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

In the Matter of Application of))) WC Docket No. 20-
ACME Communications, Inc., Transferor) ITC
ETS Telephone Company, Inc. and)
ETS Cablevision, Inc., Licensees)
and Radiate Holdings, L.P., Transferee)
For Consent to a Transaction That Will Result in)
a Change of Control of Companies Holding Domestic)
and International Authority Pursuant to Section 214)
of the Communications Act of 1934, as Amended)

APPLICATION

ACME Communications, Inc. ("ACME"), ETS Telephone Company, Inc. ("ETS

Telephone"), ETS Cablevision, Inc. ("ETS Cablevision" and, together with ETS Telephone, the

"ETS Licensees") and Radiate Holdings, L.P. ("Radiate" and, collectively with ACME and the

ETS Licensees, the "Applicants"), pursuant to Section 214 of the Communications Act, as

amended (the "Act")¹ and §§ 63.04, 63.18 and 63.24 of the rules of the Federal Communications

Commission (the "Commission"),² respectfully request Commission approval for a Transaction

in which ACME will transfer control of the ETS Licensees to Radiate (the "Transaction").³

¹ 47 U.S.C. § 214.

² 47 C.F.R. §§ 63.04, 63.18, and 63.24.

³ Applicants are filing this as a combined domestic and international Section 214 application pursuant to Section 63.04(b) of the Commission's rules. The additional information required by § 63.04(b) of the Commission's rules is provided in **Attachment 1**.

The ETS Licensees provide competitive telecommunications services and cable services in Texas. ACME is the current investor-owner of the ETS Licensees. Radiate is an investment holding company for a group of global investment funds. The Transaction will provide the ETS Licensees with access to the financial resources and the strategic business acumen of Radiate and its investment fund affiliates. Moreover, as a result of the Transaction, the ETS Licensees will join the RCN Telecom Services, LLC ("RCN") /Grande Communications Networks, LLC ("Grande") /WaveDivision Holdings, LLC ("Wave") family of companies, which together form the sixth largest cable operator in the United States while operating as telecommunications providers in eleven jurisdictions, offering intrastate, interstate, and international telecommunications services. This combination is expected to materially strengthen the operations and enhance the market offerings of the ETS Licensees, to the benefit of Texas consumers. At the same time, the Transaction holds no adverse consequences either for consumers or for the telecommunications services markets. Consequently, grant of this application by the Commission will serve the public interest.

The Applicants respectfully request streamlined treatment for both the domestic and international portions of this application. The Transaction qualifies for such treatment for the reasons discussed below, in Section IV.

I. THE PARTIES

A. <u>ACME and the ETS Licensees</u>

ACME is a Texas corporation and investment holding company, located at 555 S. Flower St., Floor 31, Los Angeles, CA 90071. In 2017, ACME acquired all of the direct interests in En-Touch Systems, Inc., the parent of the ETS Licensees.⁴

⁴ WC Docket No. 17-94; IB File No. ITC-T/C-20170407-00061.

ETS Telephone, a Delaware corporation, is a Texas-based provider of competitive local and long distance telephone services to residential and business customers in communities in the general Houston, Texas area. ETS Telephone holds domestic Section 214 authority by operation of law,⁵ and also holds an international Section 214 license.⁶ ETS Telephone holds a Certificate of Authority (COA) from the Public Utility Commission of Texas to provide intrastate telecommunications services. ETS Telephone is a direct subsidiary of En-Touch Systems, Inc.

ETS Cablevision, a Delaware corporation and a wholly-owned subsidiary of ETS Telephone, provides cable services, and Voice over Internet Protocol, and domestic long distance services to customers in communities in the general Houston, Texas area. ETS Cablevision holds domestic Section 214 authority by operation of law and holds a state-issued Certificate of Franchise Authority from the Texas Public Utility Commission.

ETS Telephone and ETS Cablevision are each located at 11011 Richmond Avenue, Suite 400, Houston, TX 77042. Both companies market their services under the d/b/a En-Touch Systems.

