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February 5, 2007

Jaclyn A. Brillig
Acting Secretary of the Commission
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

RE: Joint Petition for Authority for BCN Telecom, Inc. to Acquire Certain
Assets of Marathon Communications Corporation d/b/a Marathon USA

Dear Ms. Brillig:

Enclosed herewith for filing with the Commission, please find an original and five (5) copies of the above referenced Petition.

Also enclosed is an exact duplicate of this letter. Please stamp the duplicate received and return same in the postage-paid envelope attached thereto.

Should you have any questions or concerns relating to this matter, please contact my assistant, Teresa Denemy, or me.

Very truly yours,

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

Patrick D. Crocker

PDC/tld

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**Before the
NEW YORK PUBLIC SERVICE COMMISSION**

Petition for Authority for)	
BCN Telecom, Inc.)	
to Acquire Certain Assets of)	Docket No.
Marathon Communications Corporation)	
d/b/a Marathon USA)	

**JOINT PETITION FOR APPROVAL TO ACQUIRE ASSETS
AND REQUEST FOR EXPEDITED APPROVAL**

NOW COMES BCN Telecom, Inc. ("BCN" or "Buyer") and Marathon Communications Corporation d/b/a Marathon USA ("Marathon USA" or "Seller" and collectively with BCN, "the Parties"), pursuant to the rules and regulations of the New York Public Service Commission ("Commission"), and hereby request that the Commission approve the acquisition by BCN to acquire the telecommunications customer base of Marathon USA and to grant such relief on an expedited basis to allow for the consummation of the transaction without undue delay. Expeditious approval of this Application will allow BCN to promptly assume responsibility for the provision of telecommunications services to the New York customers to be transferred, and thereby more speedily bring to New York consumers the benefits that will inure from permitting BCN to acquire these accounts. Applicants therefore respectfully request that approval of this Application be granted on an expedited basis.

BCN and Marathon USA provide the following in support of this request:

The Parties

BCN Telecom, Inc.

BCN, a corporation organized under the laws of the State of New Jersey and is a wholly owned subsidiary of Telecom Acquisition Company, LLC, a New Jersey limited liability company and holding company. As the Commission determined when it granted BCN (formerly known as International Telephone Group, Inc. and NUI Telecom, Inc.) authority to provide interexchange telecommunications service in the State of New York in Case 96-C-0287 on July 15, 1996, BCN is well-qualified managerially, technically, and financially to provide telecommunications services in New York. This information, therefore, is already a matter of public record and the Parties respectfully request that it be incorporated by reference herein. BCN provides recent financial statements as **Exhibit A**.

The principal office of BCN is located at:

550 Route 202-206
Bedminster, NJ 07921-0760
Telephone: (908) 470-4700

BCN holds authorization under Section 214 of the Communications Act of 1934, as amended, to provide domestic interstate and international telecommunications service, is authorized as a reseller of intrastate interexchange telecommunications services throughout the United States, with the exception of Alaska, and has resold and/or facilities-based local exchange authority in 22 states.

Marathon Communications Corporation d/b/a Marathon USA

Marathon USA is a corporation organized under the laws of the State of Georgia. Marathon USA has authority to provide intrastate, interexchange service in 43 states, including the State of New York as authorized on June 4, 1998 in Case No. 98-C-0878.

The principal office of Marathon USA is located at:

8014 Cumming Highway, Suite 403-357
Canton, GA 30115
Telephone: (770) 887-5210

Please direct any questions concerning the Parties and this application to:

Patrick D. Crocker
Early, Lennon, Crocker & Bartosiewicz, P.L.C.
900 Comerica Building
Kalamazoo, MI 49007
Telephone: (269) 381-8844
Facsimile: (269) 381-8822
Email: pcrocker@earlylennon.com

The Transaction

Pursuant to an Asset Purchase Agreement ("Agreement") executed on or about August 1, 2006, Marathon USA agrees to sell, convey, assign and transfer to the Buyer, and BCN agrees to purchase and accept from the Seller, the "Sale Assets" summarized as follows: (1) the customer base; (2) all customer deposits or prepayments; (3) all supporting documentation and customer account information and files; (4) all customer letters of authorization; (5) all Seller contact numbers as set forth in the Agreement; (6) all Post Start Date accounts receivable; and (7) all cash, including deposits and cash collateral, marketable securities and other cash equivalents relating to or arising out of the operation of the Business on or after the Start Date. A copy of the Agreement will be provided to the Commission upon request.

