

FLORIDA PUBLIC SERVICE COMMISSION
Capital Circle Office Center • 2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

M E M O R A N D U M

JUNE 13, 1996

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF COMMUNICATIONS (WILKINS, WIGGINS) *W*
DIVISION OF AUDITING & FINANCIAL ANALYSIS (JONES) *J*
DIVISION OF LEGAL SERVICES (EDMONDS) *E*

RE: DOCKET NO. 960498-TI - APPLICATION FOR CERTIFICATE TO
PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE BY
D.D.D. CALLING, INC.

AGENDA: 06/25/96 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\960498TI.RCM

CASE BACKGROUND

Section 364.337(3), Florida Statutes, reads as follows:

(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 D.D.D. CALLING, INC. (DCI) 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

06397 JUN 13 96

FPSC-RECORDS/REPORTING

DOCKET NO. 960498-TI
DATE: June 13, 1996

RECOMMENDATION: Yes, DCI should be granted:

Florida Public Service Commission Certificate No. 4493

STAFF ANALYSIS: DCI filed an application with this Commission on April 17, 1996, to offer telecommunications service as a switchless rebiller in Florida.

DCI's exhibit of managerial qualifications (page 3-5) reflects a satisfactory record in telecommunications sales, marketing and service. In regard to technical capability, DCI indicated in their application that the company will be operating as a switchless rebiller and will rely on the network ownership, operation and management of its underlying carrier(s).

The Division of Auditing and Financial Analysis reviewed DCI's financial statement to determine the company's financial viability (pages 6-7). Based on the information provided by DCI, the financial capability of the company appears adequate.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if no person whose substantial interests are affected by the Commission's Proposed Agency Action files a protest within 21 days of the issuance date of the order.

STAFF ANALYSIS: This docket should be closed if no person whose substantial interests are affected by the Commission's Proposed Agency Action files a protest within 21 days of the issuance date of the order.

SCOTT G. MOSTER

OBJECTIVE: Secure a challenging position in sales/marketing management within an entrepreneurial company where my sales and marketing expertise can be effectively utilized.

EXPERIENCE:

TELESPHERE COMMUNICATIONS, INC., Oakbrook Terrace, IL - 1988 to 1991

Director of Marketing

Responsible for directing and managing the marketing activities in the I +, Operator Service and 900 product areas. Assisted sales force, as needed, by participating in sales calls to prospective customers and major accounts. Organized, recruited and hired marketing staff. Introduced new pricing, products and advertising concepts reversing deteriorating company revenue trends.

Major successes included introduction of Telesphere Payphone Program which quadrupled monthly revenue to over \$1 million within a five month period. Introduced the CitySaver Program (T-1 access with late sensitive discounting) which tripled dedicated service monthly revenue.

US SPRINT COMMUNICATIONS, Dallas, TX - 1982 to 1988

Regional Director of Sales

Responsible for the management of six branch offices, nine managers and 70 sales representatives in Texas, Oklahoma, Arkansas, Kansas, and Missouri. The sales region consistently exceeded revenue plan with sales exceeding 200% during the second half of 1986. Invited to attend the 1987 President's Club due to the exceptional sales performance of the region.

Corporate Marketing

Duties included management of all dedicated access products, private line products, international calling and 800 services in the Central Business Marketing Unit. Selected to serve on national task forces handling 800 service offerings, private line product introduction and sales effectiveness training on current services.

Regional Manager, Major Accounts

Managed 12 major account representatives in four offices throughout Texas and Oklahoma. Ranked as top sales manager in the nation and winner of 1985 Winners Circle Award.

Major Account Representative

Sold long distance service to commercial customers.

J.R. PACE & ASSOCIATES, Houston, TX - 1981 to 1982

Recruiter

Recruited oil field sales and management personnel for various U.S. and worldwide positions. Top sales recruiter in the firm.

JOSKES, Houston, TX - 1979 to 1981

Area Manager

Responsible for revenue growth and sales management.

EDUCATION:

UNIVERSITY OF MIAMI, Coral Gables, Florida - 1975 to 1979

Bachelor of Business Administration, Major in Marketing.
Recipient of the University of Miami Honor Scholarship

BRUCE ROBIN

Mr. Robin has been consulting to business and industry throughout the United States since 1974 and active in the long distance resale business since 1988.