B. <u>Radiate Holdings, L.P.</u>

Radiate, a Delaware limited partnership, is a holding company that is majority owned and controlled by certain investment funds ultimately controlled by the principals of TPG Global, LLC ("TPG Global" and, together with affiliated TPG companies, "TPG"). TPG is a leading global alternative asset firm founded in 1992 with investment platforms across a wide range of asset classes, including private equity, growth venture, real estate, credit, and public equity.

⁵ See 47 C.F.R. § 63.01.

⁶ See IB File No. ITC-214-19960311-00007.

David Bonderman and James G. Coulter, the principals of TPG Global, are both United States citizens.

For more than 25 years, TPG has provided resources and expertise to help strengthen and grow its portfolio companies, differentiating itself from other investors by providing innovative solutions to complex and challenging situations in various sectors. TPG, which currently has approximately \$72 billion of assets under management, has extensive experience with global public and private investments and is one of the most active private equity investors in the Internet ecosystem.

TPG also controls the RCN Telecom Services entities⁷, Grande, and Wave⁸ entities which, as of February 27, 2020, have over 990,000 customers and provide services such as industry-leading high-speed internet, cable services broadband products, digital TV, phone services and fiber optic solutions in areas of Massachusetts, Chicago, Pennsylvania, New York City, and Washington, DC (RCN), Texas (Grande Communications) and Washington, Oregon and California (Wave).

II. DESCRIPTION OF THE TRANSACTION

On February 18, 2020, Radiate Acquisition, Inc. ("RAQ"), a wholly-owned subsidiary of Radiate, entered into a Stock Purchase Agreement (the "Agreement") with ACME, En-Touch Systems, Inc. and an affiliate, Radiate Holdco, LLC (which was involved solely for purposes of a guaranty). The terms of the Agreement provide for RAQ to acquire all of the stock interests in

⁷ These include RCN Telecom Services (Lehigh) LLC, RCN Telecom Services of Philadelphia, LLC, RCN NY LLC 1, RCN Telecom Services of Massachusetts, LLC, RCN Telecom Services of Illinois, LLC (IL), RCN Telecom Services of New York LP, and Starpower Communications, LLC.

⁸ These include Wave Division I, LLC, Wave Division II, LLC, Wave Division III, LLC, Wave Division IV, LLC, Wave Division VII, LLC, Astound Broadband, LLC, Sawtooth Technologies, LLC, Cedar Communications, LLC, and Seattle's Best Internet, LLC.

En-Touch Systems, Inc. At closing, En-Touch Systems, Inc. will be a wholly-owned subsidiary of RAQ and an indirect wholly-owned subsidiary of Radiate. The ETS Licensees, which will remain intact and continue to operate pursuant to their Commission-granted authority, will be indirect, wholly-owned subsidiaries of Radiate. The Transaction does not involve the assignment of any telecommunications authorizations, and will be transparent to all customers of the ETS Licensees.

The pre-closing and post-closing ownership structures of the ETS Licensees are provided in charts appended as **Attachment 2**.

III. PUBLIC INTEREST STATEMENT

The Transaction will demonstrably benefit the public interest. Consummation of the Transaction will provide the ETS Licensees with access to the extensive financial, technical and operational resources of Radiate and its current affiliates, including the family of RCN, Grande, and Wave entities, thus strengthening their operations in the Texas telecommunications services and cable markets. At the same time, the ETS Licensees will contribute their own experience and resources to the RCN/Grande/Wave family of providers. These resources include an estimated 1,400 miles of the ETS Licensees' fiber network and an additional 22,000 residential and business customers in and in proximity to the largest city in Texas, within an area that serves customers and provides operations that is completely outside the area served by the Grande operations in Texas. As a result, the benefits of this Transaction will be felt not only by consumers in the ETS Licensees' operating territories but also throughout the combined territories of the RCN/Grande/Wave operating companies.

Even as these benefits are generated, the Transaction will have no adverse effects upon the operations of the ETS Licensees, their customers or the telecommunications markets in

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Texas and nationwide. Following consummation of the Transaction, the ETS Licensees will continue to provide the full range of services they do today, without diminishment or interruption. Consequently, the Transaction will not reduce the range or quality of service options available to Texas consumers.

