

1
2 **Before the**
3 **DELAWARE PUBLIC SERVICE COMMISSION**

4 In the Matter of Grasshopper Group, LLC,)
5)
6 Grasshopper Group, LLC, Transferor,)
7)
8 and) PSC Docket No. _____
9)
10 Citrix Systems, Inc., Transferee)
11)
12 For Approval of Transfer of Control of)
13 Grasshopper Group, LLC)
14
15

16 **JOINT APPLICATION**

17
18 Grasshopper Group, LLC ("Grasshopper" or "Transferor") and Citrix Systems, Inc.
19 ("Citrix" or "Transferee") (collectively, the "Applicants"), by undersigned counsel,
20 pursuant to 26 Del. Code § 215, hereby request Commission approval to transfer
21 control of Grasshopper (PSC Docket No. 13-4, Order No. 8449) to Citrix. On March 30,
22 2015 Citrix entered into a Membership Interest Purchase Agreement (the "Agreement")
23 to acquire all of the membership units of the current owners of Grasshopper, and
24 thereby acquire direct control of Grasshopper (the "Proposed Transaction"). The
25 Applicants seek to consummate the Proposed Transaction as soon as practicable. In
26 light of the many business and financial considerations affected by the timing of the
27 approval process, Applicants respectfully request that the Commission commence its
28 examination of and approve the proposed transaction as quickly as possible.
29

30 **I. DESCRIPTION OF THE APPLICANTS**

31 **A. Grasshopper Group, LLC**

32 Grasshopper is a limited liability company organized under the laws of the
33 Commonwealth of Massachusetts. Grasshopper offers integrated phone service
34 solutions, voicemail processing, and other enhanced services to business end-users.
35 Grasshopper is authorized to provide competitive intrastate interexchange
36 telecommunications services within the State of Delaware, and was granted such
37 authority in the Commission's Order No. 8449 on August 27, 2013.¹ Grasshopper is
38 registered with the Federal Communications Commission to provide interstate
39 telecommunications services (FCC Filer ID No. 827977), and was granted international
40 Section 214 authority in FCC File No. ITC-214-20090916-00417 on October 15, 2009.
41 Grasshopper is also authorized to provide interexchange long distance
42 telecommunications services pursuant to registration, commission order, or on a
43 deregulated basis in the States of: Arizona, Arkansas, California, Colorado, Connecticut,
44 Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland,
45 Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada,
46 New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South
47 Carolina, Texas, Utah, Virginia, and Washington. Grasshopper's headquarters is located
48 at 197 1st Avenue, Suite 200, Needham, MA 02494. Information regarding the current
49 ownership structure of Grasshopper is provided in **Exhibit A**.

¹ See generally *In the Matter of the Application of Grasshopper Group, LLC for a Certificate of Public Convenience and Necessity to Provide Competitive Intrastate Interexchange Telecommunications Services within the State of Delaware (Filed Jan. 8, 2013, and Amended June 28, 2013)*, PSC Docket No. 13-4, Order 8449 (Aug. 27, 2013).

50 **B. Citrix Systems, Inc.**

51 Citrix is a publicly-traded Delaware corporation with its principal business address
52 at 851 West Cypress Road, Fort Lauderdale, FL 33309. Citrix is leading the transition to
53 software-defining the workplace, uniting virtualization, mobility management,
54 networking, and SaaS solutions to enable new ways for businesses and people to work
55 better. Citrix solutions power business mobility through secure, mobile workspaces that
56 provide people with instant access to apps, desktops, data, and communications on any
57 device, over any network and cloud. With annual revenue in 2014 of \$3.14 billion,
58 Citrix solutions are in use at more than 330,000 organizations and by over 100 million
59 users globally. Citrix has two wholly-owned direct subsidiaries offering
60 telecommunications services, Citrix Communications LLC (“Citrix Communications”) and
61 Citrix Online Audio LLC (“Citrix Online Audio”), and one wholly-owned indirect
62 telecommunications subsidiary, Citrix Communications Virginia LLC. Citrix
63 Communications’ and Citrix Communications of Virginia, LLC’s principal place of
64 business is 10 Exchange Place, Suite 1710, Jersey City, NJ 07302. Citrix Online Audio’s
65 principal place of business is 7414 Hollister Avenue, Goleta, CA 93117. Information
66 regarding the current corporate structure of Citrix is provided in **Exhibit B**.

