

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

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

Description of Application: _____

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of
Stratos Telecom, Inc.

Application Pursuant to Section 214 for
Global Authority to Provide International
Facilities-Based and Resale Services

File No. ITC-99-_____

APPLICATION FOR SECTION 214 AUTHORIZATION

I. INTRODUCTION

Stratos Telecom, Inc. ("Stratos Telecom" or "Applicant") hereby applies, pursuant to Section 214 of the Communications Act of 1934, as amended ("Communications Act"), for global authority to provide facilities-based and resale services. The proposed services will include international basic switched, non-interconnected private line, data, television, and business services to all international points. These services will also include international basic switched services via private lines to authorized countries.

This Application qualifies for streamlined processing. Although Stratos Telecom is affiliated with telecommunications carriers in Canada, this Application still qualifies for streamlined processing because Canada is a WTO Member country and Stratos Telecom agrees to be classified as a dominant carrier to Canada without

prejudice to its right to petition for reclassification at a later date.¹ While Stratos Telecom is affiliated with other foreign carriers, these foreign carriers control far less than 50 percent of the relevant international transport and local markets, thus Stratos Telecom qualifies for a presumption of non-dominance on all international routes.²

II. INFORMATION REQUIRED BY SECTION 63.18

The following information is provided in compliance with 47 C.F.R. §

63.18:

- a. The name, address and telephone number of the Applicant is:

Stratos Telecom, Inc.
6903 Rockledge Drive, Suite 500
West Bethesda, MD 20817
(709) 748-4203

- b. Stratos Telecom is a U.S. corporation organized under the laws of Delaware.

- c. Correspondence concerning this Application should be directed to:

Stratos Telecom, Inc.
6903 Rockledge Drive, Suite 500
Bethesda, MD 20817
Attention: Derek Woods, President
(709) 748-4203

with a copy to:

¹ See 47 C.F.R. § 63.12(c)(v). Bell Canada recently filed a petition for declaratory ruling seeking its removal from the Commission's "List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets." See Petition of Bell Canada, Inc. (filed Nov. 4, 1999).

² See 47 C.F.R. §§ 63.12(c)(1)(ii) and 63.10(a)(3).

Alfred M. Mamlet
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1330 Connecticut Avenue, N.W.
Washington, D.C. 20036-1795
(202) 429-3000

- d. Stratos Telecom has not received any Section 214 authorizations from the Commission.
- e. In this Application, Stratos Telecom requests authority pursuant to 47 C.F.R. § 63.18(e)(1) and (2) to provide international facilities-based and resale services to all international points. Stratos Telecom certifies by signature to this Application that it will comply with the conditions contained in 47 C.F.R. §§63.21-23.
- f. At this time, Stratos Telecom seeks no other authorization available under 47 C.F.R. § 63.18(e).
- g. Stratos Telecom is seeking facilities-based and resale authority under 47 C.F.R. §63.18(e)(1) and (2) to provide international services to all international points. The grant of this Application will not constitute a major action as defined in 47 C.F.R. § 1.1305. Accordingly, no environmental information is required to be submitted with this Application under 47 C.F.R. §1.1311.
- h. Stratos Telecom has the following direct and indirect 10 percent or greater shareholders: (1) Stratos Holdings Inc. ("Stratos Holdings"), a Delaware corporation, with a 100 percent ownership interest in Stratos Telecom, (2) Stratos Global Corporation ("Stratos Global"), with a 100 percent interest in Stratos Holdings; (3) NewTel Enterprises Ltd. ("NewTel"), with an approximately 64 percent interest in Stratos

Global; (4) Aliant Inc. ("Aliant"), with a 100 percent interest in NewTel; (5) Bell Canada, with a 41.6 percent interest in Aliant Inc.; and (6) BCE Inc. ("BCE"), with an 80 percent interest in Bell Canada.³

Currently, Stratos Telecom is controlled by Aliant with an approximately 64 percent interest in Stratos Global. BCE, in turn (through its subsidiary Bell Canada), holds a 41.6 percent interest in Aliant, with the Aliant stock widely held. As set forth in a Section 214 Application for Transfer of Control filed on December 3, 1999 by BCE, BCE intends to acquire an additional 11 percent of Aliant's stock, which will place BCE in control of Aliant as an owner of approximately 53 percent of its stock. See Section 214 Application for Transfer of Control filed by BCE Inc., File No. _____ (filed Dec. 3, 1999). After BCE acquires control of Aliant pursuant to Commission approval of BCE's Section 214 Application, BCE will have indirect control of Stratos Telecom via its control over Stratos Telecom's parent company, Stratos Global Corporation, through its controlling interest in Aliant.

