



Agenda Date: 5/21/25  
Agenda Item: IVB

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

OFFICE OF CABLE  
TELEVISION AND  
TELECOMMUNICATIONS

IN THE MATTER OF VERIFIED JOINT PETITION OF	)	ORDER
VCOM SOLUTIONS, INC., TRANSFEROR,	)	
QUANTUMSHIFT COMMUNICATIONS, INC.,	)	
LICENSEE, AND APPSMART TGN, INC.,	)	
TRANSFeree, FOR APPROVAL OF THE TRANSFER	)	
OF INDIRECT CONTROL OF LICENSEE TO	)	DOCKET NO. TM24120876
TRANSFeree	)	

**Parties of Record:**

**Brian O. Lipman, Esq., Director**, New Jersey Division of Rate Counsel  
**Jenna Brown**, on behalf of vCom Solutions, Inc. and QuantumShift Communications, Inc.  
**H. Henry Shi, Esq.**, on behalf of AppSmart TGN, Inc.

**BY THE BOARD:**

On December 20, 2024, vCom Solutions, Inc. ("vCom" or "Transferor"), AppSmart TGN, Inc. ("AppSmart TGN" or "Transferee"), and QuantumShift Communications, Inc. ("QuantumShift" or "Licensee") (collectively, "Joint Petitioners"), filed a petition with the New Jersey Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-51.1, N.J.S.A. 48:3-10, and the regulations of the Board ("Petition"). By the Petition, the Joint Petitioners requested Board approval for the indirect transfer of control of Licensee to Transferee. According to the Petition, vCom and Transferee's indirect parent company, AppDirect, Inc. ("AppDirect"), are parties to a Stock Purchase Agreement, which Stock Purchase Agreement has been assigned by AppDirect to Transferee, pursuant to which Transferee will acquire all of the issued and outstanding stock of vCom, which owns 100% of the issued and outstanding stock of QuantumShift ("Proposed Transaction").

**BACKGROUND**

vCom is a California corporation and the direct parent entity of QuantumShift, with its principal place of business located in San Ramon, California. vCom is a software and managed services company that provides business customers with information technology solutions.

vCom's wholly-owned subsidiary, QuantumShift, is a competitive local exchange carrier that offers intrastate and interstate telecommunications on a resale basis and does not own or operate

any communications facilities. QuantumShift works with a range of facilities-based and reseller carriers, and resells Internet Protocol services, both traditional local and long-distance switched voice service, mobile voice, and data, as well as interconnected Voice over Internet Protocol service. The Petition indicated that QuantumShift's customer base consists entirely of small and medium business and enterprise customers and does not include any consumers. QuantumShift's customers include financial institutions, healthcare organizations, and professional services firms, among others. In the State of New Jersey, QuantumShift is authorized by the Board to provide resold and facilities-based local exchange, interexchange, exchange access, and private-line telecommunications services.<sup>1</sup> According to the Petition, QuantumShift is also authorized by the Federal Communications Commission ("FCC") to provide interstate and international telecommunications services. The Joint Petitioners indicated that, collectively, Licensee and its affiliates have one employee located in New Jersey.

AppSmart TGN is a Delaware corporation. It provides limited international and toll-free telecommunications services on a resale basis to business customers. AppSmart TGN's ultimate parent company, AppDirect, provides business-to-business cloud marketplace and cloud management services across the United States. AppDirect provides these services internationally to a customer base across more than twenty-five (25) countries, with global offices in Canada, Germany, India, and Argentina.

The Joint Petitioners stated that upon consummation of the Proposed Transaction, Transferee will acquire 100% of the issued and outstanding stock of vCom and will indirectly acquire ownership and control of QuantumShift. After consummation of the Proposed Transaction, QuantumShift would continue to exist and operate under the same name and will continue to provide services pursuant to then-existing rates, terms, and conditions for the near term. Any future changes to the rates, terms, and conditions of service will be undertaken pursuant to customers' contracts and applicable law. No carrier change charges would result from the Proposed Transaction, and no customer service or billing contact information would change as a result of the Proposed Transaction.

Further, the Joint Petitioners stated that the Proposed Transaction would not impact QuantumShift's customers. The Proposed Transaction will entail a change in the equity ownership of QuantumShift, however there will be no sale of its individual assets or liabilities. Additionally, after the consummation of the Proposed Transaction, several senior members of QuantumShift's management team are expected to continue with QuantumShift and be involved in QuantumShift's day-to-day operations.

