

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

MARCH 7, 1996

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

FROM: DIVISION OF COMMUNICATIONS (WILLIAMS, WIGGINS) *ALM*  
DIVISION OF AUDITING & FINANCIAL ANALYSIS (LESTER) *APC*  
DIVISION OF LEGAL SERVICES (LUGO) *EMBER SLL R*

RE: DOCKET NO. 960069-TI - APPLICATION FOR CERTIFICATE TO  
PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE BY PTT  
TELEKOM, INC.

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

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\960069TI.RCM - PLACE AFTER  
GENERIC DEBIT CARD RECOMMENDATION DOCKET  
NO. 960254-TI

CASE BACKGROUND

Section 364.337(3), Florida Statutes, (effective July 1, 1995) 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 PTT TELEKOM, INC. (PTT) 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

02828 MAR-7 96

FPSC-RECORDS/REPORTING

DOCKET NO. 960069-TI  
DATE: March 7, 1996

**RECOMMENDATION:** Yes, PTT should be granted:

Florida Public Service Commission Certificate No. 4425

**STAFF ANALYSIS:** PTT filed an application with this Commission on January 18, 1996, to offer telecommunications service as a reseller with prepaid debit card service in Florida.

PTT's exhibit of managerial qualifications reflects satisfactory records in telecommunications sales, marketing and service (pages 3-7). In regard to technical capability, PTT indicates that PTT will rely on the network ownership, operation and management of its underlying carrier(s) such as MCI, AT&T, etc.

Further, since PTT will be providing prepaid debit card service in Florida PTT will have to abide by the Commission's decision in the generic debit card recommendation (Docket No. 960254-TI).

**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.

## PTT TELEKOM

The Company was incorporated in October of 1995. PTT is wholly owned by Mr. Fernando L. Sabino. Mr. Sabino has a broad range of international experience and is involved in several other ventures, the most notable of which is a company he founded which is involved in worldwide distribution of frozen concentrate orange juice produced by a Brazilian agribusiness concern. The Company's investment is approximately \$150 million processing plant (partially funded by the Inter American Investment Corporation of the IDB) and more than 70,000 acres of orange groves. He is also the founder of an international trading company specializing in the sale of commodities and aircraft.

Mr. Sabino co-founded GTI Telecom, Inc in February 1993. Mr. Sabino was responsible for the implementation of a full service central office. This environment included full switching hardware, manufacturing, customer service and collection services. GTI grew from a single based switching platform to a large array of switches capable of handling millions of call minutes a month. GTI provided Calling Cards, Debit Cards and International Callback programs to a variety of major customers.

GTI's customers included Dollar Rent A Car, Ford, General Motors, Chrysler, Saturn Automobiles, Lincoln-Mercury, Sea World, Eckerd Drug Company, Shell Oil, Exxon Oil, Chevron, Amoco oil, Goodings Supermarket Chain, Anheuser Busch, Turner Home Entertainment, Serta and Restonic Mattresses, Citizen Watch, Allied Signal, Purina, Polaroid, Fuji Film, K Mart, Byrons, United Airlines, Saudi Arabian Airlines, Skytel, Soletur (largest Brazilian travel agency), Miami Currency Exchange and many more.

In October of 1995, Mr. Sabino sold his shares in GTI Telecom and left the company to form PTT Telekom, Inc.

**JAY G. SWINDLER**

1254 Burning Tree Lane  
Winter Park, FL 32792

(407) 671-8789

**EMPLOYMENT HISTORY****IBAX HEALTHCARE SYSTEMS****1984 - Present**

A Partnership of IBM and Baxter Healthcare Corporation  
Longwood, Florida 32751

Employed at a Partnership of IBM and Baxter Healthcare Corporation, which develops and sells computer software, long-term services and support contracts to health care organizations. The Partnership was formed in 1990 and prior to formation IBAX was a division of Baxter Healthcare Corporation (Baxter Systems Division).

Promoted to present position of **CONTROLLER** in 1992. Started career with Baxter in 1984 as Accountant; subsequently promoted to positions of *Senior Accountant* (1985), *Accounting Supervisor* (1986), *Accounting Manager* (1987). Job responsibilities include the following:

- Supervision of 15 professionals
- Preparation of Corporate/Divisional and Partnership financial statements
- Financial liaison for IBM and Baxter for financial reporting
- Budget and Forecasting preparation
- Development of departmental organization structure, policies, and procedures
- Cash Management (Treasury)
- General Ledger Account analysis and reconciliation
- Analysis of contracts for profitability and recognition of revenue
- Invoicing
- Collection of outstanding receivables
- Payroll activities with outside service (ADP)
- Accounts Payable

Major Partnership objectives while employed at IBAX have been related to expansion of the Partnership and restructuring of the organization. Accounting department responsibility increased from one product line, with 500 employees and sales of \$30M, to five product lines with 800 employees and sales of \$100M.