Similarly, the Transaction presents no anti-competitive concerns and will have no adverse impact on the U.S. domestic or international telecommunications markets. Each of the ETS Licensees (in combination) and the current Radiate subsidiaries (in combination) have a less than ten percent (10%) share of the interstate interexchange market, and the Transaction will not result in Radiate's subsidiaries post-transaction increasing the combined market share above ten percent (10%) or in a manner that could impair competition in these product markets. To the contrary, the presence of numerous other interexchange carriers operating nationwide will ensure the continued competitiveness of this service sector. Importantly, no local telecommunications market concentration will result from the Transaction. The ETS Licensees currently operate solely in Texas. Grande will be the only post-close affiliate of the ETS Licensees.

Finally, the Transaction will not raise any foreign affiliation issues with potential for anti-competitive effects upon the international telecommunications markets. Nor will it raise any foreign control issues with potential implications for U.S. national security.

IV. REQUEST FOR STREAMLINED TREATMENT OF THE APPLICATION

Applicants respectfully request streamlined treatment of both components of the Application pursuant to Section 63.03 (domestic) and Section 63.12 (international) of the

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Commission's rules.⁹ Following consummation of the Transaction, Radiate and its affiliates, as defined in Section 3(1) of the Act ("Affiliates") (i) collectively will have less than a ten percent (10%) share of the interstate, interexchange market; (ii) will provide local exchange service, if at all, only in areas served by dominant local exchange carriers that are not a party to the Transaction; (iii) will not be dominant with respect to any U.S. service; and (iv) will not be affiliated with a foreign carrier. Additionally, after the consummation of the Transaction, Radiate and its Affiliates will not be affiliated with any dominant U.S. carrier with international switched or private line services they seek authority to resell.

V. INFORMATION REQUIRED BY SECTION 63.24(E) OF THE COMMISSION'S RULES

Pursuant to Commission rule Section 63.24 (e), the Applicants provide the following responses to, and certifications for, paragraphs (a)-(d) and (h)-(p) of Commission rule Section 63.18.

(a) Name, address, telephone number

ACME Communications, Inc. 555 S. Flower St., Floor 31 Los Angeles, CA 90071 Tel: (213) 810-8188 FRN: 0026421313

ETS Telephone Company, Inc. ETS Cablevision, Inc. 11011 Richmond Avenue, Suite 400 Houston, TX 77042 Tel: (281) 225-1000 ETS Telephone, Inc. FRN: 0004322814 ETS Cablevision, Inc. FRN: 0003749678

⁹ 47 C.F.R. §§ 63.03, 63.12.

Radiate Holdings, L.P. 650 College Road East, Suite 3100 Princeton, NJ 08540 Tel: (609) 452-8197 FRN: 0025854779

(b) Citizenship

ACME is a Texas corporation. The ETS Licensees are each Delaware

corporations. Radiate is a Delaware limited partnership.

(c) Contact information for Correspondence

Correspondence concerning this Application should be sent to:

For ACME and the ETS Licensees:

Robert E. Stup, Jr. Matthew G. Baker Squire Patton Boggs (US) LLP 2550 M Street, NW Washington, DC 20037 Telephone: (202) 626-6721 Email: <u>robert.stup@squirepb.com</u> <u>matthew.baker@squirepb.com</u>

With a Copy to:

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

For Radiate:

Kelley Drye & Warren, LLP Edward A. Yorkgitis, Jr. Winafred R. Brantl 3050 K St., NW Suite 400 Washington, D.C. 20007 Michael R. Dover 333 West Wacker Drive, Suite 2600 Chicago, IL 60606 Tel: (202) 342-8540 (Yorkgitis) (312) 857-7087 (Dover) Email: cyorkgitis@kelleydrye.com wbrantl@kelleydrye.com mdover@kelleydrye.com

With a Copy to:

Jeffrey B. Kramp General Counsel Radiate Holdings, L.P. 650 College Road East, Suite 3100 Princeton, NJ 08540 Telephone: (609) 681-2290 Email: jkramp@patmedia.us

Joe Kahl RCN / Grande / Wave 650 College Road East, Suite 3100 Princeton, NJ 08540 Email: joe.kahl@rcn.net

(d) International 214 Authorizations:

ACME is not a carrier and does not hold any Section 214 authority.