With respect to interlocking directorates, Stratos Telecom notes that it has two directors, Derek Woods and George Kilguss, who are also directors of the Canadian companies Stratos Global and Stratos Wireless.

The principal place of business of Stratos Holdings is as follows:

³ The other 20 percent of Bell Canada is owned indirectly by SBC Communications, Inc. through Ameritech Corporation.

Stratos Holdings, Inc.
6903 Rockledge Drive, Suite 500
Bethesda, MD 20817

The principal place of business of Stratos Global Corp. is as follows:

Stratos Global Corp.
Suite 5200 – Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3Y2
Canada

The principal place of business of NewTel is as follows:

NewTel Enterprises, Ltd.
P.O. Box 2110
Fort William Building
10 Factory Lane
St. John's, Newfoundland A1C5H6
Canada

The principal place of business of Aliant Inc. is as follows:

Aliant, Inc.
One Brunswick Square
P.O. Box 5030
Saint John, New Brunswick E2L 4L4

The principal place of business of BCE Inc. is as follows:

BCE Inc.
1000, rue de La Gauchetière Street West
Bureau 3700
Montreal, Quebec
Canada H3B 4Y7

The principal place of business of Bell Canada is as follows:

Bell Canada
105 Hotel-de-Ville
Hull, Quebec
Canada J8X 4H7

i. Stratos Telecom certifies, by signature to this Application, that it is affiliated with the foreign carriers listed in Appendix 1. These carriers are located in Canada, Colombia, Mexico, India and Brazil.

j. Other than the carriers and countries identified in Appendix 1 as part of section (i) above, Stratos Telecom does not seek to provide international telecommunications services to any destination country where:

(1) Stratos Telecom is a foreign carrier in that country; or

(2) Stratos Telecom controls a foreign carrier in that country; or

(3) Any entity that owns more than 25 percent of Stratos Telecom, or that controls Stratos Telecom, controls a foreign carrier in that country.

(4) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of the applicant and are parties to, or the beneficiaries of, a contractual relation (e.g., a joint venture or market alliance) affecting the provision or marketing of international basic telecommunications services in the United States.

k. Canada, Colombia, Mexico, India and Brazil are each WTO-member countries.

l. As demonstrated in section (m) below, Applicant is entitled to non-dominant status on all routes except the U.S.-Canada route because each of its affiliates (outside of Canada) controls far less than 50 percent of the local access and international transport markets.

m. Stratos Telecom certifies by its signature to this Application that it will comply with the Commission's dominant carrier regulations on the U.S.-Canada route. Stratos Telecom qualifies for non-dominant status on all other routes where it has affiliates. As noted in Appendix 1, Stratos Telecom is affiliated with cellular carriers in India and Colombia. In Brazil, Stratos Telecom is affiliated with a carrier which provides heavy route space segment services. In Mexico, Stratos Telecom is affiliated with a newly authorized competing carrier of local and long distance services. Each of these affiliates clearly controls far less than 50 percent of the local access and international transport markets. In short, since Stratos Telecom is not affiliated with any foreign carrier (outside of Canada) with sufficient market power to affect adversely competition in the U.S. market, Stratos Telecom is entitled, under Section 63.10(a)(3), to non-dominant status on all routes other than the U.S.-Canada route.⁴

n. Stratos Telecom certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier or administration with respect to 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 and will not enter into such agreements in the future.

⁴ Bell Canada recently filed a petition for declaratory ruling seeking its removal from the Commission's "List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets." See Petition of Bell Canada, Inc. (filed Nov. 4, 1999).

o. By its signature to this Application, Stratos Telecom certifies pursuant to 47 C.F.R. § 1.2002 that it is not subject to denial of any federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853a.

p. As stated above, Stratos Telecom is entitled to streamlined processing pursuant to Section 63.12 of the Commission's Rules because (1) Canada is a member of the WTO and Stratos Telecom certifies, by signature to this application, that it will comply with the Commission's dominant carrier regulations on the U.S.-Canada route (47 C.F.R. § 63.12(c)(1)(v)); and (2) as noted in paragraph (m) above, Applicants are entitled, pursuant to 47 C.F.R. § 63.10(a)(3), to non-dominant status on all other routes. See 47 C.F.R. § 63.12(c)(1)(ii).

