownership interest: 100% (Indirect)

The Applicants do not have any interlocking directorates with a foreign carrier.

**63.18(i): Foreign Carrier Certification (*Answer to Question 14*)**

The Applicants certify they are neither foreign carriers nor are they affiliated with foreign carriers and nor will they become affiliated with foreign carriers as a result of the Proposed Transaction.

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<sup>6</sup> 47 C.F.R. § 63.01.

**63.18(j): Intention to provide international telecommunications services post-transaction (Answer to Question 15)**

The Applicants certify that 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 Applicants 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.

**63.18(k):** Not applicable.

**63.18(l):** Not applicable.

**63.18(m):** Not applicable.

**63.18(n): No Special Concessions**

The 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 any such agreements in the future.

**63.18(o): Certification pursuant to §§ 1.2001 through 1.2003 of the Commission's Rules**

The Applicants certify that no party to this Application is subject to a denial of federal benefits under Section 5301 of the Anti-Drug Abuse Act of 1988, as amended.



**63.18(p): Request for Streamlined Processing (*Answer to Question 20*)**

The Applicants respectfully request streamlined treatment of this Application pursuant to Section 63.03 and 63.12 of the Commission's rules.<sup>7</sup> With respect to the domestic Section 214 authority, the application should be presumed to qualify for streamlined processing as described in Section 63.03(b)(1)(ii)<sup>8</sup> because the Transferee, ACME, is not a telecommunications provider and does not provide any telecommunications services. Additionally, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)<sup>9</sup> because, immediately following the Proposed Transaction, Licensees serve fewer than two (2) percent of nationwide U.S. subscriber lines; and combined, Transferee and Licensees will hold less than a ten percent share of the interstate interexchange market. Thus the transaction presents no risk of competitive harm in Texas or elsewhere.

With respect to the international authority, this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's rules.<sup>10</sup> In particular, Section 63.12(c)(1)<sup>11</sup> is inapplicable because none of the Applicants is a foreign carrier or is affiliated with any foreign carrier. Section 63.12(c)(2)<sup>12</sup> is likewise inapplicable because none of the Applicants is affiliated with a dominant U.S. carrier whose international switched or private line services the Applicants seek authority to resell.

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<sup>7</sup> 47 C.F.R. §§ 63.03, 63.12.

<sup>8</sup> 47 C.F.R. § 63.03(b)(1)(ii).

<sup>9</sup> 47 C.F.R. § 63.03(b)(2).

<sup>10</sup> 47 C.F.R. § 63.12(a)-(b).

<sup>11</sup> 47 C.F.R. § 63.12(c)(1).

<sup>12</sup> 47 C.F.R. § 63.12(c)(2).

**V. INFORMATION REQUIRED BY SECTION 63.04(b)**

In accordance with the requirements of Section 63.04(b) of the Commission's rules, the additional information required for the domestic Section 214 transfer of control application is provided in **Exhibit A**.

**VI. CONCLUSION**

Based on the foregoing, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this application.

Respectfully submitted,

/s/ Danielle Burt \_\_\_\_\_

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Email: catherine.wang@morganlewis.com  
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/s/ Robert E. Stup, Jr. \_\_\_\_\_

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peter.bean@squirepb.com

*Counsel for En-Touch Holdings, LLC, ETS Telephone Company, Inc., and ETS Cablevision, Inc.*      *Counsel for ACME Communications, Inc.*

Dated: April 7, 2017

**LIST OF EXHIBITS**

**EXHIBIT A**            **Information Required by 47 C.F.R. § 63.04(b)**

**EXHIBIT B**            **Pre- and Post-Transaction Diagrams**

**EXHIBIT C**            **Certifications**

## EXHIBIT A

### INFORMATION REQUIRED BY 47 C.F.R. § 63.04(b)

The Applicants submit the following information pursuant to Section 63.04(b)<sup>13</sup> of the Commission's rules:

**A. 63.04(a)(6) – Description of the Transaction**

The Proposed Transaction is described above in **Section II** of the application.

**B. 63.04(a)(7) – Geographic services areas and services provided in each area by the transferor and transferee**

The Applicants and their affiliates offer domestic telecommunications services in the U.S. as follows:

**Licenses:** ETS is a Texas CLEC that provides local telephone service to residential and business customers in the Houston, Texas area. In addition to local telephone service, ETS provides domestic and international long distance service to its customers on a resale basis and holds both domestic and international Section 214 authorizations from the Commission. ETS provides local and long distance services under the names ETS Telephone Company, Inc. and En-Touch Systems.

ETS Cablevision is a competitive provider of cable services and voice services to customers in the Houston, Texas area. ETS provides domestic long distance service to its customers on a resale basis through domestic Section 214 authorization from the FCC.

**Transferee:** The Transferee, ACME, is not authorized to provide domestic telecommunications services.

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<sup>13</sup> 47 C.F.R. § 63.04(b).

