

Categories of Services for 214 Applications
(Streamline/Non-streamline)

- ASSIGNMENT OF LICENSE
- GLOBAL FACILITIES-BASED SERVICE
- GLOBAL FACILITIES-BASED/GLOBAL RESALE SERVICE
- GLOBAL RESALE SERVICE
- INDIVIDUAL FACILITIES-BASED SERVICE
- INTERCONNECTED PRIVATE LINE RESALE SERVICE
- LIMITED GLOBAL FACILITIES-BASED SERVICE/LIMITED GLOBAL RESALE SERVICE
- LIMITED GLOBAL FACILITIES-BASED SERVICE
- LIMITED GLOBAL RESALE SERVICE
- INMARSAT AND MOBILE SATELLITE SERVICE
- SWITCHED RESALE SERVICE
- TRANSFER OF CONTROL
- SUBMARINE CABLE LANDING LICENSE
- INTERNATIONAL SPECIAL PROJECT

Description of Application: _____

Copy to OB /

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September 18, 1998

BY COURIER

Federal Communications Commission
International Bureau Telecommunications Division
P. O. Box 358115
Pittsburgh, PA 15251-5115

Attention: Troy Tanner, Chief, Policy and Facilities Branch, International Bureau

Re: *Application of International Telecom (USA) LLC, for Global Authority Pursuant
to Section 214 of the Communications Act of 1934, As Amended, to Operate as an
International Facilities-based Carrier and as an International Resale Carrier*

Dear Sir or Madam:

Enclosed for filing with the Commission are an original and six (6) copies of the application of International Telecom (USA) LLC requesting global authority, pursuant to Section 214 of the Communications Act of 1934, as amended, to operate as an international facilities-based carrier and as an international resale carrier between the United States and various international points.

As required by the Commission's Rules, a check in the amount of \$780.00 is enclosed. Please date-stamp the extra copy of this application and return it in the enclosed self-addressed, stamped envelope. Any questions regarding the enclosed application should be addressed to the undersigned.

Respectfully submitted,



Priscilla A. Whitehead
Maria L. Cattafesta

Counsel for International Telecom (USA) LLC

Enclosures

cc: Charlie Ylaseemis
Christopher Hoyle

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

In the Matter of

INTERNATIONAL TELECOM (USA) LLC

File No. ITC-98-_____

Application for Global Authority Pursuant to
Section 214 of the Communications Act
of 1934, as amended, to Operate as an
International Facilities-Based and Resale Carrier
Between the United States and Various
International Points

APPLICATION

International Telecom (USA) LLC ("International Telecom" or "Applicant"), by its undersigned counsel, hereby requests "global" authority, under Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.18 of the Commission's Rules, 47 C.F.R. § 63.18 (1998), to provide international telecommunications services between the United States and international points.

I. The Proposed International Services

International Telecom requests four types of authority in this Application, all of which are eligible for streamlined processing.^{1/} International Telecom specifically requests: (1) global facilities-based authority pursuant to Section 63.18(e)(1) of the FCC's Rules, 47 C.F.R. §

^{1/} See *Streamlining the International 214 Authorization Process and Tariff Requirements*, 11 FCC Rcd 12884 (1996) (adopting streamlined 35-day processing procedures for certain international resale applications) ("*Streamlining Order*"); 47 C.F.R. § 63.12 (1998).

63.18(e)(1), to acquire interests in half-circuits in U.S.-authorized facilities as well as necessary connecting facilities to provide international telecommunications services between the United States and all international points except those countries excluded by the Exclusion List;^{2/} (2) global authority pursuant to Section 63.18(e)(2) of the FCC's Rules, 47 C.F.R. § 63.18(e)(2), to resell the international switched services of all U.S.-authorized carriers to provide international switched services between the United States and all international points served by those carriers; (3) global authority pursuant to Section 63.18(e)(2) of the FCC's rules, 47 C.F.R. §63.18(e)(2), to resell international private lines to provide international non-interconnected private line services between the United States and all international points; and (4) authority pursuant to Section 63.18(e)(2) of the FCC's Rules, 47 C.F.R. § 63.18(e)(2), to resell international private lines interconnected to the public switched network ("PSN") at one or both ends to provide international switched services on all international routes on which the Commission permits such services to be provided.^{3/} As International Telecom does not seek authority to serve countries or use facilities excluded by the Exclusion List, and does not seek to serve countries in which it has an affiliate with sufficient market power in the destination market to affect competition adversely in

^{2/} International Telecom only seeks authority to own circuits on facilities not excluded by the Exclusion List.