ETS Telephone and ETS Cablevision each hold blanket domestic Section 214 authority by operation of law.¹⁰ ETS Telephone also holds international Section 214 authority, granted on April 11, 1996 in IB File Number ITC-214-19960311-00007.¹¹

Radiate is not a carrier and does not hold any Section 214 authority. Radiate indirectly controls RCN, Grande and Wave, which, among them, hold several Section 214 authorizations. A list of these entities' Section 214 authorizations is provided as **Attachment 3**.

(h) Ten Percent or Greater Interest Holders/Interlocking Directorates

As noted above, ETS Cablevision is a wholly-owned subsidiary of ETS Telephone. After consummation of the Transaction, the following entities and/or individuals will own a ten percent (10%) or greater direct or indirect ownership interest in the ETS

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Name:	En-Touch Systems, Inc.
Address:	11011 Richmond Avenue, Suite 400, Houston, TX 77042
Citizenship:	Delaware
Percentage Interest:	100% direct equity
Principal Business:	Holding Company
Name:	Radiate Acquisition, Inc.
Name: Address:	Radiate Acquisition, Inc. 650 College Road East, Suite 3100, Princeton, NJ 08540
Address:	650 College Road East, Suite 3100, Princeton, NJ 08540
Address: Citizenship:	650 College Road East, Suite 3100, Princeton, NJ 08540 Delaware

¹⁰ See 47 C.F.R. § 63.01.

¹¹ The grant, originally labelled File No. ITC-96-108, was issued to ETS Telephone under its former name, Kingsgate Telephone Inc.

Name: Address: Citizenship: Percentage Interest: Principal Business:	Radiate HoldCo, LLC c/o TPG Global, LLC, 301 Commerce Street, Suite 3300, Fort Worth, TX 76102 United States 100% indirect equity Holding Company
Name: Address: Citizenship: Percentage Interest: Principal Business:	Radiate TopCo, LLC c/o TPG Global, LLC, 301 Commerce Street, Suite 3300, Fort Worth, TX 76102 United States 100% indirect equity Holding Company
Name: Address: Citizenship: Percentage Interest: Principal Business:	Radiate Holdings, L.P. c/o TPG Global, LLC, 301 Commerce Street, Suite 3300, Fort Worth, TX 76102 United States 100% indirect equity Holding Company
Name: Address: Citizenship: Percentage Interest: Principal Business:	TPG VII Radiate Holdings I, L.P. c/o TPG Global, LLC, 301 Commerce Street, Suite 3300, Fort Worth, TX 76102 United States 46.6% indirect equity (rounded) Holding Company
Name: Address: Citizenship: Percentage Interest: Principal Business:	TPG VII Wakeboard Holdings, L.P. c/o TPG Global, LLC, 301 Commerce Street, Suite 3300 Fort Worth, TX 76102 United States 34.9% indirect equity (rounded) Holding Company
Name: Address: Citizenship: Percentage Interest: Principal Business:	TPG VII Radiate Holdings, LLC c/o TPG Global, LLC, 301 Commerce Street, Suite 3300 Fort Worth, TX 76102 United States 46.6% indirect equity (rounded) Holding Company

Name: Address: Citizenship: Percentage Interest: Principal Business:	TPG VII DE AIV Holdings, L.P. c/o TPG Global, LLC, 301 Commerce Street, Suite 3300 Fort Worth, TX 76102 United States 58.89% indirect equity (rounded) Holding Company
Name: Address:	TPG Wakeboard BL, LLC c/o TPG Global, LLC, 301 Commerce Street, Suite 3300 Fort Worth, TX 76102
Citizenship:	United States
Percentage Interest:	14.99 % indirect equity (rounded)
Principal Business:	Holding Company
Name: Address:	TPG Wakeboard Co-Invest II, L.P. c/o TPG Global, LLC, 301 Commerce Street, Suite 3300 Fort Worth, TX 76102
Citizenship: Percentage Interest: Principal Business:	United States 14.99% indirect equity (rounded) Private Equity Fund

No other entity or individual will own a ten percent (10%) or greater direct or indirect equity or voting interest in the ETS Licensees. There are no interlocking directorates with foreign carriers.

