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

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Telecom Division
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In the Matter of))
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CCPR of the Virgin Islands, Inc.))
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Application for Authority, Pursuant to))
Section 214 of the Communications Act))
of 1934, as Amended, for Global Resale))
Authority))
_____))

File No. ITC-_____

**APPLICATION FOR AUTHORITY, PURSUANT TO SECTION 214
OF THE COMMUNICATIONS ACT OF 1934, AS AMENDED**

Pursuant to Section 214 of the Communications Act of 1934, as amended,
47 U.S.C. § 214, and Section 63.18(e)(2) of the Rules of the Federal Communications
Commission (“Commission”), 47 C.F.R. § 63.18(e)(2), CCPR of the Virgin Islands, Inc.
 (“Applicant”) hereby requests authority to provide global international resale services
between the contiguous United States, Hawaii, the Commonwealth of Puerto Rico
 (“Puerto Rico”) and the United States Virgin Islands and all international points.
In support of this application, Applicant submits the following information.

I. INTRODUCTION AND DESCRIPTION OF THE APPLICANT

Applicant is a Delaware corporation and is 100% owned by Celular
Communications of Puerto Rico, Inc. (“CCPR”). SBC Communications Inc. (“SBC”)
holds an indirect, 50 percent controlling interest in CCPR. Telefonos de Mexico, S.A. de
C.V. (“Telmex”) holds an indirect 50 percent, non-controlling interest in CCPR.

Through its approximately 7 percent interest in Telmex, SBC holds an additional interest of approximately 4 percent in CCPR. In addition, through its partial (22 percent) ownership of Telmex, Carso Global Telecom, S.A. de C.V. (“Carso Global”) has an 11 percent interest in CCPR. Applicant’s business consists primarily of the provision of wireless services in the Virgin Islands. In addition, Applicant may provide international resale services to its local exchange customers.

SBC, Applicant’s ultimate controlling parent corporation, has ownership interests in several foreign carriers. SBC’s interest in carriers in South Africa, Switzerland, Norway, the Netherlands, Denmark, Germany, Canada, Lithuania, Belgium, France, the United Kingdom, and the Czech Republic rise to the level of a foreign affiliation under the Commission’s international section 214 regulations. *See* 47 C.F.R. § 63.09(e). In addition, Applicant is affiliated with Telmex, a carrier in Mexico, due to Telmex’s 50 percent non-controlling interest in Applicant.

II. PUBLIC INTEREST CONSIDERATIONS

Grant of this application will serve the public interest, convenience and necessity by enabling Applicant to provide its customers with international service through the resale of the international services of authorized U.S. common carriers. Applicant’s provision of international services will benefit consumers by increasing competition, lowering prices and increasing the service options available to the public. For these reasons, Applicant respectfully requests that the Commission grant this Application.

**III. OTHER INFORMATION PROVIDED PURSUANT TO SECTION 63.18
OF THE COMMISSION'S RULES**

Applicant provides the following information in compliance with subsections (a) through (p) of Section 63.18 of the Commission's Rules, 47 C.F.R. §§ 63.18(a)-(p), and in support of Applicant's request.

(a) The name, address and telephone number of Applicant are:

CCPR of the Virgin Islands, Inc.
P.O. Box 192830
San Juan, Puerto Rico
00919-2830
(787)397-5034

(b) Applicant is a Delaware Corporation.

(c) The name, title, address and telephone number of each officer and other

contact person to whom correspondence concerning this application is to be addressed is as follows:

CCPR of the Virgin Islands, Inc.
Lic. Francisco Silva
P.O. Box 192830
San Juan, Puerto Rico
00919-2830

(787)397-5034 (voice)
(787)397-5334 (facsimile)

with a copy to

Philip Horton
Arnold & Porter
555 12th Street, N.W.
Washington, DC 20004

(202) 942-5787 (voice)
(202) 942-5999 (facsimile)

(d) Applicant has not previously received authority under Section 214 of the Communications Act, as amended, to provide international telecommunications services.

(e) Applicant is applying for global resale authority under Section 63.18(e)(2) of the Commission's Rules. Applicant requests Section 214 authority to operate as a resale carrier pursuant to § 63.18(e)(2) and certifies that it will comply with the terms and conditions contained in §§ 63.21 and 63.23 of the Commission's rules.

(f) No response required.

(g) Applicant is not seeking facilities-based authority under Section 63.18(e)(4) of the Commission's Rules. Therefore, Section 63.18(g) requires no response from Applicant.

(h) Applicant is 100% owned by CCPR, a Delaware corporation whose business consists primarily of the provision of wireless services in Puerto Rico and the U.S. Virgin Islands. CCPR is 50 percent owned and controlled by SBC, which is a corporation organized under the laws of the state of Delaware. Through its approximately 7 percent interest in Telmex, SBC holds an additional interest of approximately 4 percent in CCPR. SBC's principal businesses consist of local exchange, wireless and directory publishing services provided by the operating subsidiaries of SBC. No entity or person beneficially owns more than 10 percent of SBC.

