



PUBLIC NOTICE

Federal Communications Commission
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DA 02-1173
May 16, 2002

COMMISSION SEEKS COMMENT ON APPLICATIONS FOR CONSENT TO TRANSFER CONTROL FILED BY BELL ATLANTIC NEW ZEALAND HOLDINGS, INC. AND PACIFIC TELECOM INC.

Pleading Cycle Established
IB Docket No. 02-111

Comments/Petitions Due: June 17, 2002
Responses/Oppositions to Petitions Due: July 1, 2002

I. THE TRANSACTION

On April 11, 2002, Bell Atlantic New Zealand Holdings, Inc. ("BANZHI") and Pacific Telecom Inc. ("PTI") (together with BANZHI, the "Applicants") filed applications pursuant to sections 214 and 310(d) of the Communications Act of 1934, as amended (the "Act"),¹ seeking Commission approval of the proposed transfer of control from BANZHI to PTI of certain Commission licenses and authorizations held by Micronesian Telecommunications Corporation ("MTC") and its wholly owned subsidiary GTE Pacifica Inc. ("GTE Pacifica"). These licenses and authorizations include a cellular radiotelephone service license, a non-common carrier earth station license, a common carrier earth station license, a cable landing license, and two international section 214 authorizations held by GTE Pacifica, as well as blanket domestic section 214 authorizations held by GTE Pacifica and MTC. BANZHI owns 100 percent of the shares of MTC and proposes to sell to PTI all of the outstanding shares of MTC. After the proposed transaction, PTI would control all of the Commission licenses and authorizations held by GTE Pacifica and MTC, which would continue to offer the services they currently offer under existing service arrangements. PTI also petitions the Commission to issue a declaratory ruling that the indirect foreign ownership of GTE Pacifica that would result from

¹ 47 U.S.C. §§ 214, 310 (d).

PTI's proposed acquisition is consistent with the public interest pursuant to section 310(b)(4) of the Act.²

II. THE PARTIES

According to the Applicants, PTI, the proposed transferee, is a privately held corporation organized under the laws of the Commonwealth of the Northern Mariana Islands ("CNMI"), a U.S. overseas territory. They state that PTI was formed by a consortium of investors as the vehicle to purchase the assets of MTC and GTE Pacifica. PTI has three shareholders: Prospector Investment Holdings Inc. ("Prospector"), a corporation of the Cayman Islands, British West Indies, holds 50 percent of the equity of PTI, THC Communications Corp. ("THC Communications") and Missouri Holdings Corp. ("Missouri Holdings"), both corporations organized under the laws of the CNMI, hold the remaining 30 percent and 20 percent of the equity of PTI, respectively. Applicants state that the total ultimate foreign ownership of PTI is currently 72.1 percent.

MTC is the incumbent local exchange carrier in the CNMI and wholly owns GTE Pacifica, doing business as Verizon Pacifica, which provides domestic and international telecommunications services in the CNMI through the use of cellular radiotelephone, satellite and cable facilities. BANZHI, a Delaware corporation, wholly owns MTC. Verizon Communications Inc., a publicly held corporation organized under the laws of Delaware, indirectly owns 100 percent of the outstanding common stock of BANZHI.

PETITION FOR DECLATORY RULING ALLOWING INDIRECT FOREIGN OWNERSHIP

PTI has filed a petition pursuant to section 310(b)(4) of the Act for a declaratory ruling that it would not serve the public interest to prohibit indirect foreign ownership of common carrier licensee GTE Pacifica by investors from World Trade Organization ("WTO") Member countries in an amount up to 72.1 percent. PTI also requests that it be provided flexibility for an additional 15 percent foreign investment by entities or individuals from WTO Member countries, for a total of up to 87.1 percent indirect foreign ownership.

The petition for declaratory ruling under section 310(b)(4) of the Act has been assigned File No. ISP-PDR-20020411-00013.

III. SECTION 310 APPLICATIONS

Part 25 – Satellite Communications

This Public Notice lists two applications for the transfer of control from BANZHI to PTI of one common carrier earth station license and one non-common carrier earth station license held by GTE Pacifica:

² 47 U.S.C. § 310(b)(4).