B.A. in Communications from the University of Miami.

For over twenty years, Mr. Robin has worked as an independent telecommunications consultant to Fortune 500 companies and, since 1988, he has been actively engaged in long distance resale programs. Before founding the firm of Robin Consulting International, he was affiliated with the Los Angeles Times as a Telecommunications Manager, during which time he served on the Board of Directors of the Telecommunications Association (TCA) and was chairman of the TCA Interconnect Committee. Mr. Robin's achievements include:

- Principal-in-Charge of many complex telecommunications and networking projects.
- Principal-in-Charge of over 200 cable and PBX projects for Healthcare facilities.
- Principal-in-Charge of over 40 Shared Tenant Service (STS) projects.
- Principal-in-Charge of many voice/data networking projects involving microwave and other wireless systems design, procurement and implementation.
- Principal-in-Charge of Hospitality Technology systems for dozens of domestic and international properties.
- Principal-in-Charge of major cable plant designs and implementation.
- Analysis of International Virtual Networks for banking clients.
- Troubleshooting of software problems on major PBX products for various clients.
- Development of computer software to facilitate the analysis and design of system networks.
- Direct involvement in designing and implementing hundreds of Telecommunications systems.
- Analysis of large systems for colleges, universities, and studios.
- Assistance to Fortune 100 firms in telecommunications planning.
- Lecturer to the Association of Legal Administrators, American Management Association, HTCA.
- Member of the TCA Vendor Council.
- Expert Witness in Telecommunications and Security matters.
- Member of TRA

Mr. Robin was a founding member of the Society of Telecommunications Consultants (STC), a member of the Hawaiian Telecommunications Association (HTCA), the TRA and has served as a faculty member of Golden Gate University's M.B.A. program in Telecommunications Management.

James R. Rautio

810 Moani'Ala St.
Honolulu, HI 96821

EXPERIENCE

AUGUST 1993-present **R.R.V. ENTERPRISES, INC.**

Vice President-CEO

Company is a contract reseller and marketer of residential long distance services nationally.

- Designed, produced and implemented a national long distance program reselling carrier services.
- Developed, trained and managed national dealer sales force of 256 independent agents.
- Built a solid block of business billing \$5 Million+ monthly.

Feb. 85-May 93

HOTEL EXPRESS MARKETING OF HI, Inc.

President

Distributor of Hotel Express, a national discount hotel travel club designed for and selling to the general public on an annual membership basis.

- Designed and implemented a unique sales format for marketing product.
- Trained and motivated a sales staff of 45 generating \$6 Million in annual revenue.
- Won top national sales awards 1988, 1989, 1990, 1991.

1971-1985

TREASURE CHEST PUBLISHING LTD.

President

National company specializing in consumer benefit programs

Grew company to number one in industry, billing over \$10 Million annually.

EDUCATION

University of Oregon

B.S., Major, Pre-Med.-Minor, Business Administration 1968



Public Service Commission

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

DATE: June 3, 1996
 TO: Tom Williams, Division of Communications
 FROM: Sonja Jones, Division of Auditing and Financial Analysis *SJS*
 RE: Docket No. 960498-TI, D.D.D. Calling, Inc., Financial Analysis *APC* for Certificate
 Application for Intrastate Interexchange Telecommunications Service *ALM*

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 D.D.D. Calling, Inc. (DDD) for the four-month period ending April 30, 1996. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, DDD has adequate liquidity and profitability but marginal ownership equity.

In this matter, DDD is asking for a certificate to provide IXC service. Staff notes the limited nature of the application and that no customer provided funds appear to be at risk. For purposes of granting a certificate based on the financial information provided, the financial capability appears adequate.

cc: Division of Legal Services
Division of Records and Reporting



DOCKET NO. 960498-TI
D.D.D. CALLING, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

FOR THE FOUR
MONTHS ENDING
APRIL 30, 1996

CURRENT ASSETS	\$43,464
CURRENT LIABILITIES	0
CURRENT RATIO	NMF
CASH	43,464
COMMON EQUITY	13,464
TOTAL DEBT	30,000
TOTAL INVESTOR CAPITAL	43,464
COMMON EQUITY RATIO	31%
NET INCOME	13,364
RETURN ON EQUITY	99%

NMF = No Meaningful Figure