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BY ELECTRONIC POSTING

Veronica Garcia-Ulloa
Attorney Advisor
Federal Communications Commission
International Bureau, Policy Division
445 12th Street, S.W.
Washington, D.C. 20554

**Re: Transtelco, Inc. – Foreign Carrier Affiliation Notification
(FCC File No. FCN-NEW- 20150112-00001)**

Dear Ms. Garcia-Ulloa:

Transtelco, Inc. (“Transtelco”), by its attorney, hereby responds to your February 3, 2015 request for additional information concerning the above-referenced Foreign Carrier Affiliation Notification, filed January 12, 2015. In particular, you have asked: (1) how Transtelco qualifies for non-dominant classification pursuant to Section 63.10 of the Commission’s Rules (47 C.F.R. § 63.10), and (2) why the notification was not filed within thirty days after the transaction giving rise to the reported affiliation pursuant to Section 63.11(c) of the Commission’s Rules (47 C.F.R. § 63.11(c)).

The requested information was included in Transtelco’s related request for approval of the transfer of control of its current Section 214 Authorization (FCC File No. ITC-T/C-20150112-00008), but was inadvertently omitted from the Foreign Carrier Affiliation Notification that was filed contemporaneously. Transtelco regrets the omission, but is now providing the requested information below:

(1) Demonstration that Transtelco Qualifies for Non-Dominant Classification: Transtelco is under common control with two small carriers operating in Mexico: IP Matrix, SA de CV, which provides local voice and data service, and Olatu Networks, SA de CV, which provides long distance service. Each company is a wholly-owned subsidiary of Transtelco’s parent company, Transtelco Holding, Inc. Neither company serves a significant share of the market for international or local access service in Mexico, individually or in the aggregate, let

alone wields sufficient market power in Mexico to affect competition adversely in the U.S. market. As is well established, the only dominant wireline carrier in the Mexican telecommunications market is Telefonos de Mexico (“TelMex”), which controls roughly 80 percent of Mexico's fixed-line services market. See “Mexico Regulator Fines Telmex for Monopolistic Practices,” Fox News Latino (posted Oct. 1, 2014)¹; FCC Public Notice, “List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets,” 22 FCC Rcd 945, 950 (2007)(listing TelMex as the sole dominant carrier serving Mexico). TelMex’s huge market share precludes a finding that any other fixed services carrier is dominant in that market. See 47 C.F.R. § 63.24(f)(2) (“If the U.S. carrier demonstrates that the foreign affiliate lacks 50 percent market share in the international transport and the local access markets on the foreign end of the route, the U.S. carrier shall presumptively be classified as non-dominant”).

(2) Reason that the Notification is Late-Filed: The omission of notification concerning the foreign carrier affiliation was an oversight that occurred due to insufficient licensee familiarity with the Commission’s Rules governing relationships with non-U.S. carriers. Transtelco was not represented by regulatory counsel at the time it obtained its Section 214 authorization. The company filed the above-referenced notification and related applications following an internal review occasioned by the retention for the first time of outside FCC regulatory counsel.

Please contact the undersigned counsel if you have any questions or require any additional information.

Respectfully submitted,

/s/ David S. Keir
David S. Keir
Counsel to Transtelco, Inc.

¹ This article is available at the following link:

<http://latino.foxnews.com/latino/news/2014/10/01/mexico-regulator-fines-telmex-for-monopolistic-practices/> .