(i) Foreign Carrier Affiliation Certification

The ETS Licensees will not acquire any foreign carrier affiliates as a result of the

Transaction.

(j) Foreign Carrier and Destination Countries

The Applicants certify that, upon consummation of the Transaction, the ETS

Licensees will not provide international telecommunications services to any destination country in which: (1) they or Radiate are a foreign carrier in the destination market; (2) they or Radiate control a foreign carrier in the destination market; (3) any entity that owns more than twenty five percent (25%) of, or that controls, the ETS Licensees or Radiate, 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 twenty-five percent (25%) of the ETS Licensees or Radiate and are parties to, or the beneficiaries of, a contractual relationship affecting the provision or marketing of international basic telecommunications services in the United States.

(k) WTO Membership of Destination Countries

Not applicable.

(l) Reserved

(m) International Telecommunications Services

Radiate is an investment holding company and does not operate as a telecommunications provider. In the event that the Commission classifies the ETS Licensees as dominant on a foreign route, which they should not, the ETS Licensees agree that they will not resell the international switched services of an affiliated, facilities-based U.S. carrier to such foreign point except in accordance with Commission rules.

(n) Special Concessions Certification

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 sufficient market power on the foreign end of the route to adversely affect competition in the U.S. market, and, further, that they will not enter into such agreements in the future.

(o) Federal Benefits/Anti-Drug Act of 1988 Certification

The Applicants certify, pursuant to §§ 1.2001 through 1.2003 of the Commission's rules, that they are not subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

(p) Eligibility for Streamlined Processing

(Answer to IBFS Main Form Question 20)

The Applicants request streamlined processing of this Application pursuant to § 63.12 of the Commission's rules, 47 C.F.R. § 63.12, for the reasons set forth in Section IV of this Application.

WHEREFORE, for the foregoing reasons, the Applicants respectfully request that the

Commission expeditiously act to approve the Transaction described herein.

Respectfully submitted,

Radiate Moldings, In Jeffrey-B. Kramp

General Counsel Radiate Holdings, L.P. 650 College Road East, Suite 3100 Princeton, NJ 08540 Tel: (609) 681-2290 Fax: (609) 452-2540 Email: jkramp@patmedia.us

Kelley Drye & Warren, LLP Edward A. Yorkgitis, Jr. Winafred R. Brantl 3050 K St., NW Suite 400 Washington, D.C. 20007 Michael R. Dover 333 West Wacker Drive, Suite 2600 Chicago, IL 60606 Telephone: (202) 342-8540 (312) 857-7087 Email: cyorkgitis@kelleydrye.com wbrantl@kelleydrye.com

Its Attorneys

March 6, 2020

ACME Communications, Inc.

Jim Chiu

President 555 Flower Street, 31st Floor Los Angeles, CA 90071

ETS Telephone Company, Inc. ETS Cablevision, Inc.

Sam Luxton President & CEO 11011 Richmond Avenue, Suite 400 Houston, TX 77042

Robert E. Stup, Jr. Matthew G. Baker Squire Patton Boggs (US) LLP 2550 M Street, NW Washington, DC 20037 Telephone: (202) 626-6721 Email: <u>robert.stup@squirepb.com</u> matthew.baker@squirepb.com

Its Attorneys

LIST OF ATTACHMENTS AND EXHIBITS

Attachment 1	Information required by 47 C.F.R. §63.04	
Attachment 2	Pre-Transaction and Post-Transaction Organizational Charts	
Attachment 3	Licensing and Operational Details for the RCN/Grande/Wave Operating Companies	

Attachment 1

INFORMATION REQUIRED BY 63.04(b)

In accordance with the requirements of § 63.04(b) of the Commission's rules, Applicants provide the following information:

63.04(a)(6): Description of the Transaction

The Transaction is described in Section II of the Application.

63.04(a)(7): Description of Geographic Service Area and Services in Each Area

A description of the geographic service areas and services provided in each area is described in Section I of the Application.

