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December 28, 2012

VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY

Chairman, Tennessee Regulatory Authority
c/o Sharla Dillon, Dockets and Records Manager
460 James Robertson Parkway
Nashville, TN 37243-0505
(615) 741-3939

Re: McGraw Communications, Inc.
Docket No. 12-00134

Dear Mr. Foster:

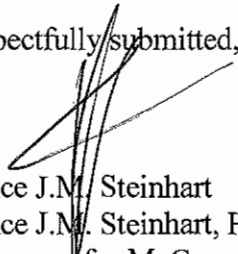
Enclosed please find for filing an original and four (4) copies of the responses to Data Request No. 1 for McGraw Communications, Inc. This filing has been electronically submitted on December 28, 2012 to Sharla.Dillon@tn.gov.

APPLICANT HAS ALSO ENCLOSED ONE COPY OF ITS FINANCIAL INFORMATION IN A SEPARATE ENVELOPE AND HEREBY RESPECTFULLY REQUESTS CONFIDENTIAL TREATMENT OF THE ENCLOSED FINANCIAL INFORMATION THAT CONTAINS CONFIDENTIAL AND PROPRIETARY INFORMATION. APPLICANT EXPECTS THAT THIS INFORMATION WILL BE RESTRICTED TO COUNSEL, AGENTS AND EMPLOYEES WHO ARE SPECIFICALLY ASSIGNED TO THIS APPLICATION BY THE COMMISSION.

I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self-addressed, postage prepaid envelope.

If you have any questions or if I may provide you with additional information, please do not hesitate to contact me.

Respectfully submitted,


Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
Attorneys for McGraw Communications, Inc.

Enclosures
cc: Sadia Mendez

Question 1 Provide a fax number and an email address for the Chief Executive Officer, as well as for the Regulatory Department.

ANSWER: **The fax number and email address for Francis X. Ahearn, Chief Executive Officer, is as follows: 877-475-3700; fahearn@mcgrawcom.net. The fax number and email address for the Regulatory department is: 212-658-9024; smendez@mcgrawcom.net.**

Question 2 In the states where McGraw Communications, Inc. is offering service, please list all complaints filed against the company with any state or federal regulatory agency.

ANSWER: **None.**

Question 3 The application indicates that McGraw Communications, Inc. will market its services via "Direct Sales" and telesales by its own employees. Provide a copy of the script to be used by employees of McGraw Communications when engaging in telesales.

ANSWER: **McGraw Communications, Inc. uses an extensive training system to prepare all sales representatives. When calling or speaking directly with a potential customer the sales representative follows a McGraw provided Power Point presentation, attached as Exhibit A. There is not an assigned script, the presentation acts as a guide for all sales representatives.**

Question 4 What company will McGraw Communications use for third party verification of its telesales? Provide a copy of the contract between McGraw Communications and the third party verification company. Also provide a copy of the script to be used by the third party verification company.

ANSWER: **McGraw Communications, Inc. does not use telesales to sign up a customer; therefore a third party verification is not required. Initial contact with a potential client may be set up via phone, signing the customer up is only done in person.**

Tennessee Regulatory Authority

December 21, 2012

Docket No. 12-00134

Question 5 The financial information provided by McGraw Communications with the application was for the twelve months ending December 31, 2011. Please provide the same information for the previous three (3) years.

ANSWER: Attached in a separate sealed envelope marked **CONFIDENTIAL**.

Exhibit A

[McGraw Communications Inc.]

McGraw Communications

McGraw
communications

Get on with your business.™

Topics of Discussion

- Who is McGraw?
- Business Model
- Why Work with McGraw
 - Core Carrier Services
 - Specialized Carrier Services
 - Unique Redundancy Solutions
 - Project Management
 - Our Philosophy of Customer Support
 - Customers who rely upon McGraw today



McGraw
Communications

Get on with your business.™

Who is McGraw Communications?

- McGraw Communications is a unique Competitive Local Exchange Carrier (CLEC), who utilizes best of breed underlying carrier backbones to deliver the most robust network and customer experience available in telecommunications today.
- Founded in 1996 by the same ownership team who still manages McGraw today.
- As of 2012, McGraw Communications is one of the oldest CLECs in the United States and serves over 2,000 corporate customers nationwide.

