



PUBLIC NOTICE

06-00169

Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Fax-On-Demand 202 / 418-2830
TTY 202 / 418-2555
Internet: <http://www.fcc.gov>
<ftp.fcc.gov>

DA 06-1522

Released: July 26, 2006

DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL OF ATX LICENSING, INC. TO BROADVIEW NETWORKS HOLDINGS, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 06-132

Comments Due: August 9, 2006

Reply Comments Due: August 16, 2006

On June 27, 2006, Broadview Networks Holdings, Inc. ("Broadview Holdings") and ATX Licensing, Inc. ("ATX") (collectively, the "Applicants"), filed an application, pursuant to section 63.04 of the Commission's rules,¹ requesting authority to transfer control of ATX to Broadview Holdings.²

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules because the proposed transaction will result in: (1) Applicants and their affiliates holding less than a 10% share of the interstate, interexchange market; (2) Applicants and their affiliates providing local exchange service only in areas served by dominant local exchange carriers (none of which is a party to the proposed transactions); and (3) none of the Applicants or their affiliates are dominant with respect to any service.³

ATX, a Delaware corporation, provides local exchange carrier and interexchange carrier telephone, Internet, e-business, and high-speed data services to business and residential customers throughout the Mid-Atlantic and Midwest regions of the United States. ATX is

¹ 47 C.F.R. § 63.04; *see* 47 U.S.C. § 214.

² Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications.

³ *See* 47 C.F.R. § 63.03(b)(2)(i).

authorized to provide telecommunications services in 43 states and the District of Columbia.⁴ ATX is a wholly owned subsidiary of ATX Communications, Inc. (“ATX Communications”), a Delaware corporation. ATX Communications is a wholly owned subsidiary of Leucadia National Corporation, a publicly traded New York corporation.

Broadview Holdings, a privately-held Delaware corporation, is authorized to provide competitive local and/or long distance telecommunications services in 29 states and the District of Columbia through its four subsidiaries: Broadview Networks, Inc., a New York corporation; Broadview NP Acquisition Corp., a Delaware corporation; BridgeCom International, Inc., a Delaware corporation; and TruCom Corporation, a New York corporation.⁵ Peter Barris, a director of Broadview Holdings, is also a director of ProtoStar Ltd., a non-dominant telecommunications services carrier in Bermuda. The following entities own a 10% or greater equity interest in Broadview Holdings: Baker Communications Fund II (QP), L.P., a U.S. entity (17%),⁶ and MCG Finance Corporation IH (“MCG Finance”), a U.S. entity (40%).⁷ MCG Finance is wholly owned by MCG Capital Corporation (“MCG Capital”), a U.S. entity. Applicants assert that no entity owns more than 10% of MCG Capital, and to the best of the Applicants’ knowledge, no other person or entity will directly or indirectly own 10% or more of the equity of Broadview Holdings.

Applicants propose to complete a transaction whereby Broadview Holdings will purchase all outstanding shares of ATX Communications, the parent of ATX. Applicants therefore request authority for the indirect transfer of control of ATX Communication’s subsidiary, ATX, to Broadview Holdings.

Applicants state that the proposed transaction will serve the public interest because it will be seamless and completely transparent to ATX’s customers, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to customers. In addition, the Applicants note that ATX customers will continue to receive services under the same rates,

⁴ ATX is authorized to provide telecommunications services in: Alabama, Arkansas, California, Colorado, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Maryland, Michigan, 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, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, and Wisconsin.

⁵ Broadview Holdings, through its four subsidiaries, is authorized to provide telecommunications services in: Arkansas, California, Colorado, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Montana, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, Texas, Vermont, Washington, and West Virginia.

⁶ The general partner of Baker Communications Fund II (QP), L.P. is Baker Capital Partners II, L.L.C., a U.S. limited liability company.

⁷ Although MCG has a 60% majority voting control over Broadview Networks, its economic interest in Broadview Networks will be approximately 40%.

terms, and conditions as those services are presently provided.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before August 9, 2006 and reply comments on or before August 16, 2006.**⁸ Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31st day after the date of this notice.⁹ Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/> or the Federal eRulemaking Portal: <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- **For ECFS filers,** if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- **Paper Filers:** Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

⁸ See 47 C.F.R. § 63.03(a).

⁹ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: <http://www.fcc.gov/cgb/ecfs/>. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Cecilia Seppings, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C230, Washington, D.C. 20554; email: cecilia.seppings@fcc.gov;
- (3) Adam Kirschenbaum, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C211, Washington, D.C. 20554; e-mail: adam.kirschenbaum@fcc.gov;
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room

CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CYB402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Cecilia Seppings at (202) 418-1588, or Adam Kirschenbaum at (202) 418-7280.

- FCC -