63.04(a)(8): Presumption of Non-Dominance and Qualification for Streamlining

This Application is eligible for streamlined processing for the reasons described in Section IV of the Application.

63.04(a)(9): Other Pending Commission Applications Concerning the Proposed Transaction

There are no other pending Commission applications concerning the proposed Transaction.

63.04(a)(10): Special Considerations

Not Applicable.

63.04(a)(11): Waiver Requests (If Any)

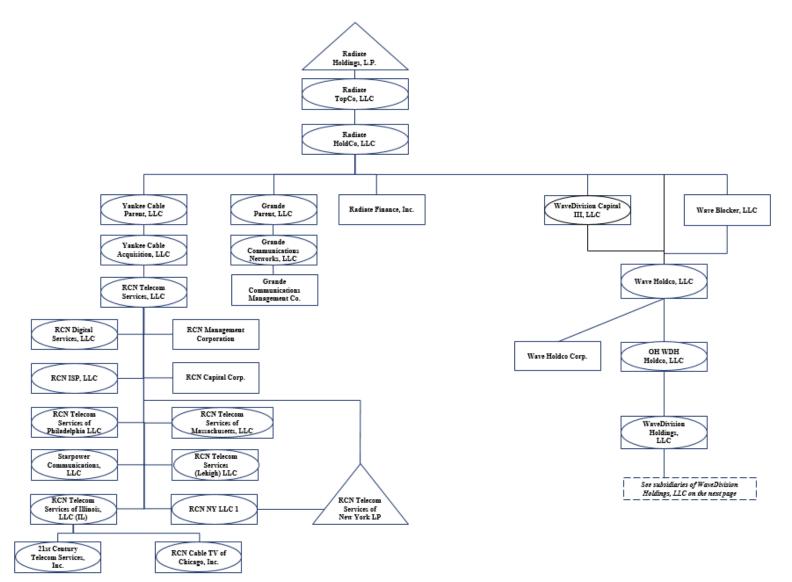
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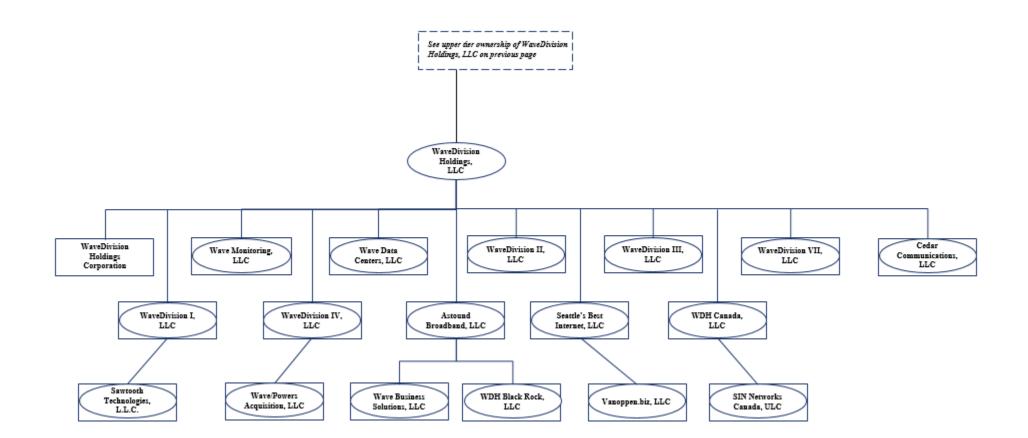
63.04(a)(12): Public Interest Statement

The Transaction is in the public interest for the reasons detailed in Section III of the Application.