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The McGraw Business Model

- Financial Strength
 - Zero Debt with No Outside Investors
 - 100% Management Owned
 - Inc. Magazine's 2009, 2010, & 2011 list of fastest growing private companies
 - Phone+ Magazines Top 50 Channel Program
 - Maintains it's NOC here in Midtown NYC

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The McGraw Business Model

- Carrier Network Diversity-
- Strength of Our Spending Power-
- Enterprise Level Customer Support-
- Our Concept of the “White Glove” Customer Experience.

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Communications

Get on with your business.™

Why Work with McGraw?

- Core Carrier Solutions
 - Local And Long Distance Voice
 - Dedicated Internet via TDM and Ethernet
 - Both National and International Private Lines
 - Diverse Wide Area Network Solutions
 - Best of Breed Audio/Web Conferencing



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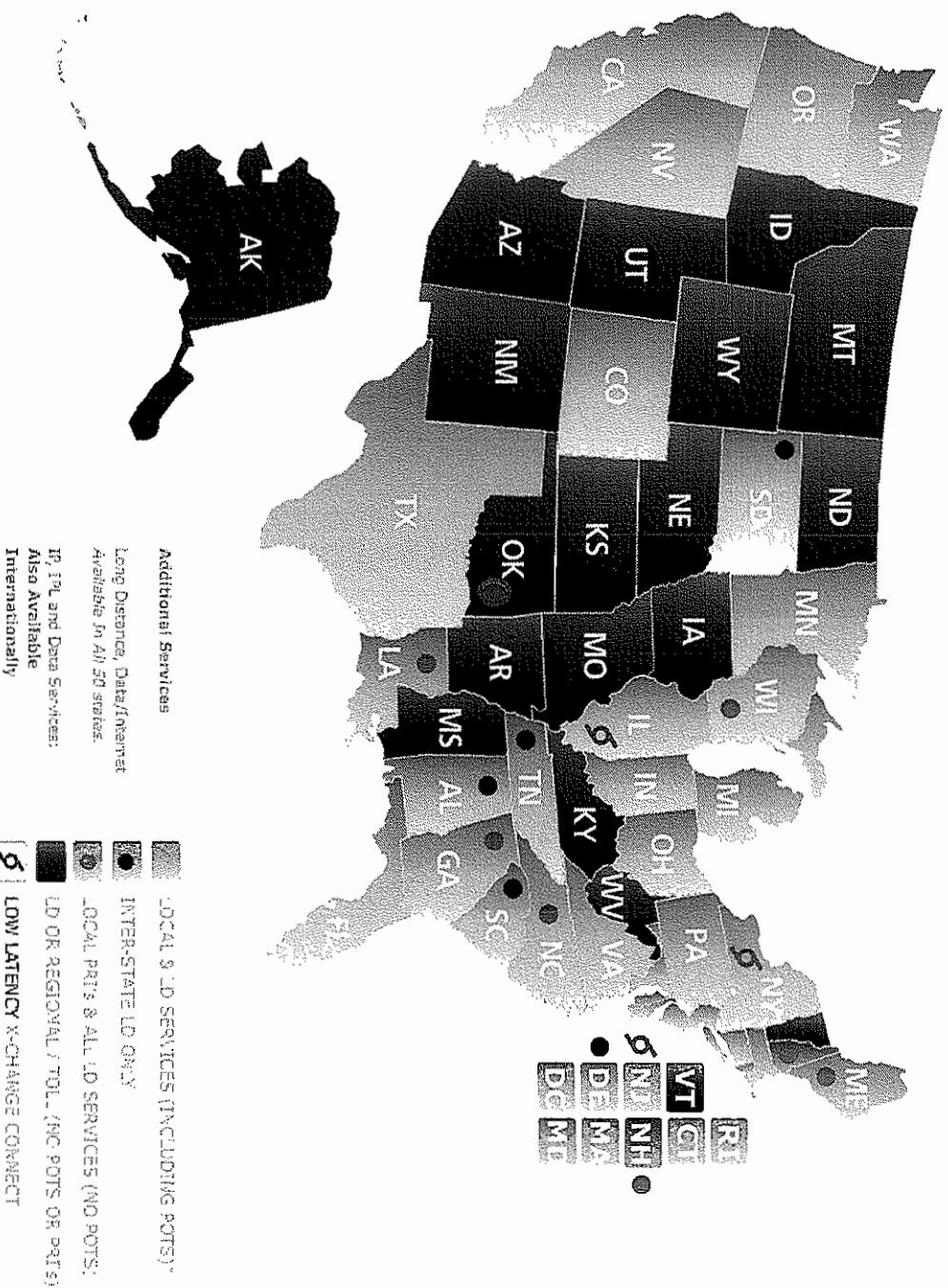
Why Work with McGraw?

