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

In the Matter of the Joint Application of)		
GTT Americas, LLC, and)	WC Docket No. 17	
)	IB File No. ITC-T/C-2017	
Transbeam, Inc.,)		
)		
For Grant of Authority Pursuant to Section 214)		
of the Communications Act of 1934, as amend-)		
ed, and Sections 63.04 and 63.24 of the Com-)		
mission's Rules to Transfer Control of,)		
Transbeam, Inc., a Company Holding Domestic)		
and International Section 21/1 Authorizations)		

JOINT APPLICATION

GTT Americas, LLC ("GTTA" or "Transferee") and Transbeam, Inc. ("Transbeam" or "Licensee") (together, the "Applicants"), pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission's Rules, 47 C.F.R. §§ 63.04 & 63.24, request Commission approval to transfer control of Licensee to Transferee and its direct parent company, GTT Communications, Inc. ("GTT Parent"). Specifically, a direct, wholly owned subsidiary of Transferee will merge with and into Transbeam, with Transbeam surviving the merger and becoming a direct subsidiary of Transferee.

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

II. DESCRIPTION OF THE APPLICANTS

A. GTT Americas, LLC

GTTA is an operating subsidiary of GTT Communications, Inc. ("GTT Parent"). GTT Parent, through its operating subsidiaries (collectively with GTT Parent, "GTT"), including Transferee, is a global provider of cloud networking services. GTT offers a broad portfolio of

global services including: wide area network ("WAN") services; Internet services; managed network and security services; and voice and unified communications services. GTT TBI Merger Sub, Inc. ("MergerSub"), a Delaware corporation and direct, wholly owned subsidiary of Transferee, was formed for the purpose of the Transaction (as defined below).

B. Transbeam, Inc.

Transbeam is a national provider of managed Data, Voice, IT and event solutions for businesses via a wholly owned next-generation network. Transbeam delivers private wide area network solutions, dedicated Internet access, integrated solutions, LTE wireless solutions and a comprehensive suite of cloud and IT services via its privately owned backbone, ensuring reliability, service quality and the best possible customer service and support. Transbeam provides service to residential and commercial customers and works closely with and customizes a total carrier-grade connectivity solution that meets the specific technical and business requirements of each customer to ensure that the customers network runs efficiently for a positive end-user experience.

Transbeam maintains Commission Section 214 authority to provide domestic interstate and international telecommunications services and authority to provide competitive local exchange and interexchange telecommunications services in eight jurisdictions.

Transbeam does not have a majority or controlling owner. A summary of the current ownership of Transbeam is provided in Exhibit A.

III. <u>DESCRIPTION OF THE TRANSACTION</u>

Pursuant to an Agreement and Plan of Merger (the "Agreement"), dated as of August 20, 2017, by and among GTTA, MergerSub, Licensee, the principal stockholders of Transbeam, and

Sam Kashi, as the representative of the stockholders of Transbeam, MergerSub¹ will merge with and into Transbeam, with Transbeam surviving the merger. As a result, Licensee will become a direct, wholly owned subsidiary of Transferee and indirect, wholly owned subsidiary of GTT Parent. Diagrams depicting the pre- and post-Transaction corporate ownership structure of Licensee are provided as Exhibit B.

IV. <u>INFORMATION REQUIRED BY SECTION 63.24(e)</u>

Pursuant to Section 63.24(e)(2) 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:

<u>Transferee</u>:

GTT Americas, LLC 7900 Tysons One Place Suite 1450 McLean, VA 22102

Tel: 703-442-5500

Licensee:

Transbeam, Inc. FRN: 0008904690

8 West 38th Street, 7th Floor New York, NY 10018 Tel: 212-631-8100

(b) Jurisdiction of Organizations:

<u>Transferee</u>: GTTA is a limited liability company formed under the laws of the State of

FRN: 0025319039

Delaware.

<u>Licensee:</u> Transbeam a corporation formed under the laws of the State of Delaware.

As stated above, MergerSub is a direct, wholly owned subsidiary of GTTA created for the purposes of effectuating the Transaction.

