

Before the
PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSISSIPPI

FILED
MAR. 16 2021
MISS. PUBLIC SERVICE
COMMISSION

Wholesale Carrier Services, Inc.)
TC-123-1992-01)
)
and)
)
BCM One Group Holdings, Inc.)

'21-UA-42

**IN RE: JOINT APPLICATION OF WHOLESALE CARRIER SERVICES, INC. AND
BCM ONE GROUP HOLDINGS, INC., FOR CONSENT TO A TRANSACTION
THAT WILL RESULT IN A MATERIAL CHANGE TO THE OWNERSHIP
AND CONTROL OF AN AUTHORIZED TELECOMMUNICATIONS
CARRIER**

JOINT APPLICATION

Wholesale Carrier Services, Inc. (“WCS,” “Company,” or “Transferor”) and BCM One Group Holdings, Inc. (“BCM One Group Holdings” or “Transferee”) (collectively “Applicants”), by and through counsel pursuant to Miss. Code Ann. § 77-3-23 and Rule 8 of the Public Utilities Rules of Practice and Procedure, hereby respectfully request that the State of Mississippi Public Service Commission (“Commission”) grant authority, to the extent it may be required, for Applicants to consummate the transaction described below, which will result in a material change in the ultimate control of WCS.

As described in more detail below, consummation of the proposed transaction will serve the public interest by providing additional financial and managerial resources to WCS. This will enhance WCS’s maintenance and improvement of its network and services, as well as its ability to compete in the telecommunications marketplace.

The proposed transaction will not result in any assignment of certificates, licenses, assets, or customers. Following consummation of the transaction, WCS will continue to provide service to its existing customers pursuant to its existing rates, terms, and conditions. The transaction will be seamless to WCS's customers.

In addition, the transaction will not have any adverse impact on competition in the State of Mississippi. There will not be any reduction in the number of competitors in the state, and consumers will continue to have access to the same competitive alternatives that are currently available. Approval of the transaction will therefore serve the public interest.

In support of their Joint Application, the Applicants respectfully submit the following:

I. THE APPLICANTS.

A. Wholesale Carrier Services (TC-123-1992-01).

WCS is a corporation organized under the laws of the State of Florida.¹ It is registered with the Mississippi Secretary of State as a foreign for-profit corporation, and currently is in good standing.² WCS provides enterprise solutions to businesses. It offers Time Division Multiplexing ("TDM") and Internet Protocol-based voice services, and other connectivity services.

WCS has been issued a Certificate of Public Convenience and Necessity ("CPCN") by the Commission to operate as a reseller of intrastate, interLATA direct dialed services and certain intraLATA services throughout the State of Mississippi,³ and a CPCN to operate as a provider of resold and facilities-based/UNE local switched telecommunications services throughout the State

¹ Florida Department of State, Division of Corporations, Document No. P96000042828 (May 20, 1996). WCS's current status is active.

² Mississippi Secretary of State, Business ID No. 717921, effective May 30, 2002.

³ *Application of Wholesale Carrier Services, Inc., for a Certificate of Public Convenience and Necessity to Operate as a Reseller of Intrastate Telecommunications Services*, Case No. 02-UA-0402, Order (Sept. 6, 2002).

of Mississippi.⁴ The principal office of WCS is located at 12350 NW 39th Street, Coral Springs, Florida 33065. The telephone number of the Company is (888) 940-5600.

B. BCM One Group Holdings, Inc.

BCM One Group Holdings is incorporated in Delaware, the Certificate of Incorporation having been filed in the Office of the Secretary of the State of Delaware on September 14, 2018, Registration No. 7046551. The principal office of BCM One Group Holdings is located at 7676 Forsyth Blvd., Suite 2700, St. Louis, Missouri 63105. A controlling interest in BCM One Group Holdings is held by Thompson Street Capital Partners V, L.P. (“Thompson Street”). The principal office of Thompson Street is the same as that of BCM One Group Holdings.

Thompson Street is a limited partnership and is part of a privately held investment firm based in St. Louis, Missouri. The firm was founded in 2000 and has acquired more than 150 companies and managed more than \$2.6 billion in equity. Thompson Street specializes in growth capital, recapitalizations, management buyouts, and private investments in middle market companies. Thompson Street invests in companies to ensure that they are positioned for continued growth in their markets. The General Partner of Thompson Street is Thompson Street Capital V GP, L.P., a Delaware limited partnership.