- Specialized Carrier Services
 - InPacket (Hosted VoIP)
 - High Frequency Trading/Low Latency Routes
 - SIP Trunking
 - Managed VPN over Universal Broadband

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Service Coverage Map/Low Latency Hubs



Verizon
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Why Work with McGraw?

Delivering Unique Network Redundancy

- Multiple underlying providers for local Dial Tone with ability to failsafe trunk groups between carriers.
- Ability to deliver separate ISPs and coordinate BGP between providers.
- Upwards of 25 different underlying carrier providers
- Tariffed in 26 States for POTs Lines and DSL from Local Exchange providers

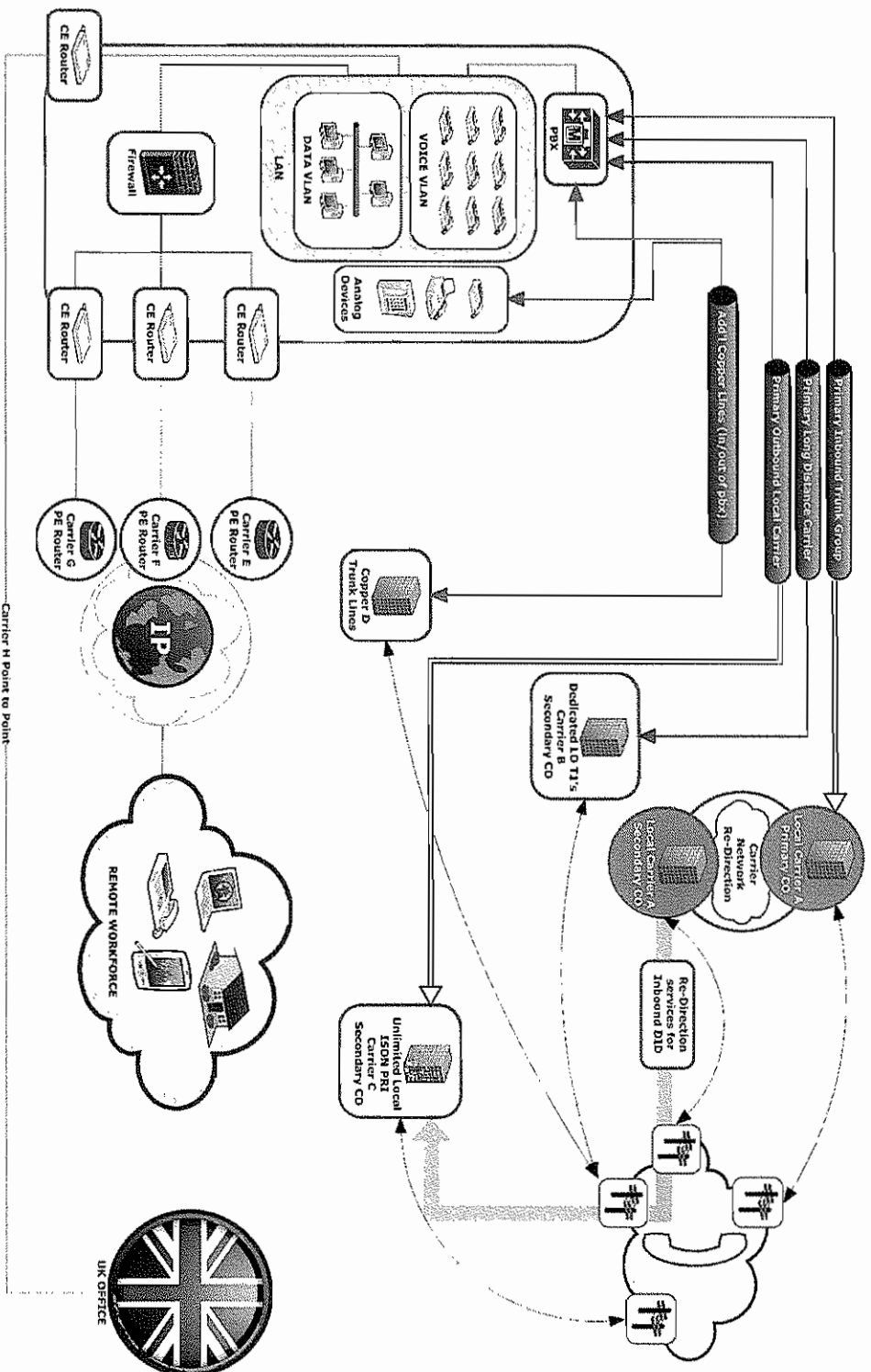
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Why Work with McGraw?