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

sent to:

For Transferee:

Andrew D. Lipman
Brett P. Ferenchak
Morgan, Lewis & Bockius LLP
1111 Pennsylvania Avenue, N.W.
Washington, DC 20004-2541
202-739-3000 (tel)
202-739-3001 (fax)
andrew.lipman@morganlewis.com
brett.ferenchak@morganlewis.com

For Licensee:

Andrew Isar Miller Isar, Inc. 4304 92nd Avenue N.W. Gig Harbor, WA 98335 253-851-6700 (tel) 866-474-3630 (fax) aisar@millerisar.com

With copies for Transferee to:

Tony Hansel VP, Deputy General Counsel GTT Communications 7900 Tysons One Place, Suite 1450 McLean, VA 22102 Tony.Hansel@gtt.net

With copies for Licensee to:

Marc Sellouk Chief Executive Officer Transbeam, Inc. 8 West 38th Street, 7th Floor New York, NY 10018 marc@transbeam.com

(d) Section 214 Authorizations

Transferee:

GTTA holds international Section 214 authority to provide global or limited global facilities-based and resale services granted in IB File No. ITC-214-20020619-00332. GTTA also is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

GTTA's affiliate, Hibernia Atlantic U.S. LLC ("HB Atlantic"), a Washington limited liability company, holds international Section 214 authority to provide global or limited global facilities-based and resale services granted in IB File No. ITC-214-20090612-00283. HB Atlantic also is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

In addition, GTTA is in the process of acquiring GC Pivotal, LLC d/b/a Global Capacity ("Global Capacity"), which holds domestic and international Section 214 authorizations. *See* WC Docket No. 17-176; IB File No. ITC-T/C-20170626-00116.

Licensee:

Transbeam holds international Section 214 authority to provide global or limited global facilities-based and resale services granted in IB File No. ITC-214-20061101-00500. Transbeam also is authorized to provide inter-

state service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

(h) (Answer to Questions 11 & 12) The following entities will hold, directly or indirectly, a ten percent (10%) or greater interest² in Licensee upon completion of the Transaction as calculated pursuant to the Commission's ownership attribution rules for wireline and international telecommunications carriers:

Name: GTT Americas, LLC

Address: 7900 Tysons One Place, Suite 1450

McLean, VA 22102

Citizenship: U.S. (Delaware)
Principal Business: Telecommunications

% Interest: 100% (directly in Licensee)

Name: GTT Communications, Inc. ("GTT Parent")

Address: 7900 Tysons One Place, Suite 1450

McLean, VA 22102

Citizenship: U.S. (Delaware)
Principal Business: Communications

% Interest: 100% (indirectly, as 100% owner of Transferee)

GTT Parent is a publicly traded company (NYSE: GTT) whose stock ownership varies on a daily basis. Based on information filed with the SEC with respect to GTT Parent, to the knowledge of GTT Parent's management, no person or entity currently holds a 10% or greater direct or indirect interest in GTT Parent except as follows:

Name: Universal Telecommunications, Inc. ("UTI")

Address: 1950 Old Gallows Rd., Suite 201

Vienna, VA 22182

Citizenship: U.S. (Delaware)
Principal Business: Investments

% Interest: Approx. 16.60% (directly in GTT Parent)

Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.

Name: H. Brian Thompson

Address: c/o Universal Telecommunications

1950 Old Gallows Rd., Suite 201

Vienna, VA 22182

Citizenship: U.S. and Ireland

Principal Business: Individual

% Interest: Approx. 16.60% (indirectly in GTT Parent, as the majority

shareholder of UTI)

Neither GTT Communications, Inc., Universal Telecommunications, Inc. nor Brian Thompson holds a 10% or greater, direct or indirect, interest in any U.S. Telecommunications Carrier other than Transferee and HB Atlantic. However, GTTA is in the process of acquiring Global Capacity, which holds domestic and international Section 214 authorizations.

Except for the foreign carrier subsidiaries listed in (i) below, which may share certain officers and/or directors as Transferee, Transferee does not have any interlocking directorates with a foreign carrier. Upon completion of the Global Capacity transaction, Transferee may also have interlocking directorates with Global Capacity, which is a foreign carrier in Canada and the United Kingdom, and its subsidiary, Global Capacity Limited, which is a foreign carrier in the United Kingdom.

