

Dorothy Menasco

From: Kim Hancock [khancock@kagmlaw.com]
Sent: Friday, December 16, 2011 1:57 PM
To: Filings@psc.state.fl.us
Cc: Pauline Robinson; Beth Salak; mark@mfoosterlaw.com; Vicki Gordon Kaufman
Subject: Docket No. 100373-TX
Attachments: Response to Staff Questions 12.16.11.pdf

In accordance with the electronic filing procedures of the Florida Public Service Commission, the following filing is made:

a. The name, address, telephone number and email for the person responsible for the filing is:

Vicki Gordon Kaufman
 Keefe Anchors Gordon & Moyle
 118 North Gadsden Street
 Tallahassee, FL 32301
 (850) 681-3828
vkaufman@kagmlaw.com

b. This filing is made in Docket No. 100373-TX.

c. The document is filed on behalf of Telecom Ventures, LLC

d. The total pages in the document are 13 pages.

e. The attached document is Telecom Ventures, LLC Responses to Staff's 1st Data Request.

Kim Hancock
khancock@kagmlaw.com



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12/19/2011

DOCUMENT NUMBER: 0277
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 FPSC-COMMISSION CLERK



December 16, 2011

Beth Salak
Director, Division of Regulatory Analysis
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850


Re: Docket No. 100373-TX, Request for transfer of and name change on CLEC
Certificate No. 8467 held by New Talk, Inc. to Telecom Ventures, LLC d/b/a/
Dialtone Ventures, LLC

Dear Ms. Salak:

This correspondence is in response to your letter of November 17, 2011, seeking additional information regarding Telecom Ventures, LLC (Telecom Ventures). Telecom Ventures has attached to this correspondence the answers to Staff's questions which are not proprietary confidential business information. Telecom Ventures will file its confidential proprietary responses directly with the Commission Clerk in separate correspondence pursuant to section 364.183, Florida Statutes, and rule 25-22.006, Florida Administrative Code.

Please contact me if you have any questions.

Sincerely,


Vicki Gordon Kaufman
Counsel to Telecom Ventures, LLC

Enclosure

cc: Mark Foster
Pauline Robinson (w/ encl).

850.681.3828
850.681.8788 fax
118 N. Gadsden Street
Tallahassee, Florida 32301

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FPSC-COMMISSION CLERK

1) On the original ET Telephone, Inc. (ET) CLEC application in Docket No. 000189-TX, it states that Byron Young is the President and the ongoing official contact for the company. It also appears that he signed the original CLEC application as President and listed himself as the ongoing official contact for ET. Staff was subsequently advised that Byron Young was not the President of ET and that Brandon Young was the President of ET. Brandon Young did not sign the original ET CLEC application, yet was listed as President of ET with the Florida Secretary of State.

Why did Byron Young sign the original CLEC application as President and list himself as the ongoing official contact for the company if Brandon Young was the actual President of ET at the time?

ANSWER: As discussed with staff during the meeting held at Commission offices on September 28, 2010, Byron Young has no recollection as to why he would have signed as President of ET Telephone. This was an inadvertent mistake. Brandon Young was the President of ET Telephone.

2) Ms. Kaufman's letter dated October 26, 2011, states that Brandon Young sold ET to Nelda Burger on July 19, 2001. The Secretary of State has no record of Nelda Burger being affiliated with ET in any ownership capacity. Please provide proof of sale of ET from Brandon Young to Nelda Burger.

ANSWER: Brandon Young has not been able to locate any "proof of sale" documents. Instead, the attached letter (Exhibit A) is provided. Exhibit A is a letter from the attorney that handled the transaction, and he explains the events and timing of the sale.

3) Why did Brandon Young not officially notify the PSC or the Florida Secretary of State of the July 19, 2001 change in ownership of ET?

ANSWER: Brandon Young believed that the new owners of ET would have notified the Florida Secretary of State.

4) In response to question No. 18(c) of the application regarding Financial Capability, Telecom Ventures states:

Applicant is a start-up company that has no previous business activity and, therefore, no financial statements. The transferring company, New Talk, Inc., has sufficient resources to fund operations through loans to Telecom Ventures, LLC until such time as cash flow generated by Telecom Ventures funds all activities.