II. DESCRIPTION OF THE TRANSACTION.

On February 23, 2021, BCM One Group Holdings and the owners of WCS entered into a Share Purchase Agreement (“SPA”) for BCM One Group Holdings (together with Thompson Street and its co-investors) to acquire WCS. Pursuant to the SPA, WCS will be acquired by BCM

⁴ *Application of Wholesale Carrier Services, Inc., for a Certificate of Public Convenience and Necessity to Provide Local Telecommunications Service*, Docket No. 2007-UA-429, Order (Sept. 25, 2008). WCS Mississippi Tariff No. 2, Local Exchange Telecommunications Services, was approved by the Commission on September 25, 2008.

One Group Holdings, indirectly through one of its wholly-owned subsidiaries, BCM One, Inc., a New York corporation (“BCM One”).⁵ Thompson Street holds approximately 70% of the equity and voting interests in BCM One Group Holdings.

The remaining approximately 30% of BCM One Group Holdings and BCM One is held separately and independently by certain individual investors, certain lender co-investors, and other commercial partners. Except for Thompson Street, no interest holder ultimately has equity or voting shares of 15% or greater in BCM One Group Holdings or BCM One.

Thompson Street is a Delaware Limited Partnership. Its general partner is Thompson Street Capital V GP, L.P. No limited partner in Thompson Street owns more than 15% of the equity of Thompson Street Capital Partners V, L.P.

Thompson Street Capital V GP, L.P. is a Delaware Limited Partnership. Its general partner is Thompson Street Capital LLC, a Delaware Limited Liability Company, and its sole member is James A. Cooper.

One of Thompson Street Capital V GP, L.P.’s limited partners, Thompson Street Capital Manager LLC, a Delaware limited liability company, owns approximately 16.9% of the equity of Thompson Street Capital V GP, L.P. The only other limited partners that own more than 15% of the equity of Thompson Street Capital V GP, L.P. are James A. Cooper and Robert C. Dunn.

⁵ Regardless of the intervening subsidiaries in the vertical ownership chain, WCS will be subject to the control of Thompson Street. BCM One, TC-123-2100-11, formerly known as McGraw Communications, Inc. (“McGraw Communications”), is a corporation engaged in the telecommunications business and duly organized and incorporated under the laws of the State of New York. NYS Department of State, Division of Corporations, DOS ID No. 2042126 (June 25, 1996). BCM One’s current status is active. BCM One is registered with the Mississippi Secretary of State as a for-profit foreign corporation, and currently is in good standing. Mississippi Secretary of State, Business ID No. 740022 (effective Oct. 2, 2003). BCM One, under its former name, was granted a CPCN by the Commission in 2004 to resell intrastate, interLATA direct-dialed telecommunications services throughout the State of Mississippi. *Application of McGraw Communications, Inc., for a Certificate of Public Convenience and Necessity to Operate as a Reseller of Intrastate Telecommunications Services*, Docket No. 03-UA-940, Order (Feb. 26, 2004).

Charts depicting the disclosable ownership structures pre-closing and post-closing are attached as **Exhibit A** and **Exhibit B**.

Several members of WCS's current management team will remain with WCS, continuing to direct its day-to-day operations. This will ensure that WCS's business decisions going forward will be guided by an experienced team with a proven record in the telecommunications field and with detailed knowledge and experience concerning the operations of WCS.

The transaction thus will join together the strength and success of WCS's performance in telecommunications markets with Thompson Street's management and financial expertise. The Applicants expect that the transaction will enable WCS to achieve measurable growth in its business operations, while also developing and implementing enhanced operating efficiencies.