(i) (Answer to Question 14) Transferee certifies that it is not a foreign carrier. Transferee, however, is affiliated within the meaning of Section 63.09(e) of the Commission's rules, 47 C.F.R. § 63.09(e), with the following foreign carriers (collectively, the "GTT Foreign Carriers"): (1) GTT EMEA, Ltd., a United Kingdom entity; (2) Tinet S.p.A, an Italian entity; (3) Tinet GmbH, a German entity; (4) GTT Communications HK limited, a Hong Kong entity; (5) Hibernia Atlantic Communications (Canada) Company, a Canadian entity; (6) Hibernia Atlantic Cable System Limited, an Irish entity; (7) Hibernia Atlantic (UK) Limited, a United Kingdom entity; (8) Hibernia Media (UK) Limited, a United Kingdom entity; (9) Hibernia Atlantic (Singapore) Private Limited, a Singapore entity; (10) Hibernia Networks (Netherlands) B.V., a Dutch entity;

(11) Hibernia Express (Ireland) Limited, an Irish entity; (12) Hibernia Express (Canada) Limited, a Canadian entity; (13) Hibernia Express (UK) Limited, a United Kingdom entity; and (14) Perseus do Brasil Servicos de Tecnologia da Informação Ltda, a Brazilian entity.

The GTT Foreign Carriers operate in the following countries, each a member of the WTO: Austria, Belgium, Brazil, Bulgaria, Canada, Denmark, France, Germany, Hong Kong, Ireland, Italy, Netherlands, Poland, Romania, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

Licensee is not currently a foreign carrier or affiliated with a foreign carrier in any country. However, Licensee will be affiliated with GTT Foreign Carriers upon completion of the Transaction.

In addition, GTTA is in the process of acquiring Global Capacity, which is a foreign carrier in Canada and the United Kingdom. In addition, Global Capacity's subsidiary Global Capacity Limited ("GCL"), a United Kingdom entity, is a foreign carrier in the United Kingdom. Upon and assuming completion of GTTA's acquisition of Global Capacity and the Transaction, therefore, Licensee also will be affiliated with Global Capacity and GCL.

(j) (Answer to Question 15) Transferee and Licensee seek to maintain their authorities to provide telecommunications services to all international points, including the destination markets listed in (i) above where affiliates of Transferee and Licensee are non-dominant foreign carriers. Transferee certifies that, through its acquisition of control of Licensee, Transferee does not seek to provide international telecommunications services to any destination country where two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of Transferee and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing or international basic telecommunications services in the United States.

- (k) Transferee certifies that each country listed in (i) above is a Member of the World Trade Organization ("WTO"). None of the GTT Foreign Carriers, Global Capacity or GCL is on the Commission's List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets, released on January 26, 2007. In addition, each of these foreign carriers offers services in competition with dominant foreign carriers and others.
- (m) Transferee qualifies for a presumption of non-dominance under Section 63.10(a)(1) and (3) of the Commission's rules, 47 C.F.R. § 63.10(a)(1) & (3), because it is not a foreign carrier and is affiliated, and will become affiliated, with non-dominant foreign carriers only in countries that are Members of the WTO. The foreign carriers identified in (*i*) above, both collectively and individually, hold less than a 50 percent market share in the international transport and local access markets in the foreign countries in which they provide service. Accordingly, they lack market power and Transferee and Licensee are entitled to a presumption of non-dominant treatment.
- (n) Transferee and Licensees 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 1998. *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). The Application qualifies for streamlined treatment under Section 63.12(c) because Transferee

qualifies for a presumption of non-dominance under Section 63.10(a)(3) for the reasons detailed in response to paragraphs (k) and (m) above. In addition, Licensee is not a foreign carrier, is not currently 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), currently apply to Licensee.