III. **CONCLUSION**

For the reasons set forth above, Stratos Telecom requests that the Commission promptly grant this Application for global authority to provide international facilities-based and resale services.

Respectfully submitted,

Stratos Telecom, Inc.

By: _____



Name: Derek Woods

Title: President

Alfred M. Mamlet
Marc A. Paul
Stephoe & Johnson LLP
1330 Connecticut Avenue, NW
Washington, DC 20036
202-429-3000

Counsel for Stratos Telecom, Inc.

Dated: December 20 1999

ATTACHMENT 1 – FOREIGN CARRIER AFFILIATES

Company	Description of Service	Country
BCE Nexxia Inc.	Provides high speed data services.	Canada
Bell Advanced Communications 1998 Inc.	Reseller of telecommunications services.	Canada
Bell Canada (*)	Provides local, long distance, and international voice and data services in Ontario and Québec, Canada. (See Note 1 below.)	Canada
Bell Mobility Cellular Inc.	Provides of cellular and PCS services in Ontario and Québec, Canada.	Canada
Bell Mobility Paging Inc.	Provides paging services in Ontario and Québec, Canada.	Canada
Bell Satellite Services Inc.	Provides direct to home video and high speed data services.	Canada
Comunicacion Celular S.A. (Comcel)	Provides cellular services in the eastern region of Colombia.	Colombia
Connectivity Managed Network Services Inc.	Provides resold data services.	Canada
Darome Canada Inc.	Provides teleconferencing services for voice and video.	Canada
Infosat Telecommunications	Provides mobile satellite services.	Canada
Iridium Canada Communications Inc.	Provides mobile satellite services.	Canada
Island Telecom Inc.	Provides local, long distance, and international services in Prince Edward Island, Canada. (See Note 1 below.)	Canada

Country	Description of Service	Company
Canada	Provides local, long distance, and international services in Nova Scotia, Canada. (See Note 1 below.)	Maritime Tel & Tel Limited
Canada	Provides cellular, PCS, and international telecommunications services in Nova Scotia, Canada. (See Note 1 below.)	MT&T Mobility Inc.
Canada	Provides local, long distance, international, wireless, and high speed data services in New Brunswick, Canada. (See Note 1 below.)	NBTEL Inc.
Canada	Provides wireless services in Newfoundland and Labrador, Canada.	NewTel Mobility Limited
Canada	Provides local, long distance, and international services in Newfoundland and Labrador, Canada. (See Note 1 below.)	NewTel Communications Inc.
Canada	Provides cellular services in Northeastern Ontario, Canada.	NorTel Mobility Inc.
Canada	Provides local telephone service in Northeastern Ontario, Canada.	Northern Telephone Limited
Canada	Provides local and long distance services in the Yukon and Northwest Territories and British Columbia, Canada.	Northwestel Inc.
Canada	Provides the wireless services in the Yukon and Northwest Territories and British Columbia, Canada.	Northwestel Mobility Inc.
Colombia	Provides cellular services in the western region of Columbia	Occidente y Caribe Celular S.A. (Ocel)
Canada	Provides airline passenger communication services.	SkyTel Communications Corporation
Canada	Provides mobile and fixed satellite services.	Stratos Wireless, Inc.
India	Provides cellular services in the state of Andhra Pradesh, India.	Tata Communications Limited (Tata)

Company	Description of Service	Country
Télébec Itée	Provides local and long distance services in Québec, Canada.	Canada
Télébec Mobilité Inc.	Provides cellular and other wireless services in Québec, Canada.	Canada
Telefonia Inalambrica del Norte S.A. de C.V.	Holds a concession (1996 telephony license) to offer local and long distance services in Mexico.	Mexico
Telesat Canada	Provides space segment satellite service in Canada.	Canada
Telesat Serviços de Telecomunicação S.A.	Provides heavy route space segment services in Brazil.	Brazil
TMI Communications and Company, L.P.	Provides mobile satellite services.	Canada

Note 1: Some long distance services are provided on a nationwide basis in Canada in conjunction with other members of Stentor Canadian Network Management (Stentor), a working association of nine Canadian telephone companies and Telesat Canada (Telesat). The Stentor members are: BCT, TELUS Communications, Inc., Bell Canada, Island Telecom Inc., Maritime Tel & Tel Limited, MTS Communications Inc., NBTel Inc., NewTel Communications Inc., and Saskatchewan Telecommunications. Northwestel, Québec-Téléphone and Telesat are associate members of Stentor. Telesat is the owner/operator of the Canadian Domestic Satellite System.