^{3/} The FCC will automatically amend all Section 214 authorizations to permit carriers to resell international private lines to provide international switched services between the United States and other countries as the Commission permits the provision of such services. *Streamlining Order* at ¶ 34. *See also, International Settlement Rates*, IB Docket 96-261, *Report and Order*, FCC 97-280 (rel. Aug. 18, 1997)(*Benchmarks Order*); *Rules and Policies of Foreign Market Participation in the U.S. Telecommunications Market*, IB Docket 97-142, *Report and Order on Reconsideration*, FCC 97-398 (rel. Nov. 26, 1997) (*Foreign Market Participation Order*).

the U.S. market, International Telecom's Application for authority pursuant to Section 214 is eligible for streamlined processing.^{4/}

International Telecom believes that the added competition its entry will bring to the market will benefit the consumers of United States-overseas services. These benefits include competitive pricing and increased availability of a variety of service options. A grant of this Application will therefore further the public interest.

II. The Applicant

International Telecom is a limited liability company formed under the laws of Delaware. International Telecom is not affiliated, as that term is defined by Part 63 of the Commission's Rules^{5/} with any dominant U.S. carriers whose international services International Telecom will resell. International Telecom is affiliated, within the meaning of Section 63.18(h)(1)(i), 47 C.F.R. § 63.18(h)(1)(i), of the Commission's Rules, with a foreign carrier in the United Kingdom, a destination market that is a WTO Member country. As a relatively new entrant, International Telecom's United Kingdom affiliate does not hold significant market share in the United Kingdom. Therefore, International Telecom should be classified as a nondominant carrier for the provision of the services for which authority is requested in this Application, and International Telecom's Application is eligible for streamlined processing.

^{4/} See *Streamlining Order*; 47 C.F.R. § 63.12 (1998).

^{5/} 47 C.F.R. §63.18(h); *Market Entry and Regulation of Foreign-Affiliated Entities, Report and Order*, 11 FCC Rcd 3875 (1995) (*Market Entry Order*).

III. Public Interest Considerations

In the *Market Entry Order*, the Commission set forth the following policy goals for its regulation of the U.S. international telecommunications market: to promote effective competition in the U.S. telecommunications market, particularly the market for international telecommunications services; to prevent anticompetitive conduct in the provision of international services or facilities; and to encourage foreign governments to open their communications markets.^{6/} The Commission also stated that "establishing an effectively competitive global communications market could result in reduced rates, increased quality, and new innovative services."^{7/} In addition, the Commission found that "effective competition directly advances the public interest and the Commission's paramount goal of making available a rapid, efficient, worldwide wire and radio communication service with adequate facilities at reasonable charges."^{8/}

Grant of International Telecom's request for facilities-based and resale authority to provide international services as requested in this Application will directly further the Commission's policies of bringing increased competition to the U.S. international telecommunications services market and is therefore in the public interest.

IV. Information Required under Section 63.18

As required by Section 63.18 of the Commission's Rules, International Telecom submits the following information:

^{6/} *Id.* at ¶ 6.

^{7/} *Id.*

^{8/} *Id.* at ¶ 10.

- (a) Name, address and telephone number of Applicant:
- International Telecom (USA) LLC
185 Newberry Commons, No. 160
Eters, PA 17319
Tel: (215) 245 2220
Fax: (215) 245 2229

(b) Applicant is a limited liability company formed under the laws of Delaware.

(c) Correspondence concerning this application should be sent to:

Priscilla A. Whitehead, Esq.
Maria L. Cattafesta, Esq.
SWIDLER BERLIN SHEREFF FRIEDMAN, LLP
3000 K Street, N.W., Suite 300
Washington, D.C. 20007
Tel: (202) 424-7500
Fax: (202) 424-7645

with a copy to:

Charlie Ylasemis
International Telecom plc
87-88 Turmill Street
London EC1M 5QU
ENGLAND
Tel: 011 44 171 216 9001

(d) Upon grant of this Application, International Telecom will become an authorized non-dominant facilities-based carrier and reseller with global authority, subject to Section 214 of the Communications Act of 1934, as amended, and the Commission's Rules. International Telecom lacks the market power that would allow it to control prices to the detriment of market competition.

