

FLORIDA PUBLIC SERVICE COMMISSION
Capitol Circle Office Center - 2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

M E M O R A N D U M

MARCH 7, 1996

TO: DIVISION OF RECORDS AND REPORTING [BAYO]

FROM: DIVISION OF COMMUNICATIONS [WILLIAMS, STAVANJA] *ws*
DIVISION OF AUDITING & FINANCIAL ANALYSIS [LESTER] *FL*
DIVISION OF LEGAL SERVICES [LUGO] *ALM*

RE: DOCKET NO. 960018-TI; APPLICATION FOR CERTIFICATE TO *APC*
PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE BY
TIGERTEL COMMUNICATIONS, INC.

AGENDA: 3/19/96 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE

SPECIAL INSTRUCTIONS: I:PSC/CMU/WP/960018TI.RCM

CASE BACKGROUND

Pursuant to Section 364.337(3), Florida Statutes,
(effective July 1, 1995):

(3) The commission shall grant a certificate of authority to provide intrastate interexchange telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

STAFF DISCUSSION

ISSUE 1: Should the Commission grant TIGERTEL COMMUNICATIONS, INC. (TCI) a certificate to provide statewide interexchange telecommunications service within the State of Florida as provided by Section 364.337 (3), Florida Statutes?

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

TigerTel Communications, Inc.
Management Personnel

T.A. Andros, Chairman. Ted Andros brings more than 40 years of hands-on expertise in the telecommunications business to his position as a founder and Chairman of TigerTel Communications, Inc. His career began in 1950 when he co-founded and was an operating executive of a group of entrepreneurial companies that became Hy-Gain Electronics Corporation, engaged in the manufacture and distribution of high technology electronic communications equipment. Known for its numerous innovations in communications technology and for products distributed worldwide, the company achieved sales that approached \$100 million annually. At its peak, the organization employed 2,000 people, distributed its products worldwide and had manufacturing operations in the US, Puerto Rico and the Far East. Mr. Andros was President or Vice President of the various companies that formed the Hy-Gain Electronics group. As a founder of the company, Mr. Andros was active in all facets of management and acquired the disciplines required to build and manage a \$100 million organization.

Subsequent to Hy-Gain, he was a managing director of Interventure, a telecommunications investment and consulting company which provided consulting and investment services for numerous domestic and foreign firms in the electronics industry.

Ted has his BA. from the University of Nebraska, with majors in both economics and psychology and has earned the equivalent of a BSEE (Electronic Engineering) degree as part of a US Air Force curriculum.

Alan R. Niederhoffer, Director. Most recently Mr. Niederhoffer was Vice President of Call Now, Inc., a publicly-held company which focuses on acquiring smaller companies in the telecommunications industry. As Vice President and a member of the Call Now, Inc. acquisition team, Mr. Niederhoffer identified potential telecommunications companies for purchase, assisted in negotiating purchases, reviewed all telecommunications contracts and agreements and was responsible for evaluating all technical aspects of the telecommunications acquisitions. Previously, Mr. Niederhoffer founded and managed an interexchange company which resold long distance telephone service to small, medium and large companies. The company grew to over \$3 million in annual revenues in three years. Mr. Niederhoffer also worked as a Telecommunications Consultant assisting companies in planning, selection and implementation of complete telecommunications systems. As a Telecommunications Consultant he has designed voice and data networks and made recommendations to enhance productivity and increase efficiency. Prior to that Mr. Niederhoffer worked for the University of Miami where he designed networks for the University's four campuses to integrate voice and data communications. He designed and planned the outside cable plant and inside building wiring for voice and data systems. At the University of Miami he was in charge of the design and implementation of: a 5.1 mile broadband cable system connecting 90 buildings; 1400 user IBM Network (SNA); high speed voice communications network (T-1) connecting the University's three PBXs and satellite link located on separate campuses; fiber/ethernet network for a three building College of Engineering complex; 128 asynchronous data network connecting VAX and IBM computers; and prepared a Request for Proposal (RFP) to create an 11 building fiber network on the University's Medical campus to support voice communications and high speed image transmission. Mr. Niederhoffer managed 65 employees, reorganized the computer operations department and developed the functions of customer services, data

entry, computer operations and network planning. Mr. Niederhoffer's education includes a degree in Business Administration and a minor in accounting from the University of Miami, a degree from Control Data Institute in Computer Technology and a degree in Electronic Communications from the United States Army. Mr. Niederhoffer also has been educated in Network Planning and Design, Voice Traffic Theory and Advanced Telephone Theory and Design.