After the Closing, BCN will provide telecommunications services to the Customers pursuant to its own telecommunications authorizations and Marathon USA will surrender its authorization. The Parties are not requesting permission to adopt Marathon USA's existing tariff. Rather, BCN will amend its existing tariff to establish rates, terms, and conditions identical to those in the Seller's tariff for the purchased customers, thus providing a seamless transition for existing customers of Marathon USA.

The proposed transfer of customers to BCN will have no adverse impact on customers. Marathon USA customers will continue to receive their existing services at the same rates, terms, and conditions that they have prior to the transfer and any future changes in the rates, terms, and conditions of service will be made consistent with Commission regulations. To avoid customer confusion and ensure a seamless transition, the Parties will provide advance written notice to the

affected customers at least thirty (30) days prior to the transfer, explaining the change in service provider in accordance with applicable Commission and state regulations for changing a customer's presubscribed carrier. A copy of the sample notice of the transfer appears as **Exhibit B** attached hereto.

Public Interest Considerations

The transaction contemplated by the Agreement will serve the public interest. BCN is a strong company that will continue to provide high quality services to Marathon USA customers. The purchase of Marathon USA's assets will strengthen BCN, enable it to expand and better ensure that it remains a viable long-term competitor in the telecommunications market.

The proposed transfer does not present any competitive issues. The Parties note that there are a number of other carriers operating in each market, including the incumbent carrier, which controls a substantial market share.

Further, BCN has extensive experience offering interexchange telecommunications services. Consequently, the former Marathon USA customers will continue to receive these services from an experienced and qualified carrier. These customers will also be given sufficient notification of the proposed transaction and their rights. As such, the Parties anticipate that customers will experience a seamless transition of service provider.

In sum, grant of the Application will serve the public interest by strengthening the competitive position of BCN without negatively impacting either Marathon USA customers or competition in the markets in which the Parties operate.

* * * * *

WHEREFORE, BCN respectfully requests that the Commission authorize the sale of assets from Marathon USA to BCN. In addition, the Parties respectfully request expedited processing of this Petition so that the transaction may proceed without undue delay.

Respectfully submitted,

BCN Telecom, Inc.

By: 

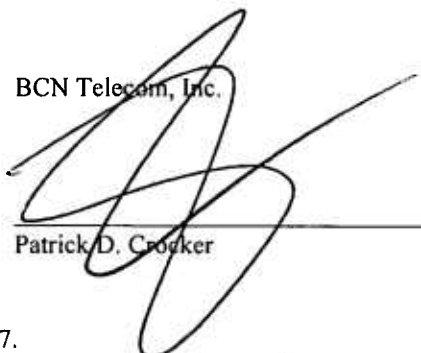
Patrick D. Crocker, Attorney

VERIFICATION

I, Patrick D. Crocker, am the Attorney of BCN Telecom, Inc., and am authorized to make this verification on its behalf. I do hereby verify that I have read the foregoing Application and the statements made therein are true, correct, and complete to the best of my knowledge, information, and belief.

Executed on the 5th day of February, 2007.

BCN Telecom, Inc.



Patrick D. Crocker

Subscribed and sworn before me this 5th day of February, 2007.



Notary Public
My Commission expires: 12/23/2011

EXHIBIT A

Year-to-Date 2006 Financial Statements for

BCN TELECOM, INC.