Individual accomplishments include the following:

- Assisted with Financial Management of company to turn around from net loss of \$19M in 1991 to a \$2.4M profit in 1993;
- Implemented change in invoicing of maintenance services from monthly to annual, which significantly increased cash flow;
- Turned cash flow around from \$25M negative to positive \$14M;
- Reduction of outstanding receivables by 72 days and \$16M;
- Implemented self-managed work teams within Finance organization and reengineered team reducing headcount from 29 to 15;
- Preparation of budgets and projections necessary for the formation of Partnership between IBM and Baxter;
- Coordination of acquisition of a Canadian Subsidiary, including set-up of systems for financial reporting after acquisition;
- Project manager on selection, set-up and implementation of Accounts Receivable, Invoicing and Inventory system;

**Jay G. Swindler****Page 2**

- Responsible for two General Ledger conversions;
- Development of commission reporting system;
- Improvement of installation billing process;
- Addition of invoicing and accounts receivable activities for three additional product lines without increase in staff;
- Coordination of annual internal and external audits;
- Thorough working knowledge of personal computers and software, specifically Lotus 123, as well as mid-range and mainframe systems.

**COACHMEN INDUSTRIES, INC.**  
Middlebury, IN 46540

**1982 - 1983**

Employed as **CORPORATE ACCOUNTANT** responsible for:

- Financial and operational audits;
- Preparation of audit reports;
- Preparation of various tax returns;
- Supervision of divisional inventories;
- Assisting in preparation of consolidated quarterly financial statements for SEC reporting;
- Assisting external auditors with year-end audit.

**DREES, ROBINSON & PERUGINI, CPA'S**  
Fort Wayne, IN 46802

**1981 - 1982**

Employed as **STAFF ACCOUNTANT** responsible for audits, financial statement preparation, year-end closing work, corporate and individual tax preparation, tax research.

**EDUCATION**

**MANCHESTER COLLEGE**  
North Manchester, IN 46962

**1977 - 1981**

Bachelor of Science degree awarded in May, 1981  
Majors in Accounting and Business Administration  
Grade point average in Accounting: 3.5 (4.0 = A)  
Grade point average in Business Administration: 3.7

**UNIVERSITY OF CENTRAL FLORIDA**  
Orlando, FL 32817

**1983 - 1984**

Graduate Courses - College of Business  
15 hours completed toward Masters of Business Administration

**REFERENCES**

Furnished upon request

## RESUME OF David R. Cota

**SUMMARY:** C/UNIX/DOS System Engineer including programming, design, management and instruction.

**HARDWARE:** Dec Alpha, RS6000, RISC 4000, Intel 8086 family, Motorola 68000, VAX 3300, VAX 8600 clusters, VAX 11/7XX family, AT&T 3B2 ALTOS, IBM AS400, S36, 370, 390 and 4341

**OS:** OSF1, AIX, AT&T UNIX SV, UNIX BSD, XENIX, MS-DOS 1.0 thru 6.2, VMS, UNIBOL, TSO, VM/CMS and MVS

**DATABASES:** Progress, INFORMIX, ESQLE, 4GL, BTRIEVE, C-ISAM, MDBS III, SQL, ISQL

**LANGUAGES:** C, DCL, GSS-RTG, AWK, ADA, BASIC, SHELL, COBOL, APL, FORTRAN, X11

**TOOLS:** cc, ld, ar, awk, ksh, bsh, csh, troff, nroff, make, borland, msc

**NETWORKS:** TCP/IP, NOVELL, DATAKIT, UB NET-ONE, TCP Sockets

**INTERFACES:** SDS1000, Fuji CR, Imlogix Work Station, Tecktronics Monitors, Dupont Digitizers, Vision 10 CCD scanners, Omnicomp Video Boards

**COMMUNICATIONS:** UUCP, Asynchronous RS232 IOCTL level

**EXPERIENCE:**

**09/93 to Present - GTI Telecom Inc.: Technical Director**  
 Responsible for all technical solutions and data flow for Corporate operations.  
 Management of technical staff.  
 Report directly to President and Vice President.  
 Oversaw growth from 1 base switch to multi client server based switching solution that is capable of supporting several million calls per month.  
 GTI now controls 20% of Debit Telephone Card Market since inception 5/93.

**05/91 to 11/93 - geneays: Senior System Engineer**  
 Lead programmer for PACs and Teleradiology. Reported to the VP of R&D.  
 Duties include design, specification and implementation of PACS Medical Imaging System.  
 Responsible for interfaces to HIS and RIS systems for patient demographics.  
 Developed graphic packages and GUI's for state of the art Displays 2K X 2K.