T.B. (Ty) Andros, President. Mr. Andros studied Marketing and Economics at the University of San Diego. From 1982 until 1991 Mr. Andros was employed as a commodities broker specializing in managed commodity accounts with customer accounts ranging in value from two to five million dollars each. Mr. Andros successfully managed accounts of various Certified Trading Advisors blending the clients with Trading Advisors who maximized the client's investment. In 1991 Mr. Andros left commodities marketing to found and become Vice President and General Manager of Innovative Information Services Corp., a company engaged in the development of interactive voice response services in connection with retail marketing. Mr. Andros was a co-founder and structured the organization which developed interactive voice response systems for use in retail promotion utilizing sophisticated PC interactive switching technology. Mr. Andros is an energetic and enthusiastic builder who has a wide grasp of the application of interactive technology to the retail and consumer markets. Mr. Andros provides a keen insight into the needs of callers for information and has the ability to match these needs with the appropriate interactive response from business services.

In 1994 Mr. Andros formed TigerTel Communications and has been President and CEO of the Company since its incorporation. Mr. Andros has brought together the key elements of the business utilizing enhanced telecommunications linking the elements of long distance phone companies, interactive voice response hardware and state of the art digital switching software to provide high potential interactive voice response products for the industry.

Jorge Bellas, Vice President. Mr. Bellas is Vice President and a founding partner of TigerTel Communications Inc. where his responsibilities include product design and development, accounting, human resource management, major accounts management and financial planning for the company. Prior to TigerTel, Mr. Bellas was the National Sales Manager and Marketing Director of Innovative Information Services where he planned and executed the marketing strategy for the company which provided interactive phone services to retail establishments in northwest Florida. His responsibilities included long-range and strategic planning, financial planning and analysis, product design and development, advertising, product pricing strategies and market positioning. Mr. Bellas prepared the forecasts and executed the marketing programs which included P&L responsibilities. Mr. Bellas, who is fluent in Spanish and Italian, received his undergraduate degree from the University of LaVerne and went on to post graduate work earning his Masters Degree in Business Administration. After graduation, Mr. Bellas was an associate professor of mathematics for Central Texas College where he taught NATO personnel stationed at the US Southern European Command in Naples, Italy. Mr. Bellas designed and implemented the curriculum used to prepare and qualify NATO officers for advanced graduate educational programs.

Cynthia Creswell, Vice President. Ms. Creswell has been a computer consultant designing and implementing Management Information and Operating Systems for a wide variety of operational businesses. After graduating from the University of Miami, Ms. Creswell founded and operated an MIS software consulting firm that developed and implemented Management Control and Accounting Software for various businesses including real estate brokerage management and other business applications. Ms. Creswell moved from Miami to Destin, Florida where she was employed by SAIC, a US government contractor, as a senior programmer developing highly classified programming for the Star Wars Missile Defense System. Ms. Creswell was Senior Programmer who

developed the computer controlled "Brilliant Pebble" defense network adopted by the US Department of Defense. Ms. Creswell was subsequently employed by Innovative Information Services Co. in Destin, Florida where she designed and implemented the entire MIS operating system that included the accounting and company control systems and had responsibility for the development of the company's interactive telephone switch programs. Ms. Creswell is also an expert in designing Call Flow Software, Interactive Decision Tree Software, Flow Charts and the Blueprints for use in Interactive Telecommunications -- all of which are vital to the highly sophisticated TigerTel Software. Ms. Creswell is responsible for management of the Company's software MIS, engineering and programming development programs. Ms. Creswell, who is fluent in French, earned a BS Degree in Computer Engineering at the University of Miami.

All directors and officers hold office until the next annual meeting of stockholders of the Company and until their successors are elected and qualified. Officers hold office until the first meeting of directors following the annual meeting of stockholders and until their successors are elected and qualified subject to earlier renewal by the board of Directors.



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: March 4, 1996
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *PL* *ALM*
RE: Docket No. 960018-TI, Tigertel Communications, Inc., Financial Analysis for *APC* *Jim N* *100*
Certificate Application for Intrastate Interexchange Telecommunications Service

Section 364.337 (3), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide intrastate interexchange telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

Also Section 364.01 (3) and (4) states that:

- (3) The Legislature finds that the competitive provision of telecommunications service, including local exchange telecommunications service, is in the public interest.
- and
- (4)(d) The Commission shall exercise its exclusive jurisdiction in order to: (d) Promote competition by encouraging new entrants into telecommunications markets
- ...

Regarding the showing of financial capability, the Finance staff has analyzed the unaudited financial statements of Tigertel Communications, Inc. (Tiger) for the 12 months ended December 31, 1995. An audit could change one's opinion of the company's financial condition. The company has marginal ownership equity, inadequate liquidity, and it reports negative net income.

Tiger does not offer debit cards. Under the minimal requirements of the statute, the application appears adequate.

cc: Division of Legal Services
Division of Records and Reporting

DOCKET NO. 960018-T1
TIGERTEL COMMUNICATIONS, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	12 MONTHS ENDED 12/31/95
CURRENT ASSETS	\$54,540
CURRENT LIABILITIES	75,257
CURRENT RATIO	0.72
CASH	5,672
COMMON EQUITY	36,299
TOTAL DEBT	78,454
COMMON EQUITY RATIO	32%
NET INCOME	(89,695)
RETURN ON EQUITY	NMF

NMF = NO MEANINGFUL FIGURE