Please provide the latest available audited financial statements of New Talk, Inc. to show that New Talk, Inc., has sufficient resources to fund operations through loans to Telecom Ventures, LLC. If the applicant does not have audited financial statements, it should be stated. Unaudited

financial statements should be signed by the applicant's chief executive officer and chief financial officer affirming that the financial statements are true and correct and should include the balance sheet, income statement, and statement of retained earnings.

ANSWER: New Talk, Inc. is not a publicly traded company and has no need to have its financial statements audited. Exhibit B contains the latest financial statements together with the requested statements from officers. The financial statements in Exhibit B have not been publicly disclosed and contain sensitive, protected proprietary information which could cause the company competitive harm if publicly disclosed. Therefore, such documents are filed under separate cover with the Commission Clerk pursuant to section 364.183, Florida Statutes.

5) Exhibit B of AT&T's January 24, 2011 Objection to New Talk's certificate transfer showed that New Talk owed AT&T \$2,169,533.27 in undisputed amounts as of June 22, 2010. Telecom Ventures LLC and New Talk's February 9, 2011 response states that AT&T owes New Talk \$2,781,050.89. What is the current amount of money in dispute between New Talk and AT&T?

ANSWER: AT&T owes New Talk, Inc. approximately \$13,352.38 in credits and/or refunds.

6) A November 15, 2011 AT&T letter to the Arbitrators at the Texas PUC indicates that AT&T Texas and New Talk have been unable to resolve the issues through negotiation and mediation. The letter also states that Counsel for New Talk was made aware of AT&T's request that Docket No. 38389 be unabated in order to allow it to proceed to final resolution and that Docket No. 38486 be dismissed. AT&T advised that Counsel for New Talk had no objections. What is the next step in this dispute?

ANSWER: A pre-hearing conference is scheduled for January 5, 2012. A procedural schedule is expected to be issued as a result of that conference.

7) Telecom Ventures, LLC response to question 16(b) of its application states that in addition to Florida, it has applications pending to be certificated as a Competitive Local Exchange Telecommunications Company in Alabama, Oklahoma, Georgia, Kentucky, and New York. Have any of these applications been approved, denied, or withdrawn? Have any additional applications been filed in any other states?

ANSWER: Telecom Ventures, LLC has been approved as a CLEC in Alabama and New York. At the time of its application herein, Telecom Ventures expected to obtain CLEC authority in Georgia, Kentucky, and Oklahoma but these certificates were not actually sought.

8) How many Florida residential and commercial customers does New Talk, Inc. presently serve?

ANSWER: Zero.

9) Did New Talk have any complaints filed against it with a state regulatory agency or the FCC in the last 12 months? If so, please identify and explain each, and how they were resolved.

ANSWER: No.

10) Please provide a list of each owner, corporate officer and managing member of Telecom Ventures, LLC and New Talk, Inc., and explain what each person's responsibilities will be for the new applicant.

ANSWER: Telecom Ventures, LLC is owned entirely by BBBY, Ltd., which is owned by Byron Young, Brian Young, and Brandon Young. The officers of Telecom Ventures, LLC are Byron Young, President; Brian Young – Vice President; and Brian Steeg – Chief Financial Officer.

Byron Young's responsibilities for Telecom Ventures, LLC are: overall market strategy, relationships with vendors, product development, oversight of staff.

Brian Young's responsibilities for Telecom Ventures, LLC are: day-to-day operations, regulatory compliance/reporting.

Brian Steeg's responsibilities for Telecom Ventures, LLC are: financial reporting and accounting, budgeting, tax returns, accounts payable and collections.

New Talk, Inc. is owned entirely by Ambient Ventures, LLC which is owned by Byron Young, Brian Young, and Brandon Young.

11) Are any owners, corporate officers, or managing members of Telecom Ventures, LLC or New Talk, Inc. also owners, corporate officers, or managing members of any other companies that provide voice communications service? If so, list the companies.

ANSWER: Yes.

(a) BBBY, Ltd. owns a 28.63% interest in Assist Wireless, LLC and is a manager of that company. Assist Wireless is a wireless telecommunications company. BBBY, Ltd. is owned in equal shares by Byron Young, Brian Young and Brandon Young. The manager representative on behalf of BBBY, Ltd. is Byron Young. Byron Young also serves as President and CEO of Assist Wireless, LLC.

(b) Express Cash & Phone, Inc. dba Talk Now Telco is owned entirely by BBBY, Ltd. Its President is Brandon Young.