**Transferor:** The Transferor, Holdings, is not authorized to provide domestic telecommunications services.

**C. 63.04(a)(8) – Qualification for streamlined processing**

The Applicants respectfully request streamlined treatment of the application pursuant to Section 63.03 of the Commission’s Rules.<sup>14</sup> This application is eligible for streamlined processing pursuant to Section 63.03(b)(1)(ii)<sup>15</sup> because ACME, the Transferee, is not a telecommunications provider. The Applicants further submit that this application qualifies for streamlined processing pursuant to Section 63.03(b)(2) because, immediately following the Proposed Transaction, Licensees will continue to serve fewer than two (2) percent of nationwide U.S. subscriber lines; and combined, Transferee and Licensees will hold less than a ten percent share of the interstate interexchange market. Accordingly, the application qualifies for streamlined processing under Section 63.03 of the Commission’s rules.

**D. 63.04(a)(9) – Additional FCC applications related to the same transaction**

The Applicants are filing a joint domestic and international Section 214 application pursuant to Section 63.04(b)<sup>16</sup> of the Commission’s rules.

**E. 63.04(a)(10) – Special consideration because of imminent business failure**

The Applicants are not requesting special consideration due to imminent business failure.

**F. 63.04(a)(11) – Identification of any separately-filed waiver requests**

No waiver requests are being filed in conjunction with this application.

**G. 63.04(a)(12) – Public interest statement**

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<sup>14</sup> 47 C.F.R. § 63.03.

<sup>15</sup> 47 C.F.R. § 63.03(b)(1)(ii).

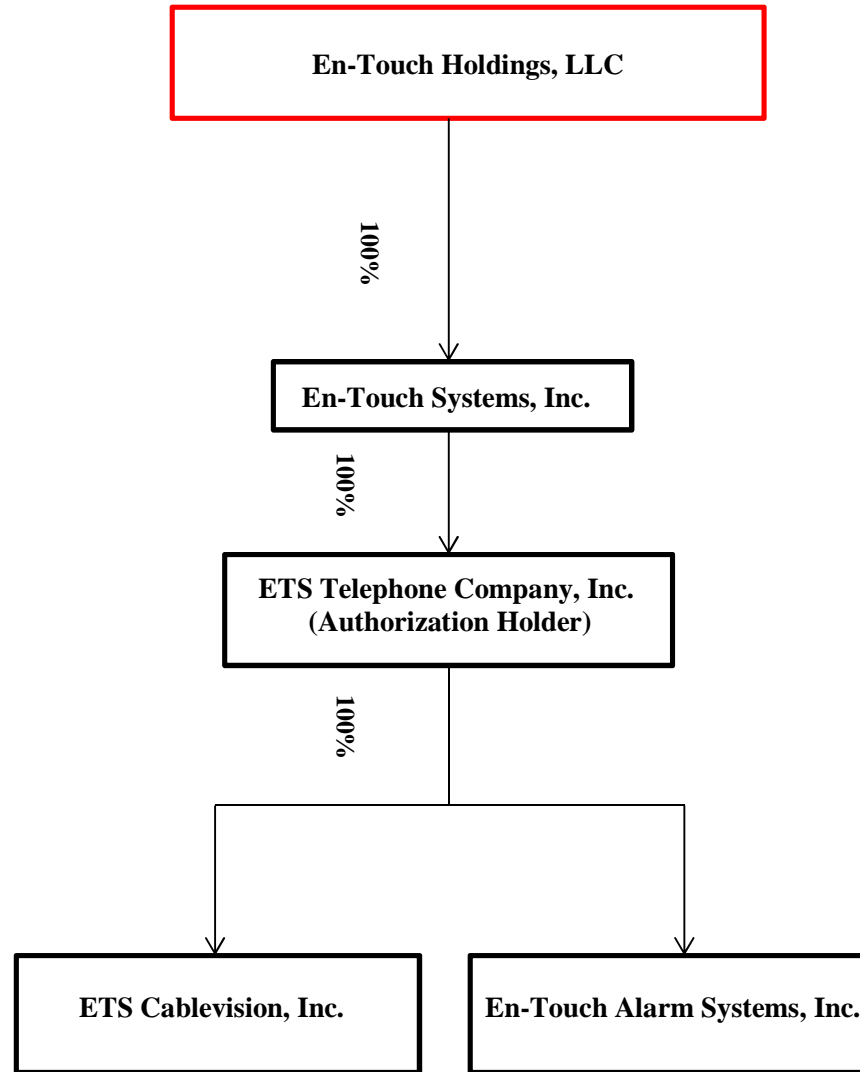
<sup>16</sup> 47 C.F.R. § 63.04(b).

A statement showing how grant of this application will serve the public interest, convenience, and necessity may be found above in **Section III** of the application.