<u>File No.</u>	<u>Licensee</u>	<u>Call Sign</u>
SES-T/C-20020411-00542	GTE Pacifica Inc.	E000164 (Common carrier)
SES-T/C-20020411-00657	GTE Pacifica Inc.	KA-34 (Non-common carrier)

Part 22 – Public Mobile Services

Applicants also filed an application for transfer of control from BANZHI to PTI of cellular radiotelephone service license KNKN616 held by GTE Pacifica:

<u>File No.</u>	<u>Licensee</u>	<u>Call Sign</u>
0000759596	GTE Pacifica Inc.	KNKN616

IV. CABLE LANDING LICENSE APPLICATION

Part 1 - Cable Landing Licenses

Applicants also filed the following application for consent to transfer control from BANZHI to PTI of a cable landing license held by GTE Pacifica:

<u>File No.</u>	<u>Licensee</u>	<u>License</u>
SCL-T/C-20020411-00024	GTE Pacifica Inc.	SCL-92-003-AL

INTERNATIONAL SECTION 214 APPLICATIONS

Part 63 – International Service

Applicants have filed an application for consent to transfer control from BANZHI to PTI of international section 214 authorizations held by GTE Pacifica, as specified below.

<u>File No.</u>	<u>Authorization Holder</u>	<u>Authorizations</u>
ITC-T/C-20020411-00224	GTE Pacifica Inc.	ITC-214-19970502-00247 (formerly ITC-97-288); ITC-ASG-19971211-00776 (formerly ITC-97-779-AL); ITC-ASG-19971211-00778 (formerly ITC-97-778-AL).

V. DOMESTIC SECTION 214 APPLICATIONS

Part 63 – Domestic Service

Applicants also filed applications for consent to transfer control from Banzhi to PTI of blanket domestic section 214 authority held by GTE PacifiCa (for domestic interstate, interexchange operations) and by MTC (for local exchange carrier operations).

VI. GENERAL INFORMATION

The transfer of control applications identified herein have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Final action will not be taken on the applications earlier than 31 days following the date of this Public Notice.

All filings concerning any or all matters in this Public Notice should refer to **IB Docket No. 02-111**. Pursuant to Sections 1.415 and 1.419 of the Commission's rules, 47 C.F.R. §§ 1.415, 1.419, interested parties may file comments or petitions to deny on or before **June 17, 2002** and oppositions and/or reply comments on or before **July 1, 2002**. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to **file by paper** must file an original and four copies of each filing. If more than one docket or rulemaking number appear in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail).

The Commission's contractor, Vistronix, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All

hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Qualex International, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; e-mail: qualexint@aol.com; facsimile: (202) 863-2898; phone: (202) 863-2893.
- (2) Gardner Foster, Policy Division, International Bureau, 445 12th Street, S.W., Room 3-A625, Washington, D.C. 20554; e-mail: gfoster@fcc.gov;
- (3) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 6-A847, Washington, D.C. 20554; e-mail: soconnel@fcc.gov;
- (4) John Branscome, Commercial Wireless Division, Wireless Telecommunications Bureau, 445 12th Street, S.W., Room 4-A161, Washington, D.C. 20554; e-mail: jbransco@fcc.gov;
- (5) Erin McGrath, Commercial Wireless Division, Wireless Telecommunications Bureau, 445 12th Street, S.W., Room 4-B454, Washington, D.C. 20554; e-mail: emcgrath@fcc.gov;
- (6) Tracey Wilson, 445 12th Street, S.W., Competition Policy Division, Wireline Competition Bureau, Room 5-C437, Washington, D.C. 20554; e-mail: twilson@fcc.gov;
- (7) Neil A. Dellar, Transaction Team, Office of General Counsel, 445 12th Street, S.W., Room 8-C818, Washington, D.C. 20554; e-mail: ndellar@fcc.gov.

Copies of the application and any subsequently-filed documents in this matter may be obtained from Qualex International, in person at 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, via telephone at (202) 863-2893, via facsimile at (202) 863-2898, or via e-mail at qualexint@aol.com. The applications and any associated documents are also available for public inspection and copying during normal reference room hours at the following Commission office: FCC Reference Information Center, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. The applications are also available electronically through the Commission's Electronic Filing System (ECFS) which may be accessed on the Commission's Internet website at <http://www.fcc.gov>.

For further information, contact Gardner Foster, Policy Division, International Bureau, at (202) 418-1460; Tracey Wilson, Competition Policy Division, Wireline Competition Bureau (202) 418 1580; or John Branscome or Erin McGrath, Commercial Wireless Division, Wireless Telecommunications Bureau at (202) 418-0620.

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