

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)
Mobsat Holding Norway AS, Transferor,)
)
and) **File No. ITC-T/C-2007 _____**
)
Network Innovations Inc., Transferee)

**APPLICATION FOR AUTHORITY TO TRANSFER CONTROL
AND PETITION FOR DECLARATORY RULING**

Pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Sections 63.18 and 63.24(e) of the Commission’s Rules, 47 C.F.R. §§ 63.18 and 63.24, Mobsat Holding Norway AS (“Mobsat AS” or “Transferor”), a Norwegian company formerly known as Inceptum 1 AS¹ and Network Innovations Inc. (“NII” or “Transferee”), hereby request Commission approval to the transfer of control of the global resale authorization held by GMPCS Personal Communications, Inc. (“GMPCS” or “Licensee”)², File No. ITC-214-20001219-00728, from Mobsat AS to NII.

The parties also petition the Commission for a declaratory ruling that indirect foreign investment of up to 100% in GMPCS is in the public interest under Section 310(b)(4) of the Communications Act of 1934, as amended, 47 U.S.C. § 310 (b)(4). As explained below, grant of the requested consent to transfer of control and declaratory ruling will serve the public interest.

¹ The name of Inceptum 1 AS was changed to Mobsat Holding Norway AS effective October 16, 2007.

² GMPCS is a wholly-owned subsidiary of Mobsat Holding US Corp. In May 2007, the Commission approved the transfer of control of GMPCS and its affiliate companies to Inceptum 1 AS in IB Docket No. 06-225. *See Authorizations Granted, Telenor ASA, Transferor, and Inceptum 1 AS, Transferee, Seek FCC Consent to Transfer Control of Licenses and Authorizations and a Declaratory Ruling on Foreign Ownership*, IB Docket No. 06-225, DA 07-2163 (IB, WTB & OET, rel. May 23, 2007). The filings and decision in that proceeding provide additional information regarding the ownership structure of GMPCS.

Applicants respectfully request streamlined, expedited treatment of this Application pursuant to Sections 63.03 and 63.12 of the Commission's rules, 47 C.F.R. §§ 63.03, 63.12. This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) of the Commission's rules, 47 C.F.R. § 63.03(b)(2)(i), because neither NII nor GMPCS is dominant with respect to any telecommunications service. This Application also qualifies for streamlined treatment under Section 63.12 because: (i) neither NII nor GMPCS is affiliated with a dominant foreign carrier; (ii) as a result of the transaction, NII will not become affiliated with any foreign carrier; and (iii) none of the other scenarios outlined in Section 63.12(c) apply.

I. The Applicants

A. Network Innovations Inc. -- Transferee

NII, a Canadian corporation, offers various satellite communication services, including sales of equipment, airtime, and installations to the worldwide market. NII does not currently hold or control any Section 214 authorizations.

B. GMPCS Personal Communications, Inc. -- Licensee

GMPCS, a Delaware Corporation, is a satellite services and equipment reseller servicing primarily the end-user market. It resells Inmarsat, Iridium, Globalstar and Thuraya mobile satellite services to end-user customers.

C. Mobsat Holding Norway AS – Transferor

As noted previously, GMPCS is an indirect wholly-owned subsidiary of Mobsat Holding Norway AS (“Mobsat AS”). Mobsat AS is an indirect wholly-owned subsidiary of Mobsat Group Holding Sàrl (“Mobsat Group Holding”), a Luxembourg company. The significant shareholders of Mobsat Group Holding are Apax France VI FCPR (“Apax France”) (58.1% total interest), Altamir

Amboise SCA (“Altamir Amboise”) (22.6% total interest), and Apax Parallel Investment V (“API V”) (15.4% interest).³

II. Description of the Proposed Transaction

Network Terracom, Inc. (“NTI”), a Nevada Corporation, is a direct, wholly-owned subsidiary of NII, the transferee in the proposed transaction. NTI will purchase all of the outstanding shares of the capital stock of GMPCS for cash. GMPCS will thereafter become a direct wholly-owned subsidiary of NTI and an indirect wholly-owned subsidiary of NII.

III. The Proposed Transaction Furthers the Public Interest

Grant of the requested consent to transfer control of GMPCS will serve the public interest. The transaction will not adversely affect competition in any telecommunications market. In addition, following the consummation of the proposed transaction, GMPCS will continue to operate as a stand-alone corporate entity and will continue to provide international resale services pursuant to its Section 214 authorization. Therefore, the consummation of the proposed transaction is not expected to affect the day-to-day operations of GMPCS and will not adversely affect the services currently provided by GMPCS. GMPCS will continue to provide service to all of its existing customers without interruption, consistent with applicable law. GMPCS also will continue to hold authority to operate and expects to retain its customer contacts. The proposed transaction will be transparent to the customers of GMPCS. There will be no change in the terms, conditions, or price of service, and no detrimental change in customer service. In