12) Have any Telecom Ventures, LLC or New Talk, Inc. owners, officers, or managing members been charged or convicted of a criminal offense? If so, please provide details as to who, when, and where the charges or convictions occurred.

ANSWER: No.

13) Have any Telecom Ventures, LLC or New Talk, Inc. owners, officers, or managing members been involved in any civil litigation in which a Telecom Ventures, LLC or New Talk, Inc. owner, officer, or managing member has been deposed or has been a plaintiff, a defendant, or a witness in their capacity as an officer, manager, or managing member of a voice communications provider? If so, please provide details as to who, when, and where the civil litigation occurred.

ANSWER: No – with the sole exception of the purchase of Connect Paging, Inc. from Chapter 11 bankruptcy (approved November 28, 2006) in Case No.06-511519 in the United States Bankruptcy Court for the Western District of Texas, San Antonio Division. The purchaser was Ambient Ventures, LLC which is owned by Byron Young, Brian Young and Brandon Young. Connect Paging, Inc. later changed its name to New Talk, Inc.

14) Please provide the physical location where Telecom Ventures, LLC will be keeping its books and records.

ANSWER: If necessary, Telecom Ventures will seek authorization from the Commission to retain its records at 2330 Gravel Drive, Fort Worth, Texas 76118. However, we understand that rule 25-4.020, FAC, will be repealed shortly and this should no longer be an issue.

15) An August 28, 2009 affidavit (Texas PUC Control No. 36164, Item No. 89) provided by Byron Young to the Texas PUC states:

None of the owners and managers of Swiftel will serve as managers of True Wireless and none will be involved in the day-to-day management of True Wireless.

Was Chris Watson ever a manager of True Wireless or involved in the day-to-day operations of True Wireless? If no, what was his role and/or responsibilities? What caused the termination of the work relationship?

ANSWER: Chris Watson was never a manager of True Wireless or involved in the day-to-day operations of True Wireless from the beginning of its actual business operations through the date of sale of the ownership interest held by BBY, Ltd. which is owned by Byron Young, Brian Young and Brandon Young. Byron Young was President and CEO during that entire time period. However, a company named "Lost Key Telecom, Inc." (which is believed to have been owned or controlled at least in part by Chris Watson or Steve Watson) was listed as one of the initial "managers" of True Wireless, LLC when it was organized at the Texas Secretary of

State.¹ See Exhibit C attached. Again, however, neither Lost Key Telecom nor the Watsons had any actual managerial responsibilities or participation in True Wireless, LLC, prior to the sale of BBY, Ltd.'s interest on February 3, 2010. After that date, neither Byron Young nor his brothers had any ownership interest or participation in True Wireless, LLC. The "work relationship" was terminated because BBY, Ltd. sold its ownership interest in True Wireless, and Byron Young resigned his position as President and CEO of True Wireless, LLC.

16) From the September 28, 2011 meeting with staff, staff understood that the Young brothers no longer had any association with the Watson family. Florida Secretary of State records show Steve Watson and Byron Young as current officers of R Street Project, Inc. in Pensacola. What type of operation is the R Street Project, Inc.? What are Byron Young's duties with R Street Project, Inc.? Is there any affiliation between R Street Project, Inc. and New Talk, Inc or Telecom Ventures, LLC?

ANSWER: R Street Project, Inc. was organized to invest in residential real estate. It was not involved in telecommunications. Byron Young only invested as a passive investor and had no operations responsibility with that company. Mr. Young has relinquished his ownership interest for a 100% loss and no consideration paid. R Street Project, Inc. does not have, and has never had, any affiliation with New Talk, Inc. or Telecom Ventures, LLC.

17) If the Certificate is transferred to Telecom Ventures, LLC, what happens to New Talk, Inc.?

ANSWER: New Talk, Inc. will continue to be a competitive local exchange company with operations in Texas.

18) Do any responses to questions on Telecom Ventures, LLC application need to be updated? If so, please update the responses as necessary.

ANSWER: The responses to Questions 4, 15b, 15c, 16(b), and 16(c) should be updated as follows:

Question 4. Official mailing address:

PO Box 470 487
Fort Worth, TX 76147

¹ The Certificate of Formation (Exhibit C) also names Energycomnetwork, llc and Telecom Consulting and Services, LLC. These companies were owned and controlled by the Young brothers and later the interests of these two entities were transferred to BBY, Ltd.