The Joint Petitioners asserted that the Proposed Transaction would serve the public interest and will bring together two (2) successful enterprises that have demonstrated a long-standing commitment to excellence in a highly competitive marketplace. The Joint Petitioners stated that Transferee is managerially, technically, and financially well-qualified to complete the Proposed

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<sup>1</sup> In re the Verified Petition of QuantumShift Communications, Inc., d/b/a vCom Solutions for a Certificate of Public Convenience and Necessity to Provide Local Exchange and Intrastate Interexchange Telecommunications Services in the State of New Jersey, BPU Docket No. TE15101209, Order dated December 16, 2015.

Transaction. Further, Transferee has plans to invest in the combined company's communications services to further grow and strengthen its capabilities. Licensee therefore will continue to have the managerial, technical, and financial qualifications to provide high quality telecommunications services in New Jersey supported by experienced management. Licensee will also be supported by the financial resources of Transferee.

Further, the Joint Petitioners asserted that the Proposed Transaction would have no adverse impact on the customers of Licensee. Immediately following the Proposed Transaction, Licensee would continue to provide high-quality services at the same rates and on the same terms and conditions as are currently in effect. The only change immediately following closing of the Proposed Transaction will be that Licensee's indirect ownership will change, with the Transferee being the new ultimate owner. Since the Proposed Transaction would occur at the holding company level, it will be transparent and seamless from a customer's perspective.

The Joint Petitioners stated that, as of this filing, they have not engaged in any material integration planning. Licensee does not have an employee pension plan. Employees' existing rights in any other retirement benefit plan offered by Licensee will be retained upon completion of the Proposed Transaction.

In response to Board Staff's discovery request, the Joint Petitioners stated that QuantumShift currently has thirty-one (31) customers in New Jersey. The Joint Petitioners also asserted that AppSmart TGN does not have any current plans for a mass migration of telecommunications service customers following the transfer of control described herein.

On February 25, 2025, the New Jersey Division of Rate Counsel ("Rate Counsel") submitted comments on the petition. Rate Counsel stated that it did not oppose Board approval of the petition.

## **DISCUSSION AND FINDINGS**

Pursuant to N.J.S.A. 48:2-51.1(a), the Board shall evaluate the impact of a transfer of control of a public utility on competition, on the rates of ratepayers affected by the transfer of control, on the employees of the affected public utility or utilities, and on the provision of safe and adequate utility service at just and reasonable rates. The Board must be satisfied that positive benefit will flow to customers and the State of New Jersey and, at a minimum, that there are no adverse impacts on any of the criteria delineated in N.J.S.A. 48:2-51.1, as set forth above. N.J.A.C. 14:1-5.14(c). Also, pursuant to N.J.S.A. 48:3-7 and N.J.S.A. 48:3-10, the Board must determine whether the public utility, or a wholly owned subsidiary thereof, may be unable to fulfill its pension benefits obligations to any of its employees.

After investigation, and having considered the record in this proceeding, the Board **FINDS** that the Proposed Transaction is consistent with applicable law and is not contrary to the public interest. The Board **FINDS** that the Proposed Transaction will have no material adverse impact on competition or rates. The Board further **FINDS** that the Proposed Transaction will have no material adverse impact on the provision of safe, adequate, and proper service at just and reasonable rates, and is likely to provide benefits to customers. The Board also **FINDS** that the Proposed Transaction will have no material impact on the Joint Petitioners' employees or their pensions. Therefore, the Board **HEREBY AUTHORIZES** Joint Petitioners to complete the

Proposed Transaction.

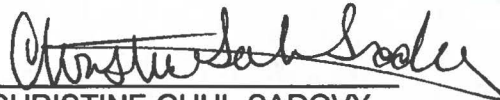
The Board additionally **FINDS** that the mass migration rules, N.J.A.C. 14:10-12.1 et seq., do not apply to the Proposed Transaction.

The Board also **FINDS** that, in accordance with N.J.S.A. 48:2-59 and 48:2-60, following consummation of the Proposed Transaction, AppSmart TGN is responsible for the filing of its annual report with the Board and for the payment of any outstanding assessment liabilities to the Board and to Rate Counsel.

This Order shall be effective on May 28, 2025.

DATED: May 21, 2025

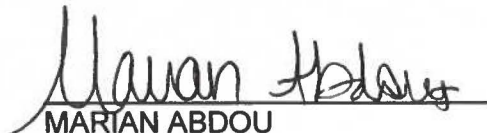
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MARIAN ABDOU  
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MICHAEL BANGE  
COMMISSIONER

ATTEST:



SHERRI L. LEWIS  
BOARD SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public Utilities.

IN THE MATTER OF VERIFIED JOINT PETITION OF VCOM SOLUTIONS, INC., TRANSFEROR, QUANTUMSHIFT COMMUNICATIONS, INC., LICENSEE, AND APPSMART TGN, INC., TRANSFEREE, FOR APPROVAL OF THE TRANSFER OF INDIRECT CONTROL OF LICENSEE TO TRANSFEREE

DOCKET NO. TM24120876

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