III. CONTACT INFORMATION.

For Transferor:

Christopher Barton
President & CEO
Wholesale Carrier Services, Inc.
12350 NW 39th Street
Coral Springs, Florida 33065
Phone: (888) 940-5600
E-mail: cbarton@wcs.com

With copies to:

Leon L. Nowalsky
Nowalsky & Gothard, APLLC
1420 Veterans Memorial Blvd.
Metairie, LA 70005
Phone: (504) 832-1984
E-mail: lnowalsky@nbglaw.com

For Transferee:

Geoff Bloss
Chief Executive Officer
BCM One Group Holdings, Inc.
7676 Forsyth Blvd., Suite 2700
St. Louis, Missouri 63105
Phone: (212) 849-2260
E-mail: gbloss@bcmone.com

With copies to:

Kacey Guy Bailey
Glover, Young, Hammack, Walton &
Simmons, PLLC
1724A 23rd Avenue (39301)
Post Office Box 5514
Meridian, Mississippi 39302
Phone: (601) 693-1301 (Ext. 206)
E-mail: kacey@gloveryoung.com

and

Todd B. Lantor
Lukas, LaFuria, Gutierrez & Sachs, LLP
8300 Greensboro Drive, Suite 1200
Tysons, Virginia 22102
Phone: (703) 584-8671
E-mail: tlantor@fcclaw.com

IV. PUBLIC INTEREST STATEMENT; IMPACT ON CUSTOMERS.

The proposed transaction will advance the public interest. The transfer of control will not involve any assignment of operating authority, assets, or customers. WCS will benefit from the additional capital, in addition to Thompson Street's financial and managerial expertise, to better serve its existing customers and compete more effectively in the marketplace. Services will continue to be provided by experienced and qualified personnel.

Upon closing, WCS will continue to provide competitive and innovative services to existing customers in Mississippi at the same rates, terms, and conditions and in the same geographic areas as currently provided. Market conditions will determine any future changes in the rates, terms, or conditions of service, and will only be undertaken in a manner consistent with any applicable Mississippi and federal rules and regulations. The transaction is not intended—or expected—to result in the discontinuance, reduction, loss, or impairment of service to any customer.

The proposed transaction also will not harm competition in Mississippi. Only a small percentage of the telecommunications services available in the state are provided by WCS, even if combined with other entities BCM One Group Holdings directly or indirectly controls. Moreover, the market for telecommunications services is fiercely competitive among these types of providers. In all cases, the affected markets in Mississippi will continue to be served by a dominant local exchange carrier that is not a party to the transaction.

WCS will use the improvements resulting from the acquisition, among other things, to pursue the continued development of telecommunications technologies for use by its customers, including integrated, global voice, video, and instant messaging services, among other business services.

V. RULE 8 DISCLOSURES AND ATTACHMENTS.

Pursuant to Rule 8 of the Commission's Public Utilities Rules of Practice and Procedure, the Applicants provide the following information:

A. Formation Documents.

Items Required: For each party to the transaction, a copy of its corporate charter or articles of incorporation or, if a partnership, a copy of any written partnership agreement.

Copies of WCS's articles of incorporation, and BCM One Group Holdings' articles of incorporation, are attached as **Exhibit C**.

B. Authority to Transact Business in the State if Mississippi.

Items Required: If a party to the transaction is a foreign corporation, a copy of its authority to do business in the State of Mississippi.

Attached as **Exhibit D** is a copy of WCS's authority to do business in the State of Mississippi. BCM One Group Holdings is not required to qualify to do business in the State of Mississippi because of its status as a holding company.

C. Officers, Directors, and Owners of at Least Fifteen Percent.

Items Required: For each party to the transaction, the names and addresses of its board of directors, officers and any person owning fifteen percent (15%) or more of its stock. If not a corporation, the names and addresses of all owners or partners.

The names and addresses of the officers and directors of WCS and BCM One Group Holdings, and any person that will hold at least a 15% interest in WCS upon consummation of the transaction, are listed as **Exhibit E**.

D. Transaction Agreement.

Items Required: A copy of any and all written agreements concerning the proposed sale or transfer.

A copy of the Stock Purchase Agreement, dated as of February 23, 2021, is attached as

Exhibit F and is CONFIDENTIAL.

The SPA contains confidential information not generally available to the public. Due to the highly competitive nature of the telecommunications marketplace, the Applicants deem this information to be proprietary. The SPA is an exempt document under Sections 25-61-9, 25-61-11, 77-3-79, and 79-23-1 of the Mississippi Code and Rules 4.100.3 and 4.101.3 of the Commission's Public Utilities Rules of Practice and Procedure. Accordingly, the SPA has been marked as **CONFIDENTIAL** and is being submitted under seal to be maintained by the Commission and the Mississippi Public Utilities Staff on a confidential basis pursuant to Rules 4.100.3 and 4.101.3 and in accordance with Rule 6.109.