V. <u>INFORMATION REQUIRED BY SECTION 63.04</u>

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 to transfer control of Licensee to Transferee 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) (i) Licensee provides or is authorized to provide competitive local exchange, competitive access and/or interexchange telecommunications services in the District of Columbia, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and West Virginia. Transbeam is also registered as a Voice over Internet Protocol ("VoIP") provider in California. Licensee provides intrastate or interstate telecommunications services or Voice over Internet Protocol services in Alabama, California, Colorado, Connecticut, the District of Columbia, Florida, Georgia, Idaho, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Tennessee, Texas and Virginia. Additional information about the services provided by Licensee is provided in Section I. Licensee leases its U.S. fiber network and does not own its own fiber within the United States.
- (ii) Transferee is authorized to provide competitive local exchange, competitive access and/or interexchange telecommunications services in California and New York.

Transferee provides regulated and non-regulated interstate and international communications services to customers throughout the United States. Additional information about the services provided by Transferee is provided in Section I.

In addition, Transferee's affiliate, HB Atlantic, provides interstate tele-communications services to customers in Arizona, Connecticut, California, Colorado, the District of Columbia, Florida, Georgia, Illinois, Massachusetts, Maryland, Michigan, Minnesota, Missouri, Nevada, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Texas, Washington, Virginia, Wisconsin, and Wyoming.

Transferee and HB Atlantic manage a leased fiber network within the United States. Neither company owns its own fiber within the United States.

(iii) To Transferee's knowledge, Transferee currently is not affiliated with any other telecommunications carriers. Upon and assuming completion of GTTA's acquisition of Global Capacity, however, GTTA will also be affiliated with Global Capacity, which provides or is authorized to provide competitive local exchange, competitive access and/or interexchange telecommunications services in the District of Columbia and every state except Alaska.³ Global Capacity also leases its U.S. fiber network and does not own its own fiber within the United States.

(a)(8) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. §63.03. In particular, with

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As described in WC Docket No. 17-176 and IB File No. ITC-T/C-20170626-00116, Global Capacity, through its One Marketplace, brings together customers and suppliers in an automated platform that provides ubiquitous access network solutions that deliver on its brand promise – Connectivity Made Simple. One Marketplace provides simple, cost-effective and high-performance network solutions that support the exploding bandwidth requirements driven by Cloud, mobility and globalization. Global Capacity delivers its solutions to telecommunication carriers, managed service providers, application service providers, and enterprise customers globally.

respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(ii) because, immediately following the Transaction, (i) neither Transferee nor Licensee (nor their Affiliates, as defined in the Act) is dominant with respect to any services, (ii) Transferee (and its Affiliates, as defined in the Act) will have a market share in the interstate, interexchange market of less than ten percent (10%), and (ii) 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 (or affiliate to a party) to the Transaction.

(a)(9) Other than the Section 214 authorizations described in this Application, Licensee does not hold any other authorizations or licenses from the Commission.

(a)(10) No party is requesting special consideration because it is facing imminent business failure. However, Applicants respectfully request expedited approval of the Applicant in order to allow for the timely closing of the Transaction and the efficient integration of Applicants' operations concurrently with those of GC Pivotal, LLC d/b/a Global Capacity ("Global Capacity"), which is also being acquired by GTTA. Expedited approval and closing will enable an efficient, cost-saving integration, and delivery of the combined entity's advanced cloud networking and connectivity services without delay. In order to achieve these objectives, Applicants are targeting closing on the Global Capacity acquisition and this Transaction by the end of September. Therefore, Applicants respectfully request expedited processing of the review and approval of this combined application in order to allow the parties to meet this schedule.

(a)(11) Not applicable.

(a)(12) Applicants submit that the Transaction is in the public interest. The Transaction will bring together two successful enterprises that have demonstrated a long-standing commit-

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See WC Docket No. 17-176; IB File No. ITC-T/C-20170626-00116.

ment to excellence in a highly competitive marketplace. The financial, technical, and managerial

resources of GTT are expected to enhance Transbeam's ability to compete in the telecommunica-

tions marketplace. Further, combining the existing networks of GTT and Transbeam will en-

hance their ability to serve their customers effectively and efficiently. At the same time, the

Transaction will have no adverse impact on, and should be seamless to, the Transbeam custom-

ers. Immediately following the Transaction, Transbeam will continue to provide high-quality

services at the same rates and on the same terms and conditions as are currently in effect. Any

future changes to the rates, terms and conditions of service will be undertaken pursuant to the

customers' contracts and applicable law. The only material change immediately following

closing of the Transaction will be that Transbeam's ownership will change, with Transferee, and

ultimately GTT Parent, being the new owners.