BCN Telecom, Inc.
Income Statement
For the twelve month period ending December 31, 2006

	<u>2006</u>
Net Sales	\$ 34,233,487
Cost of Usage	<u>20,022,229</u>
Gross Profit	14,211,258
Commission Expense	<u>6,083,027</u>
Net Margin	8,128,231
Operating Expenses	
General and Administrative	6,604,692
Depreciation and amortization	<u>472,349</u>
Earnings from Operations	1,051,190
Other Expense	
Interest Expense, net	384,475
Income before income tax	666,715
Provision for Income Tax (benefit)	58,328
Net Income	<u>\$ 608,387</u>

BCN Telecom, Inc.
Balance Sheet

December 31,

ASSETS	<u>2006</u>
Current Assets	
Cash	\$ (139,234)
Accounts Receivable, net	5,869,297
Deferred Tax Asset, current	126,000
Prepaid Expenses & Other Current Assets	<u>306,965</u>
Total Current Assets	6,163,028
Property and Equipment	
Property and Equipment	801,567
Accum. Depreciation	<u>(481,187)</u>
Total Property and Equipment	320,380
Noncurrent Assets	
Security Deposits	-
Deferred Tax Asset, net of current portion	1,481,000
Intangible Asset, net	598,963
Other	<u>274,423</u>
Total Noncurrent Assets	2,354,386
Total Assets	\$ 8,837,794
 LIABILITIES AND CAPITAL	
Current Liabilities	
Accounts Payable and other accrued expenses	\$ 4,477,155
Note Payable to Bank - current portion	<u>450,000</u>
Total Current Liabilities	4,927,155
Long-Term Liabilities	
Note Payable to Bank - LT portion	1,212,500
Note Payable to Bank - Revolver	1,444,295
Deferred Rent	<u>24,754</u>
Total Long-Term Liabilities	2,681,549
Capital	
Paid in Capital	4,311,770
Retained Earnings	<u>(3,082,680)</u>
Total Capital	1,229,090
Total Liabilities and Capital	\$ 8,837,794

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EXHIBIT B

Sample Customer Notice

BCN TELECOM, INC.

Date

RE: New Service Provider

Dear Valued Customer:

I am pleased to inform you that BCN TELECOM, INC. is acquiring the business operations of MARATHON USA. This is a very positive development for you as our customer. This change will allow us to more rapidly expand our operations and bring you the best telecommunications service in the industry. This change will take place on or about **[DATE]** pending receipt of all required regulatory approvals.

There is no cost to move your existing service to BCN TELECOM, INC. You will continue to receive the services you currently have with no change in rates. All necessary steps have been taken to ensure a smooth transition. If you have any questions or concerns, please contact us at: **BCN TELECOM, INC., 550 Route 202-206; Bedminster, NJ 07921, or 1-800-768-2852.**

Very shortly, we expect to introduce new and innovative products and promotions that will bring added value to you. And of course you will continue to benefit from significant savings. You should know that you have an option to change your telecommunications provider. If you would like to change service providers, you should do so before **DATE**, otherwise your service will automatically convert to BCN TELECOM, INC. following approval of the transaction by state and federal regulators, even if you have a "preferred carrier" freeze on your account. If you have a "preferred carrier" freeze on your account and would like to keep that protection after the transfer, you'll need to contact BCN TELECOM, INC. at its toll-free number, 800-852-7023.

BCN TELECOM, INC. has no plans to change the rates, terms, and conditions of services currently provided to you. In addition, no charges or fees will be imposed as a result of this transfer. BCN TELECOM, INC. will provide at least thirty (30) days prior written notice of any changes to these rates, terms, and conditions up to ninety (90) days from the date of the transfer of customers. Any future changes in rates, terms and conditions of service will be done as prescribed by the Federal Communications Commission (FCC) and your state regulatory commission.

The FCC will normally authorize this proposed discontinuance of service (or reduction or impairment) unless it is shown that customers would be unable to receive service or a reasonable substitute from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554, referencing the Sec. 63.71 Application of Marathon USA. Comments should include specific information about the impact of this proposed discontinuance (or reduction or impairment) upon you or your company, including any inability to acquire reasonable substitute service.

Please note that BCN TELECOM, INC. will not be responsible for any outstanding complaints filed against MARATHON USA before BCN TELECOM, INC. began providing your service. Those complaints remain the responsibility of MARATHON USA.

On behalf of the entire team of employees, I look forward to continuing to serve you. We realize that you have a choice in selecting a telecommunications provider and we appreciate your business.

Sincerely,

NAME
TITLE