- Unique Redundant Network



McGraw

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Why Work with McGraw?

Project Management

PENDING PROJECT	ASSIGNED	NOT ASSIGNED
NEW INSTALL	<ul style="list-style-type: none"> • Hosting • Circuits – 3+ • Circuits – site new construction – 3+ • VOIP • Telecom Expense Management (TEM) 	<ul style="list-style-type: none"> • DSL (even if adding POTS) • POTS • Single Circuit (ex. PRI) • Integrated
MOVES	<ul style="list-style-type: none"> • Circuit - site is new construction • Multi Service - 3+ services (excludes: single DSL, Calling Cards, Conf. Calling) • less than >10 POTS lines 	<ul style="list-style-type: none"> • POTS only • PRI + back up POTS • Single Internet • Integrated
MIGRATIONS	<ul style="list-style-type: none"> • ≥ 3 site CLEC to CLEC migration 	<ul style="list-style-type: none"> • < 3 site CLEC to CLEC migration (w/ new install & port)
Multi Service (Single Location)		<ul style="list-style-type: none"> • 1 PRI + POTS (includes: single DSL, Calling Cards, Conference Calling) • less than >10 POTS lines
Multi Locations	<ul style="list-style-type: none"> • POTS (≥ 10 locations) • Circuits (≥ 2 locations) 	<ul style="list-style-type: none"> • POTS (< 10 locations)
Professional Services / Revenue Based	<ul style="list-style-type: none"> • ICB 	

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The McGraw Difference Provisioning

Overall Timeframe by Carrier 2011

<u>CARRIER</u>	<u>AVERAGE TIMEFRAME (BUSINESS DAYS)</u>	<u>LARGEBANDWIDTH APPLICATION/ETHERNET</u>	<u>AVERAGE TIMEFRAME (BUSINESS DAYS)</u>
Paetec	21.5	10 MG Ethernet (Broadview)	29.8
Verizon Business	20.9	20 MG Ethernet (Transbeam)	21
Top Tier 1 Provider	45.2	15 MG Ethernet MPLS (Broadview)	26
Broadview	24.4	20 MG Ethernet (Top Tier 1 Provider)	129
Qwest	17.6	10 MG Ethernet (VZB)	67.5
XO	24.2	50 MG Ethernet (RCN)	34
Verizon Telco	26.7	Int'l PL (Deutsche)	62
Telepacific	7.0	10 MG Ethernet (RCN)	9
One Communications	19.7	DS-3 Internet (Qwest)	52
Nitel	45.0	6 MG Ethernet (TWT)	3
		10 MG Ethernet (XO)	21
Total/Avg.	22.5	Total/Avg.	38.9

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Get on with your business.™

Why work with McGraw?

- White Glove Service
 - Maintain our Customer Care team within our NYC Executive Offices
 - 24 x 7x 365 NOC Support
 - 3rd Party Surveys
 - Every trouble ticket opened
 - Every installation
 - 90% of all clients would recommend McGraw Communications

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The McGraw Difference: Customer Surveys

Provisioning

Month	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sept-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12
How would you rate your experience w/ McGraw?	8.7	9.1	8.9	9.4	9.1	8.9	9.1	9.4	8.9	9.1	9.1	9.1
How likely are you to recommend McGraw's service to others?	8.6	9.1	9.2	9.3	9.2	8.9	9.1	9.4	8.9	9.1	9.1	9.1

Customer Service

Month	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sept-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12
How would you rate your customer service rep?	8.0	8.1	8.1	7.8	8.2	8.1	8.1	8.0	8.0	8.1	8.2	8.2
How likely are you to recommend McGraw's service to others?	8.0	8.1	8.2	8.0	8.2	8.2	8.1	8.0	8.0	8.1	8.2	8.2

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Long Term Success Stories

- Hermes of Paris- 1996
- Weiser Mazaars LLP- 1996
- Sterling Testing Systems-1998
- QBE The Americas-1999

Customers Who Rely on McGraw Today

- Revlon-
- Town Sports International-
- Perkins Eastman Architects-
- The Zagat Survey
- Wall Street On Demand
- Trian Companies-
- Svenska Handelsbanken
- LVMH-Christian Dior

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