**08/86 to 08/92 - Bit Of Logic Inc.: President and Consultant**  
 Provided engineering services for companies such as Martin Marietta, AT&T, Bell Labs, NASA, MIS, Hotel Video and Entellus.

A. Due of tasks provided, details are available upon request.

**A) Martin Marietta:**

Designed developed and managed Manpower and Estimating packages.  
 Designed developed and implemented SFCS COC center graphical display of shop flow for Lantrin system.  
 Designed and managed downloads of vectored based graphical drafts for Lantrin Shop Floor.

**B) NASA:**

Designed and provided instruction for following courses:  
 Intro, Intermediate and Advance 'C' and ADA.  
 Project management, Graphics, Intro to DOS and Intro to UNIX.

**C) AT&T:**

CWAN database integrity and administration,  
 System ports of UDT,

**D) Bell Labs:**

Designed and implemented **SV 4.1 UNIX OS system administration software**.  
Duties included ;Specification, Coding and documentation of SVID and MAN pages.

Designed and created system interfaces for Modeling packages using VAX 3300, Silicon Graphics, 3B2's and DOS based machines in a multi media environment.

**E) Hotel Video:** Designed and implemented Credit Card Authorization package using Tymnet Information System.

**F) Entellus and MIS:**

Provided Unix Security courses throughout the world.  
Provided technical information for LAN analyzer package.

**02/85 to 08/86 - Sycomm Systems Corporation: Consultant**  
Responsible for projects at AT&TIS, AT&T and Bell Core of Bell Labs  
Projects included;

**AT&T:**

**UNIX Development group:**

**A)** Designed and implemented communications package for updating host and remote sites for a Real Estate package.  
Contracted with AT&T.

**B)** Developed ESQL, system and 4GL programs for Law School Admissions package.

**C)** Designed and implemented statistical analysis package for database usage.

**BELL CORE:**

Packaging and documentation of BEIS package which tracks communication hardware for large events.

**AT&TIS:**

Initial design, analysis and sizing of Law Enforcement System.

**09/84 to 01/85 - Vectron Systems: Engineering consultant**

Developed and taught DOS and UNIX courses.

Developed 'C' libraries.

Trouble shot and enhanced assemblers and disassemblers.

**11/82 to 09/84 - New England Management Services: Programmer/Analyst.**

Charged with Hardware and Software analysis and acquisition for Portfolio Manager.

Wrote DOS and UNIX apps that ported bidirectionally

Wrote serial interfaces to Dow Jones and GE financial databases.

Developed and wrote screen generators and communication packages.

Responsible for overlay management using PLINK and LD.

**Sacred Heart: Computer Assistant to the University**

Responsible for all Computer Aids.

Technical trouble shooting of Lab Equipment.

Assisted OR on multi queue software project for DOT.

**PERSONAL:**

Sacred Heart University 1980 to 1982 for Computer Science, Deans List

Pennsylvania State University 1971 to 1974 for English/History

Born San Diego, CA

Phone Home: 407-660-6088 Work: 407-629-2300

Address: 7716 Meadowglen Drive

Orlando, FL 32810





# Public Service Commission

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

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**DATE:** March 4, 1995  
**TO:** Tom Williams, Division of Communications  
**FROM:** Pete Lester, Division of Auditing and Financial Analysis *PL*  
**RE:** Docket No. 960069-TI, PTT Telekom, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ALM*

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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 PTT Telekom, Inc. (PTT). An audit and disclosures could change one's opinion of the company's financial position. The attached schedule shows that PTT has 100% equity and adequate liquidity but is unprofitable.

PTT plans to offer debit cards. Since PTT does not have 3 years of financial information and is unprofitable, staff recommends that the company be required to post a surety bond. For purposes of granting a certificate under the minimal requirements of the statute, the application appears adequate if the company can secure a bond.

cc: Division of Legal Services  
Division of Records and Reporting



DOCKET NO. 960069-TI  
PTT TELEKOM, INC.  
IXC CERTIFICATE  
FINANCIAL ANALYSIS  
COMPANY OFFER DEBIT CARDS

FROM UNAUDITED FINANCIAL STATEMENTS

AS  
OF  
11/30/95

CURRENT ASSETS	\$67,851
CURRENT LIABILITIES	15,188
CURRENT RATIO	4.47
CASH	33,981
COMMON EQUITY	12,867
TOTAL DEBT	0
COMMON EQUITY RATIO	100%
NET INCOME	(12,133)
RETURN ON EQUITY	NMF

NMF = NO MEANINGFUL FIGURE

# State of Florida



## Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of PTT TELEKOM, INC., a Florida corporation, filed on October 26, 1995, as shown by the records of this office.

The document number of this corporation is P95000082460.

Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capitol, this the  
Twenty-seventh day of October, 1995



CR2EO22 (2-95)

Sandra B. Northam  
Secretary of State