(e) International Telecom requests Section 214 authority to operate as a facilities-based carrier pursuant to the terms and conditions of Section 63.18(e)(1) and to operate as a resale carrier pursuant to the terms and conditions of Section 63.18(e)(2). Specifically, International Telecom requests: (1) global facilities-based authority pursuant to Section 63.18(e)(1) of the FCC's Rules, 47 C.F.R. § 63.18(e)(1), to acquire interests in half-circuits in U.S.-authorized facilities as well as necessary connecting facilities to provide international telecommunications services between the United States and all international points except those countries excluded by the

Exclusion List;^{9/} (2) global authority pursuant to Section 63.18(e)(2) of the FCC's Rules, 47 C.F.R. § 63.18(e)(2), to resell the international switched services of all U.S.-authorized carriers to provide international switched services between the United States and all international points served by those carriers; (3) global authority pursuant to Section 63.18(e)(2) of the FCC's rules, 47 C.F.R. §63.18(e)(2), to resell international private lines to provide international non-interconnected private line services between the United States and all international points; and (4) authority pursuant Section 63.18(e)(2) of the FCC's Rules, 47 C.F.R. § 63.18(e)(2), to resell international private lines interconnected to the public switched network ("PSN") at one or both ends to provide international switched services on all international routes on which the Commission permits such services to be provided.

- (f) International Telecom seeks the authority to provide only the services referenced under paragraph (e) of Section 63.18 of the Commission's Rules.
- (g) The authority requested in this Application is categorically excluded from environmental processing as defined by Section 1.1306 of the Commission's Rules, 47 C.F.R. § 1.1306. As such, an environmental assessment is not required for purposes of this Application and is therefore not attached.

- (h) (1) International Telecom has the following foreign affiliations, as that term is defined in the Commission's Rules:^{10/}

- **United Kingdom: International Telecom plc** provides a number of telecommunications services including phone card and call back services. It currently holds an International Simple Voice Resale license and expects to receive an International Facilities License in the near term in the U.K. As a relatively new entrant, International Telecom plc does not hold a significant market share in the U.K.

^{9/} International Telecom only seeks authority to own circuits on facilities not excluded by the Exclusion List.

^{10/} 47 C.F.R. §63.18(h)

Information regarding International Telecom's 10% or greater direct or indirect shareholders is as follows:

Name: **International Telecom plc**
Address: 87-88 Turmill Street
London EC1M 5QU
ENGLAND
Percentage Held: 100%
Citizenship: England
Principal Business: Telecommunications

Information regarding International Telecom plc's 10% or greater direct or indirect shareholders is as follows:

Name: **Demetris Charalambous**
Address: c/o International Telecom plc
87-88 Turmill Street
London EC1M 5QU
ENGLAND
Percentage Held: 99.9%
Citizenship: Greek Cypriot
Principal Business: Telecommunications

(2) International Telecom has no interlocking officers or directors to report.

(i) As required by Section 63.18 (i) of the Commission's Rules, 47 C.F.R. § 63.18(i), International Telecom certifies that it has not agreed to accept nor shall it accept in the future any special concessions, as defined by the Commission's Rules, directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows between the U.S. and any foreign country for which International Telecom may be authorized to serve.

(j) International Telecom is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. International Telecom's certification pursuant to Section 1.2002 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 3301) is attached.

CONCLUSION

For the reasons stated above, International Telecom (USA) LLC respectfully submits that the public interest, convenience, and necessity would be furthered by a grant of this Section 214 Application.

Respectfully submitted,

INTERNATIONAL TELECOM (USA) LLC

By:



Its Attorneys

Priscilla A. Whitehead, Esq.

Maria L. Cattafesta, Esq.

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

3000 K Street, N.W., Suite 300

Washington, DC 20007

(202) 424-7500 (tel)

(202) 424-7645 (fax)

Dated: September 18, 1998

CERTIFICATION OF APPLICANT

On behalf of International Telecom (USA) LLC, and in accordance with Section 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003, I hereby certify that no party to this Application is subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853a. I also hereby certify that the statements in the foregoing Application for Section 214 authority are true, complete, and correct to the best of my knowledge and are made in good faith.

International Telecom (USA) LLC has not agreed to accept nor shall it accept in the future any special concessions, as defined by the Commission's Rules, directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows on any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market.

INTERNATIONAL TELECOM (USA) LLC

By:  _____

Name: MISS P. DEMETRIOU

Title: DIRECTOR

Date: 3-9-98