

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

MAY 9, 1996

TO: DIVISION OF RECORDS AND REPORTING [BAYO]

FROM: DIVISION OF COMMUNICATIONS [WILLIAMS, STAVANJA] *wt*
DIVISION OF AUDITING & FINANCIAL ANALYSIS [JONES] *W*
DIVISION OF LEGAL SERVICES [EDMONDS] *W*

RE: DOCKET NO. 960383-TI; APPLICATION FOR CERTIFICATE TO
PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE BY
GTN CORP. d/b/a GLOBAL TELECOM NETWORK.

AGENDA: 05/21/96 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE

SPECIAL INSTRUCTIONS: I:PSC/CMU/WP/960383TI.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 GTN CORP. d/b/a GLOBAL TELECOM NETWORK (GTN) 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

05222 MAY-96

FPSC-RECORDS/REPORTING

DOCKET NO. 950383-TI
DATE: May 9, 1996

RECOMMENDATION: Yes, GTN should be granted:

Florida Public Service Commission Certificate No. 4466

STAFF ANALYSIS: GTN filed an appropriate application with this Commission on March 27, 1996, to offer telecommunications service as a switchless rebiller of long distance service in Florida.

GTN's exhibit of managerial qualifications (pages 3-4) exhibits satisfactory records in telecommunications sales, marketing and service. In regard to technical capability, GTN indicated in their application that the company will be operating as a switchless rebiller and will rely on the network operation and management of its underlying carrier(s). The Division of Auditing and Financial Analysis reviewed GTN's financial statement to determine the company's financial viability (pages 5-6). Based on the information provided by GTN, 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.

GERALD M. DUNNE, SR.

Gerald M. Dunne, Sr. is the founder and President of GTN Corp. d/b/a Global Telecom Network, a telecommunications services provider operating as a Florida corporation as of June 1, 1993. Prior to heading GTN Corp., Mr. Dunne provided business and technical managerial advice to several telecommunications related corporations, most notably the highly successful national telephone services reseller Group Long Distance, Inc., which Mr. Dunne founded in 1989. Mr. Dunne is a Certified Financial Analyst, earning a Bachelor of Arts in economics from Iona College in 1960, with graduate school training in the field of finance from New York University. Mr. Dunne originally represented Standard & Poors as an investment analyst after which he formed his own consulting company in 1965, providing financial consultation services on behalf of national corporations until his founding of Group Long Distance in 1989. Mr. Dunne has provided financial guidance to many high technology companies such as Laser Diode Laboratories and Hamar Laser Instruments, as well as successfully national corporate leaders such as Sensormatic Electronics, Schick, Eversharp and Consumers National Life Insurance.

Edward P. Dunne

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Pompano Beach, FL 33069
(954) 984-0465

EDUCATION:

B.B.A. in Marketing
Florida Atlantic University, Boca Raton, FL
December 1987

University of Florida, Gainesville, FL
August 1982 - May 1986

Series 3 license for commodities brokerage

**EMPLOYMENT
EXPERIENCE:**

10/89 - 12/93

AIG/AMERICAN INTERNATIONAL GROUP

Account Executive - San Francisco, CA, 12/91 - 12/93
Developed and marketed corporate insurance plans for
Future 500 companies. Exceeded sales plans each year.

Senior Underwriter - New York, NY, 12/90 - 12/91
Underwrote all major accounts above field authority.
Reviewed major policies and claims. Developed new
programs.

Management Trainee Program - New York, NY,
10/89 - 12/90

Responsible for Western Region. Reviewed underwriting
and new policies.

7/88 - 10/89

PENSIONS & FORECASTING - New York, NY
Acturial Assistant - Responsible for plan proposals,
ammendments, valuations, I.R.S. filings and overall plan
maintenance.

11/88 - 7/88

CHILMARK CORPORATION - Boca Raton, FL
Commodities Broker - Responsible for contacting potential
clients and briefing current clients on financial
investments and trades.

REFERENCES:

References will be furnished upon request.



Public Service Commission

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

DATE: April 18, 1996
TO: Tom Williams, Division of Communications
FROM: Sonja Jones, Division of Auditing and Financial Analysis *ALM*
RE: Docket No. 960383-TI, GTN Corp. d/b/a Global Telecom Network, *Financial*
Analysis for Certificate Application for Intrastate Interexchange
Telecommunications Service *1996*

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 GTN Corp. d/b/a Global Telecom Network (GTN) for the six-month period ending December 31, 1995. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, GTN has adequate liquidity, ownership equity, and profitability.

In this matter, GTN 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. 960383-T1
GTN CORP. d/b/a GLOBAL TELECOM NETWORK
IXC CERTIFICATE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

FOR THE
6 MONTHS ENDING
12/31/95

CURRENT ASSETS	\$809,437
CURRENT LIABILITIES	593,102
CURRENT RATIO	1.36
CASH	6,110
COMMON EQUITY	191,592
TOTAL DEBT	184,401
TOTAL INVESTOR CAPITAL	375,993
COMMON EQUITY RATIO	51%
PROFIT **	84,030
RETURN ON EQUITY	44%

** Profit figure is "profit before tax"
Net income figure not provided