E. Acquisition Adjustment Information.

Items Required: If any acquisition adjustment to rate base or expenses is sought, a summary of the justifications therefore together with the details of all accounting adjustments proposed to be made.

No changes to WCS's rates, terms, or conditions of service will be made as a result of the transaction. The transaction also will not result in any acquisition adjustment to WCS's rate base or expenses.

F. Ownership of Other Mississippi Utility Operations.

Items Required: A list of any other Mississippi utility operations owned, directly or indirectly, by either party.

Neither WCS nor BCM One Group Holdings is affiliated with any other utility operation in the State of Mississippi.

G. Financial Statements.

Items Required: (a) For each party to the transaction, a balance sheet for the most recent month available which shall be not less than nine months prior to the filing date.

(b) For each party to the transaction, an operating statement of revenues and expenses for the twelve months ending as of the date of the balance sheet.

A balance sheet for WCS, for the month ending December 2020, and an operating statement of revenues and expenses for WCS for the 12-month period ending as of the date of the balance sheet, are attached as Exhibit G and are CONFIDENTIAL.

A balance sheet for BCM One Group Holdings and affiliates, for the month ending December 2020, and an operating statement of revenues and expenses for WCS for the 12-month period ending as of the date of the balance sheet, are attached as Exhibit H and are CONFIDENTIAL.

These financial statements contain confidential information not generally available to the public. Due to the highly competitive nature of the telecommunications marketplace, the Applicants deem this information to be proprietary. All of the documents in **Exhibit G** and **Exhibit H** are exempt documents under Sections 25-61-9, 25-61-11, 77-3-79, and 79-23-1 of the Mississippi Code and Rules 4.100.3 and 4.101.3 of the Commission's Public Utilities Rules of Practice and Procedure. Accordingly, these documents have been marked as CONFIDENTIAL and are being submitted under seal to be maintained by the Commission and the Mississippi Public Utilities Staff on a confidential basis pursuant to Rules 4.100.3 and 4.101.3 and in accordance with Rule 6.109.

H. Service of Notice on Interested Persons.

Items Required: An exhibit listing the names and addresses of all interested persons as defined in Rule 2K of the Commission's Rules of Practice and Procedure together with a certificate that the filing utility has served a notice of the filing upon each.

A copy of the form of the notice to be mailed to interested persons, and the list of interested persons to be served with the notice, are attached as **Exhibit I**.

I. Partial Transfer or Sale.

Items Required: In the case of a partial transfer or sale, the legal description of the certificated area being transferred and a reference to the orders or certificates granting said area to the transferring utility.

This requirement is not applicable to the transaction.

J. Testimony.

Items Required: All testimony to be relied upon at hearing.

The testimony of Geoff Bloss, Chief Executive Officer of BCM One Group Holdings, Inc., is attached as **Exhibit J**.

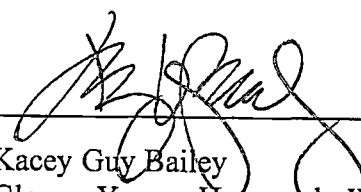
VI. CONCLUSION.

The Applicants respectfully submit that the proposed transfer of control serves the public interest. The transfer of control will not involve any assignment of operating authority, assets, or customers.

As the Applicants have explained, the proposed transfer of control will enhance competition that benefits WCS's business consumers that have access to enterprise solutions, including TDM and Internet Protocol-based voice services, and other connectivity services. These benefits include competitive pricing and increased availability of a variety of service options, enabling WCS to better serve its customers and compete more effectively in the marketplace.

Finally, as noted in Section IV., *supra*, the transfer of control will be seamless to WCS's customers in Mississippi because there will be no changes in the WCS's business practices, customer service offerings, and/or customer billing.

Wherefore, for the foregoing reasons, the Applicants respectfully request the Commission's approval and authority for the transfer of control of Wholesale Carrier Services, Inc., to BCM One Group Holdings.



Kacey Guy Bailey
Glover, Young, Hammack, Walton &
Simmons, PLLC
1724A 23rd Avenue (39301)
Post Office Box 5514
Meridian, Mississippi 39302
Phone: (601) 693-1301 (Ext. 206)
E-mail: kacey@gloveryoung.com

Attorney for BCM One Group Holdings, Inc.