67 **II. DESCRIPTION OF THE TRANSACTION**

68 On March 30, 2015 Citrix and Grasshopper entered into the Agreement wherein,
69 subject to certain closing conditions, Citrix has agreed to acquire all of the membership
70 units of the Transferor. Following closing, Grasshopper will operate as a wholly-owned
71 subsidiary of Citrix. Citrix plans to retain most of Grasshopper’s current management

72 responsible for the day-to-day operations of the business. Grasshopper will continue to
73 provide service to its existing customers in Delaware under its existing authorization.
74 See **Exhibit C** for a complete description of the post-transaction ownership structure of
75 Grasshopper.

76 **III. PUBLIC INTEREST STATEMENT**

77 Applicants submit that the Proposed Transaction described herein serves the
78 public interest. The Proposed Transaction promotes competition among
79 telecommunications carriers by providing Grasshopper with the opportunity to
80 strengthen its competitive position through the additional experience, perspectives, and
81 resources of Citrix in order to accelerate the growth of the business. The Proposed
82 Transaction will help create a stronger competitor by bringing together each
83 organization's respective strengths. Applicants anticipate that the Proposed Transaction
84 will enable them to deliver greater value and variety of services to their customers.

85 Following the Proposed Transaction, Citrix plans to retain most of Grasshopper's
86 current management responsible for the day-to-day operations of the business. The
87 Proposed Transaction is transparent to customers and will not result in the
88 discontinuance, reduction, loss, or impairment of service to customers. Rather, as
89 noted, it will enable the Applicants to make available a greater variety of high-quality,
90 innovative services to their customers.

91 The public interest will also be served by expeditious consideration and approval
92 of this Joint Application. In particular, the Proposed Transaction is aimed at
93 strengthening the competitive position of the companies by enabling them to offer

94 expanded product and service portfolios to customers. Prompt action on the Joint
95 Application will ensure the public realizes these benefits as quickly as possible.

96 **IV. CONCLUSION**

97
98 For the reasons stated above, the Applicants respectfully submit that the public
99 interest, convenience, and necessity would be furthered by a grant of this Application
100 as described herein.

101 Respectfully submitted,



102 Michael P. Donahue
103 Marashlian & Donahue, LLC
104 1420 Spring Hill Road, Suite 401
105 McLean, VA 22102
106 Tel: 703-714-1319
107 Fax: 703-563-6222
108 Email: mpd@commlawgroup.com
109
110
111

112 *Counsel for Grasshopper Group, LLC*

113
114 Brita D. Strandberg
115 Harris, Wiltshire & Grannis LLP
116 1919 M Street NW, 8th Floor
117 Washington, DC 20036-3537
118 Tel: 202-730-1346
119 Fax: 202-730-1301
120 Email: bstrandberg@hwglaw.com
121

114 Peter McElligott
115 Senior Counsel
116 Citrix Systems, Inc.
117 7414 Hollister Ave
118 Goleta, CA 93117
119 Tel: 805-690-3470
120 Fax: 805-879-3721
121 Email: peter.mcelligott@citrix.com
122

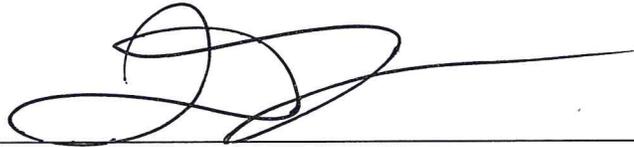
123 *Counsel for Citrix Systems, Inc.*

124 Dated: April 6, 2015

VERIFICATION

I, Dominic Schiavone, hereby certify that I am the Chief Operating Officer of Grasshopper Group, LLC ("Grasshopper"), and am authorized to make this certification on behalf of Grasshopper; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to Grasshopper are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury under the laws of the United State of America that the foregoing is true and correct. Executed this 2 day of April, 2015.

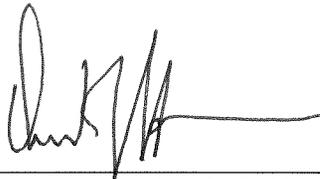


Name: Dominic Schiavone
Title: Chief Operating Officer
Grasshopper Group, LLC

VERIFICATION

I, David J. Henshall, hereby certify that I am the Chief Operating Officer and Chief Financial Officer of Citrix Systems, Inc. ("Citrix"); that I am authorized to make this certification on behalf of Citrix; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to Citrix are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury under the law of the United States of America that the foregoing is true and correct. Executed this 2nd day of April, 2015.