**EXHIBIT B**

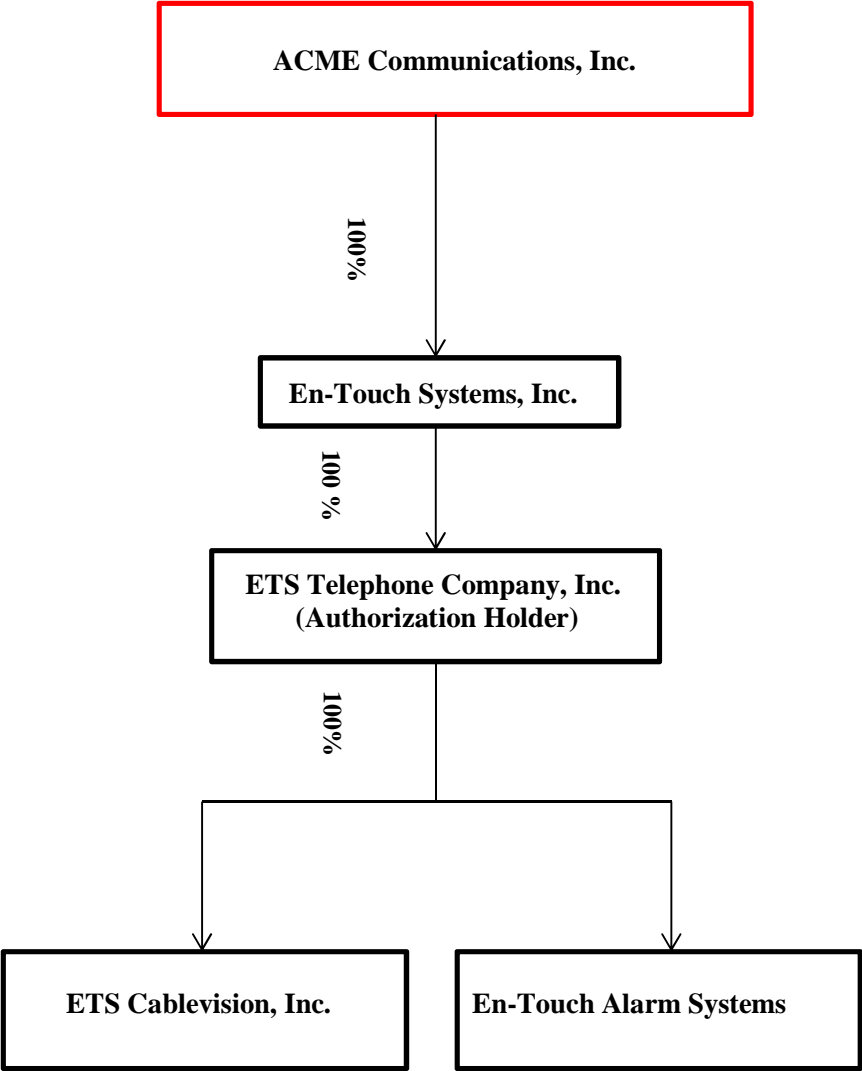
**PRE- AND POST-TRANSACTION DIAGRAMS**

**Pre-transaction Organizational Chart**





**Post-transaction Organizational Chart**



**EXHIBIT C**

**CERTIFICATIONS**

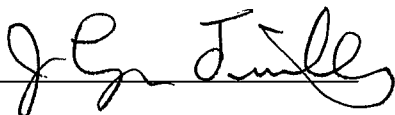
**Certification on behalf of En-Touch Holdings, LLC, ETS Telephone Company, Inc.  
and ETS Cablevision, Inc.**

On behalf of En-Touch Holdings, LLC (“Holdings”), ETS Telephone Company, Inc. (“ETS”), and ETS Cablevision, Inc. (“ETS Cablevision”), I hereby certify under penalty of perjury that I am authorized to make this certification on their behalf and that the foregoing joint domestic and international application for the transfer of control of domestic and international Section 214 authority held by ETS and for the transfer of control of domestic Section 214 authority held by ETS Cablevision was prepared under my direction and supervision. I further certify that the contents and certifications contained herein, regarding Holdings, ETS, and ETS Cablevision, are true and accurate to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Name: J Findley

Title: President and CEO

Signature: 

Date: April 5, 2017

**Certification on behalf of ACME Communications, Inc.**

On behalf of ACME Communications, Inc. ("ACME") I hereby certify under penalty of perjury that I am authorized to make this certification on behalf of ACME and that the foregoing joint domestic and international application for the transfer of control of domestic and international Section 214 authority held by ETS Telephone Company, Inc. and for the transfer of control of domestic Section 214 authority held by ETS Cablevision, Inc. was prepared under my direction and supervision. I further certify that the contents and certifications contained herein, regarding ACME, are true and accurate to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Name: Jim Chiu

Title: President

Signature: 

Date: April 7, 2017