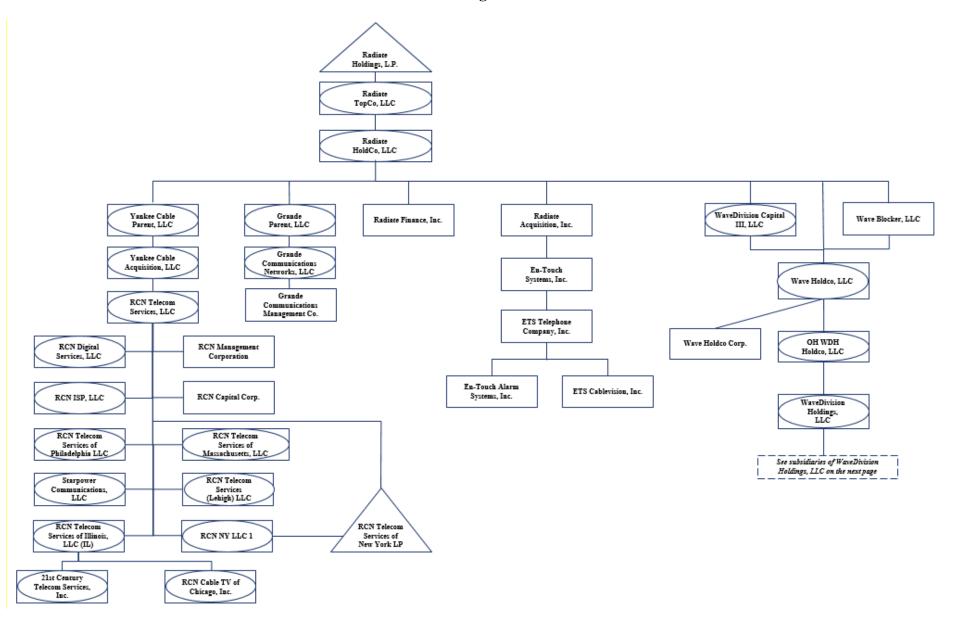
Attachment 2

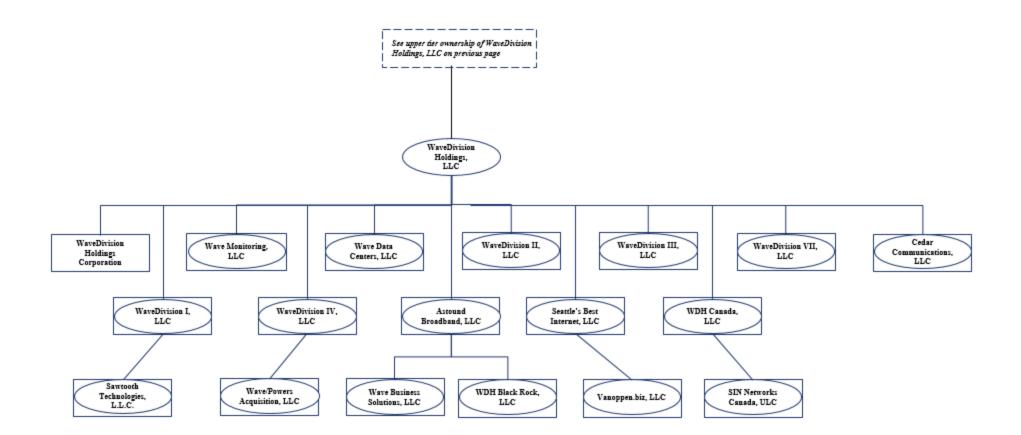
Pre-Transaction Organizational Chart





Post-Transaction Organizational Chart





Attachment 3

Licensing and Operational Details for the RCN/Grande/Wave Operating Companies

	International Bureau File Number
Astound Broadband, LLC	ITC-214-20050701-00565
Grande Communications Networks LLC	ITC-214-20001108-00651
RCN Telecom Services (Lehigh) LLC	ITC-214-19961004-00490
RCN Telecom Services of Philadelphia, LLC	ITC-214-19970707-00379
RCN Telecom Services of New York, LP	ITC-214-19970707-00384
RCN Telecom Services (Lehigh) LLC	ITC-214-19970717-00411
RCN Telecom Services (Lehigh) LLC	ITC-214-19970723-00430
RCN Telecom Services of Massachusetts, LLC	ITC-214-19971027-00661
RCN Telecom Services of Illinois, LLC	ITC-214-19980731-00532
RCN Telecom Services (Lehigh) LLC	ITC-214-19981002-00679
Starpower Communications, LLC	ITC-214-19980116-00024

Each of these companies also holds blanket domestic Section 214 authority.