



# Public Service Commission

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

**DATE:** March 7, 1996  
**TO:** Tom Williams, Division of Communications  
**FROM:** Sonja Jones, Division of Auditing and Financial Analysis *SET ALM APC jms*  
**RE:** Docket No. 960016-TI, Gillette Global Network, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

This is a Revision of AFAD's memo of February 14, 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 Gillette Global Network, Inc. (GGN) for the period ending December 31, 1995. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, GGN has adequate liquidity but reports negative common equity and negative net income.

GGN plans to offer debit cards. Considering the company's financial statements are unaudited, staff recommends that the company secure a surety bond. For purposes of granting a certificate under the minimal requirements of the statute, the application appears adequate if the applicant can secure a bond.

cc: Division of Legal Services  
Division of Records and Reporting

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