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 to transfer

ownership and control of Licensee to Transferee.

Respectfully submitted,

/s/ Marc Sellouck

Marc Sellouk

Chief Executive Officer

Transbeam, Inc.

8 West 38th Street, 7th Floor

New York, NY 10018

marc@transbeam.com

For Transbeam

<u>/s/Brett P. Ferencha</u>k

Andrew D. Lipman

Brett P. Ferenchak

MORGAN, LEWIS & BOCKIUS LLP

1111 Pennsylvania Ave., N.W.

Washington, DC 20004

202-739-3000 (tel)

202-739-3001 (fax)

andrew.lipman@morganlewis.com

brett.ferenchak@morganlewis.com

Counsel for Transferee

Dated: August 21, 2017

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EXHIBIT A

Current Ownership of Licensee

The following entities currently hold, directly or indirectly, a ten percent (10%) or greater interest⁵ in Licensee as calculated pursuant to the Commission's ownership attribution rules for wireline and international telecommunications carriers:

Name: Sam Kashi Address: c/o Transbeam

8 West 38th Street, 7th Floor

New York, NY 10018

Citizenship: United States

Principal Business: Individual (Telecommunications company executive)

% Interest: 33.73%

Name: Shoka Corp Address: c/o Transbeam

8 West 38th Street, 7th Floor

New York, NY 10018

Citizenship: United States

Principal Business: Individual (Telecommunications company executive)

% Interest: 27.89%

Name: Mar Sellouk Address: c/o Transbeam

8 West 38th Street, 7th Floor

New York, NY 10018

Citizenship: United States

Principal Business: Individual (Telecommunications company executive)

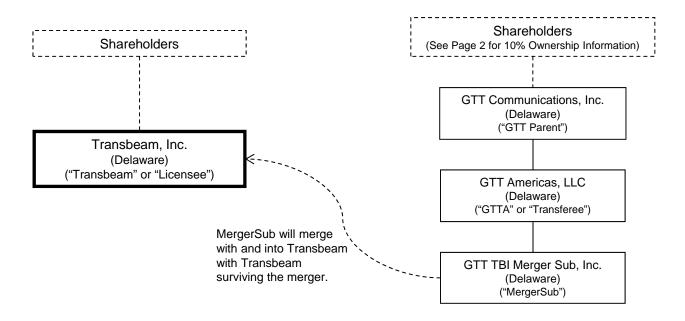
% Interest: 22.26%

Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.

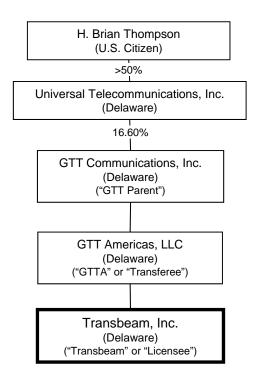
EXHIBIT B

Pre- and Post-Transaction Corporate Ownership Structure Charts

Pre-Transaction Ownership Structure of Licensee



Post-Transaction Ownership Structure of Licensee



VERIFICATION

I, Tony Hansel, state that I am Vice President and Deputy General Counsel of GTT Communications, Inc.; that I am authorized to make this Verification on behalf of GTT Communications, Inc. and its subsidiaries, including GTT Americas, LLC (collectively, the "Company"); that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this day of August, 2017.

Tony Hansel

Vice President and Deputy General Counsel

DAWN BENAE KARP Notary Public Commonwealth of Virginia Registration No. 7529428 My Commission Expires Aug 31, 2020

GTT Communications, Inc.

VERIFICATION

I, Marc Sellouk, state that I am Chief Executive Officer of Transbeam, Inc. (the "Company"); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this $ZI^{5\dagger}$ day of August, 2017.

Marc Sellouk

Chief Executive Officer

Transbeam, Inc.