Question 15(b) Official point of contact for the ongoing operations of the company:

Byron Young
President
PO Box 470 487
Fort Worth, TX 76147
817-371-5279
byron.young@ystas.com

Question 15 (c) Complaints/inquiries from customers:

Byron Young
President
PO Box 470 487
Fort Worth, TX 76147
817-371-5279
byron.young@ystas.com

Question 16 (b) has applications pending to be certificated as a Competitive Local Exchange Telecommunications Company.

Response: None except Florida.

Question 16 (c) is certificated to operate as a Competitive Local Exchange Telecommunications Company.

Response: Alabama and New York

Exhibit A

Stasio
Stasio

Attorney at Law
1000 North Main Street, Suite 1000
Ft. Worth, Texas 76102
Phone: 817.339.1111
Fax: 817.339.1112
www.stasio.com

May 20, 2010

Brandon Young
P. O. Box 470487
Ft Worth TX 76147

re: ET Telephone, Inc. Sale

Dear Brandon:

This letter is to confirm the sale of all your shares of ET Telephone, Inc. to Nelda Berger. This sale was finalized on August 30, 2001, in my office. You received cash and notes in return for your 500 shares of ET Telephone, Inc. which represented 50% of the total shares issued and outstanding in the company. Nelda Berger received your shares endorsed to her, the corporate book, and all company records in your possession. You also resigned as an officer and director of ET Telephone, Inc. at that time.

My office does not maintain files for more than 5 years, so I am sorry that I have no physical records of this transaction. I do maintain a computerized file from which I refreshed my recollection of this transaction. If you have questions, please feel free to contact my office.

Sincerely,



Andrew F. Stasio, Jr.
Attorney at Law

AFS:tm

Exhibit B

Confidential material pursuant to section 364.183, Florida Statutes, and rule 25-22.006, Florida Administrative Code filed with the Commission Clerk

Exhibit C

Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
FAX: 512/463-5709



Filing Fee: \$300

**Certificate of Formation
Limited Liability Company**

Filed in the Office of the
Secretary of State of Texas
Filing #: 801001360 07/08/2008
Document #: 221532330002
Image Generated Electronically
for Web Filing

Article 1 - Entity Name and Type

The filing entity being formed is a limited liability company. The name of the entity is:

TRUE Wireless, LLC

The name of the entity must contain the words "Limited Liability Company" or "Limited Company," or an accepted abbreviation of such terms. The name must not be the same as, deceptively similar to or similar to that of an existing corporate, limited liability company, or limited partnership name on file with the secretary of state. A preliminary check for "name availability" is recommended.

Article 2 - Registered Agent and Registered Office

A. The initial registered agent is an organization (cannot be company named above) by the name of:

National Registered Agents, Inc.

OR

B. The initial registered agent is an individual resident of the state whose name is set forth below:

C. The business address of the registered agent and the registered office address is:

Street Address:

16055 Space Center, Suite 235 Houston TX 77062

Article 3 - Governing Authority

A. The limited liability company is to be managed by managers.

OR

B. The limited liability company will not have managers. Management of the company is reserved to the members. The names and addresses of the governing persons are set forth below:

Managing Member 1: (Business Name) **Lost Key Telecom, Inc.**

Address: **5783 Grand Lagoon Blvd. Pensacola FL, USA 32507**

Managing Member 2: (Business Name) **Energycomnetwork, llc**

Address: **112 East Seminary Drive B Fort Worth TX, USA 76115**

Managing Member 3: (Business Name) **TELECOM CONSULTING AND SERVICES, LLC**

Address: **112 East Seminary Drive Suite B Fort Worth TX, USA 76115**

Article 4 - Purpose

The purpose for which the company is organized is for the transaction of any and all lawful business for which limited liability companies may be organized under the Texas Business Organizations Code.

Supplemental Provisions / Information

[The attached addendum, if any, is incorporated herein by reference.]

Organizer

The name and address of the organizer are set forth below.

Tania Lemus **7083 Hollywood Blvd., Ste. 180, Los Angeles, CA 90028**

Effectiveness of Filing

A. This document becomes effective when the document is filed by the secretary of state.

OR

B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:

Execution

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument.

Tania Lemus, Legalzoom.com, Inc.

Signature of Organizer

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