Name:	<u>David J. Henshall</u>
Title:	<u>Chief Operating Officer and Chief Financial Officer</u>

Citrix Systems, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this 6 day of April 2015, I caused to be served a copy of the foregoing Application upon the following as indicated:

VIA E-FILE

Executive Secretary
Delaware Public Service Commission
Suite 100, Cannon Building
861 Silver Lake Blvd.
Dover, DE 19904

VIA OVERNIGHT DELIVERY

David L. Bonar, Public Advocate
Division of the Public Advocate
John G. Townsend Building
401 Federal Street, Suite 3 (SOS)
Dover, DE 19901



Michael P. Donahue
Counsel for Grasshopper Group, LLC

EXHIBIT A

PRE-TRANSACTION OWNERSHIP STRUCTURE OF GRASSHOPPER GROUP, LLC

The following entities/individuals directly or indirectly own or control 10% or more of Grasshopper Group, LLC:

Name:	DH Ventures, LLC
Address:	7225 Bermuda Road Suite E Las Vegas, NV 89119
Percentage of Ownership:	33.33%

Name:	Sia Ventures, LLC
Address:	7225 Bermuda Road Suite E Las Vegas, NV 89119
Percentage of Ownership:	33.33%

Name:	Silaliana Family Holdings, LLC
Address:	7225 Bermuda Road Suite E Las Vegas, VA 89119
Percentage of Ownership:	33.33%

To the best of the Applicants' knowledge, no other person or entity holds a 10% or greater interest in Grasshopper Group, LLC.

EXHIBIT B

OWNERSHIP STRUCTURE OF CITRIX SYSTEMS, INC.

(Non-telecommunications-related-regulated Citrix entities omitted)

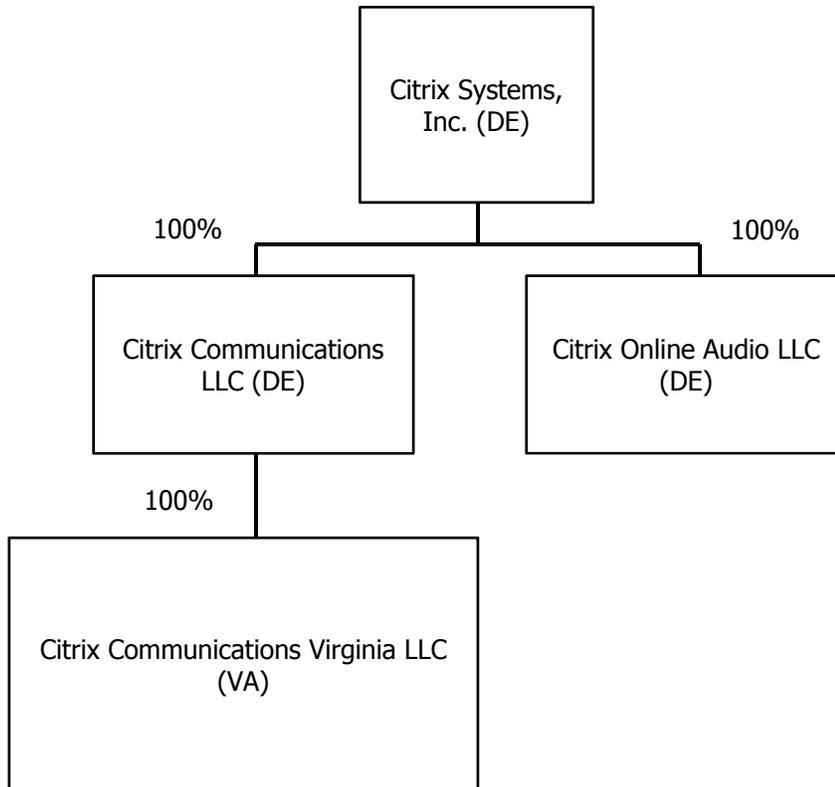


EXHIBIT C

**POST-TRANSACTION OWNERSHIP STRUCTURE OF
GRASSHOPPER GROUP, LLC, BY CITRIX SYSTEMS, INC.**

(Non-telecommunications-related-regulated Citrix entities omitted)