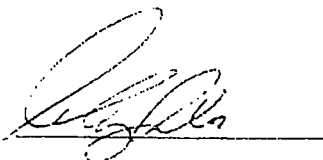
Dated: March 16th, 2021.

VERIFICATION

STATE OF NEW YORK §
 §
COUNTY OF MANHATTAN §

I, Geoffrey Bloss, hereby certify as follows:

1. I am Chief Executive Officer of BCM One Group Holdings, Inc.
2. I am familiar with the nature and contents of the foregoing documents.
3. The facts, statements, and representations contained in the foregoing documents, as they pertain to BCM One Group Holdings, Inc., are true and accurate to the best of my knowledge, information, and belief.



Geoffrey Bloss
Chief Executive Officer
BCM One Group Holdings, Inc.

Dated: 3/4/2021

Subscribed and sworn to before me this 4th day of March, 2021

Notary Public: Eileen M. Cohan

My Commission expires: _____

EILEEN M. COHAN	
NOTARY PUBLIC, STATE OF NEW YORK	
Registration No. 02CO6390903	
Qualified in Suffolk County	
Commission Expires	April 22, 2022

VERIFICATION

STATE OF LOUISIANA §
PARISH OF JEFFERSON §

I, Christopher Barton, hereby certify as follows:

1. I am President and Chief Executive Officer of Wholesale Carrier Services, Inc.
2. I am familiar with the nature and contents of the foregoing documents.
3. The facts, statements, and representations contained in the foregoing documents, as they pertain to Wholesale Carrier Services, Inc., are true and accurate to the best of my knowledge, information, and belief.

Chris L. Barton

Christopher Barton
President and Chief Executive Officer
Wholesale Carrier Services, Inc.

Dated: 3/02/21

Subscribed and sworn to before me this 2nd day of MARCH, 2021

Notary Public: [Signature]

My Commission expires: AT DEATH

LEON L. NOWALSKY
Notary Public, State of Louisiana
My Commission is issued for life.
Notary Number : 4339

CERTIFICATE OF SERVICE

I, Kacey Guy Bailey, attorney for the Applicants, do hereby certify that I have electronically filed the foregoing Joint Application with the following:

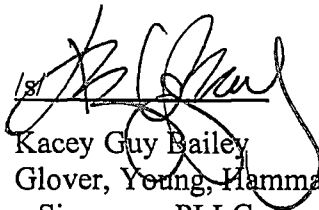
efile.psc@psc.state.ms.us

Katherine Collier
Executive Secretary and Acting General Counsel
Mississippi Public Service Commission
501 North West Street, Suite 201A
Jackson, MS 39201
katherine.collier@psc.state.ms.us

I further do also certify that, in the filing of the Joint Application, I have complied with the Commission's Public Utilities Rules of Practice and Procedure.

I further do also certify, in accordance with Rule 2.115 of the Commission's Public Utilities Rules of Practice and Procedure, that I have, as an attorney for the Applicants, caused to be served by United States Mail, postage pre-paid, a Notice of the Joint Application herein, in substantially the same form as included as Exhibit I, to the other certificated providers from the MPSC utility data base maintained by the Commission's Executive Secretary and as listed in Exhibit I to the Joint Application, in satisfaction of the Commission's requirements.

This 12th day of March, 2021.


Kacey Guy Bailey
Glover, Young, Hammack, Walton &
Simmons, PLLC
1724A 23rd Avenue (39301)
Post Office Box 5514
Meridian, Mississippi 39302
Phone: (601) 693-1301 (Ext. 206)
E-mail: kacey@gloveryoung.com

LIST OF EXHIBITS

- Exhibit A** Pre-Close Disclosable Ownership
- Exhibit B** Post-Close Disclosable Ownership of WCS
- Exhibit C** Articles of Incorporation
- Exhibit D** Authority to Transact Business in the State of Mississippi
- Exhibit E** Officers, Directors, and Owners of at Least Fifteen Percent
- Exhibit F** Transaction Agreement - **CONFIDENTIAL**
- Exhibit G** Wholesale Carrier Services, Inc., Financial Statements – **CONFIDENTIAL**
- Exhibit H** BCM One Group Holdings, Inc., Financial Statements - **CONFIDENTIAL**
- Exhibit I** Notice of the Joint Application to Interested Persons
- Exhibit J** Testimony of Geoff Bloss