³ See *supra* note 2. At the time the transfer of control of GMPCS and its affiliated companies was consummated in September 2007, Apax France VI held a total interest of 59.0% in Mobsat Group Holding, and Altamir Amboise held a total interest of 22.9% in Mobsat Group Holding. See Letter of Karis A. Hastings to Marlene H. Dortch, IB Dkt No. 06-225, File Nos. ITC-AMD-20060804-00288, *et al.*, dated Sept. 4, 2007. These interests were decreased by 0.9% and 0.3%, respectively, when the Glenridge Trust acquired a 1.2% interest in Mobsat Group Holding. The Glenridge Trust is a family trust established in the U.K. whose trustees are Michael Collins and Gwendoline Collins. Michael Collins is a U.K. citizen involved in the management of companies controlled by Mobsat Group Holding and also directly holds 1.2% of Mobsat Group Holding. Gwendoline Collins is also a U.K. citizen, as are all the beneficiaries of the Glenridge Trust.

addition, it is anticipated that GMPCS's management and employees will remain primarily the same upon consummation of the proposed transaction. The proposed transaction will have no negative effects, and the transfer of control will not change the qualifications of GMPCS to be a Commission licensee. The Applicants submit that GMPCS is, and will continue to be, well-qualified to provide telecommunications services. Finally, as explained below, GMPCS will remain owned and controlled by WTO-member country investors.

IV. The Transaction is Consistent with Section 310(b)(4) of the Act

The Commission has already approved indirect foreign ownership of up to one hundred percent (100%) in GMPCS.⁴

Indirect foreign ownership of a common carrier radio licensee is governed by the benchmark limits contained in Section 310(b) of the Act. Specifically, Section 310(b)(4) of the Act states:

(b) No broadcast or common carrier or aeronautical en route or aeronautical fixed radio station license shall be granted to or held by... (4) any corporation directly or indirectly controlled by any other corporation of which more than one-fourth of the capital stock is owned by record or voted by aliens, their representative, or by a foreign government or representative thereof, or by any corporation organized under the laws of a foreign country, if the Commission finds that the public interest will be served by the refusal or revocation of such license.⁵

In the *Foreign Participation Order*,⁶ the Commission determined that allowing indirect foreign investment in a common carrier radio licensee beyond the 25 percent benchmark established by Section 310(b)(4) of the Act would promote competition in the U.S. market, thereby promoting the public interest. The Commission adopted a "strong presumption that no

⁴ *Id.*

⁵ 47 U.S.C. § 301(b)(4).

⁶ Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891 (1997) ("*Foreign Participation Order*").

competitive concerns are raised by...indirect foreign ownership” from entities from WTO member countries,⁷ unless granting the application would pose a “very high risk to competition” in a U.S. market that cannot be addressed by existing conditions the Commission places on U.S. international carriers considered dominant under its rules.⁸ The Commission determined that this open entry standard also applies to foreign investment in entities that hold authority pursuant to Section 214 of the Act.⁹ Since the adoption of the *Foreign Participation Order*, the Commission has repeatedly permitted WTO foreign interests in FCC License and authorization holders, including 100 percent foreign ownership.¹⁰

Following consummation of the proposed transaction, GMPCS, the Licensee, will be indirectly owned and controlled by NII, a corporation organized under the laws of Canada and whose controlling individuals are citizens of Canada, a WTO member country. As explained below, upon consummation of the proposed transaction, ownership and control of GMPCS will be held by Timothy Harkema and Audrey Harkema. Timothy Harkema is the sole Director of NII and also serves as its President, Secretary, and Treasurer. In addition, John Spronk is the Chief Financial Officer of NII. All of these individuals are Canadian citizens.

⁷ *Voicestream Wireless Corp. or Omnipoint Corp., Transferors, and Voicestream Wireless Holding Company, Cook Inlet/VS GSM II PCS, LLC, or Cook Inlet/VS GSM III PCS, LLC, Transferees, and Various Subsidiaries and Affiliates of Omnipoint Corp., Assignor, and Cook Inlet/VS GSM II PCS, LLC or Cook Inlet/VS GSM III PCS, LLC, Assignees, For Consent to Transfer of Control and Assignment of Licenses and Authorizations*, Memorandum Opinion & Order, 15 FCC Rcd 3341, 3348 (2000).

⁸ *Foreign Participation Order* at ¶¶ 50-52.

⁹ *Id.* at ¶ 29.

¹⁰ See, e.g., *Intelsat, Ltd., Transferor, and Zeus Holdings Limited, Transferee, Consolidated Application for Consent to Transfers of Control of Holders of Title II and Title III Authorizations and Petition for Declaratory Ruling Under Section 310 of the Communications Act of 1934, as amended*, IB Docket No. 04-366, Order and Authorization, DA No. 04-4034, 19 FCC Rcd 24820 (2004); *Applications of Comsat General Corporation, Lockheed Martin Global Telecommunications LLC, Comsat New Services, Inc. Intelsat LLC, and Intelsat MTC LLC to Assign Licenses and Authorizations and Request for a Declaratory Ruling on Foreign Ownership*, Authorizations Granted, IB Docket No. 04-235, Public Notice, DA 04-3418 (rel. Oct. 26, 2004).

As a result, the presumption that foreign ownership in excess of the benchmark is in the public interest applies here. Furthermore, the proposed transaction raises no competitive concerns. Thus, grant of the proposed transfer of control of GMPCS with respect to indirect foreign ownership is fully consistent with Commission precedent.

V. Conclusion

Based on the foregoing, Commission approval of the transfer of control set forth in this Application will serve the public interest, convenience, and necessity. Accordingly, Applicants respectfully request that the Commission grant this Application as expeditiously as possible through its streamlined processing procedures.

Respectfully submitted,

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