In addition, Telmex holds a 50 percent, non-controlling interest in CCPR. Telmex is a corporation organized under the laws of Mexico. Telmex's principal business is telecommunications. Additionally, through its partial (22 percent) ownership of Telmex, Carso Global has an 11 percent interest in CCPR. Carso Global is a corporation

organized under the laws of Mexico. Carso Global is a telecommunications holding company. Applicant has no interlocking directorates with a foreign carrier.

The addresses of these entities are as follows:

SBC Communications Inc.
175 East Houston Street
San Antonio, TX 78205

Telefonos de Mexico, S.A. de C.V.
Parque Via No. 190, Piso 10
Colonia Cuauhtemoc
Mexico, D.F.
06599
Mexico

Carso Global Telecom, S.A. de C.V.
AV. Insurgentes Sur 3500
Colonia Pena Pobre
Tlalpan, Mexico, D.F.
14060
Mexico

(i) Applicant hereby certifies that it is affiliated, as that term is defined in

Section 63.09(e) of the Commission's Rules, with the following foreign carrier:

1. Telefonos de Mexico, S.A. de C.V. ("Telmex") Mexico. Telmex holds a 50 percent, non-controlling interest in CCPR. Telmex is the incumbent telecommunications carrier in Mexico.

In addition, Applicant hereby certifies that it is affiliated, as that term is defined in

Section 63.09(e) of the Commission's Rules, by virtue of the ownership interests of SBC or its other subsidiaries, with the following foreign carriers:

1. Telkom South Africa Ltd. ("Telkom S.A.") (South Africa). A consortium formed between Telekom Malaysia Berhad and SBC owns 30 percent of Telkom S.A. SBC owns 60% of the consortium. Before the acquisition by this consortium, Telkom S.A. was a completely state-owned company. Telkom S.A. is the incumbent telecommunications carrier in South Africa.
2. diAx Holding AG ("diAx") (Switzerland). SBC, through a joint venture, owns an indirect 40 percent interest in diAx, a relatively new, full-service

Swiss telecommunications carrier, with far less than 50 percent market share in the international transport and local access markets in Switzerland. In the Commission decision approving the merger of SBC and Ameritech Corporation (“Ameritech”),¹ the Commission determined that diAx lacks market power in Switzerland, and that SBC and its subsidiaries are entitled to non-dominant carrier treatment on the U.S.-Switzerland route.²

3. Sunrise Communications A.G. (“Sunrise”) (Switzerland). Through its interest in Tele Danmark, SBC holds an indirect 43.9 percent non-controlling interest in Sunrise. Sunrise provides competitive fixed voice, data, and Internet services in Switzerland.

4. BEN Netherlands B.V. (“BEN Netherlands”) (the Netherlands). Through its interests in Tele Danmark and Belgacom S.A., Ameritech owns an indirect, non-controlling interest in BEN Netherlands. BEN Netherlands provides GSM 1800 wireless services in the Netherlands, and has far less than a 50 percent market share in the international transport and local access markets in the Netherlands. In the SBC/Ameritech Order, the Commission held that BEN Netherlands does not possess market power in the Netherlands, and that SBC subsidiaries are entitled to non-dominant regulation on the U.S.-Netherlands route.³

5. Tele Danmark A/S (“Tele Danmark”) (Denmark). Ameritech holds, through an indirect subsidiary, a 41.6 percent, *de facto* controlling interest in Tele Danmark. Tele Danmark is a full service telecommunications carrier in Denmark authorized to provide, among other services, local exchange and international telecommunications services to the public.

6. Belgacom France (France). SBC, through its subsidiary Ameritech, indirectly has an affiliation with Belgacom. Through the indirect 34 percent interest in Belgacom, Ameritech holds an indirect 34 percent interest in Belgacom France, a wholly owned subsidiary of Belgacom. Belgacom France provides competitive fixed voice, data and Internet services in France.

7. Talkline GmbH (“Talkline”) (Germany and the Netherlands). Talkline is wholly-owned by Tele Danmark. Consequently, Ameritech holds an indirect controlling interest in Talkline. Talkline is authorized to provide mobile communications services in Germany and resold cellular service in the Netherlands. Talkline has far less than a 50 percent market share of the

¹ In re Ameritech Corp. and SBC Communications Inc., 14 FCC Rcd. 14,712 (Oct. 8, 1999) (“SBC/Ameritech Order”).

² Id. at ¶ 533.

³ Id. at ¶ 537.

international transport and local access markets in Germany and the Netherlands. In the SBC/Ameritech Order, the Commission held that Talkline lacks market power in Germany and the Netherlands, and that SBC subsidiaries are entitled to regulation as non-dominant carriers along the U.S.-Germany and U.S.-Netherlands routes.⁴

8. UAB Mobilios Telekomunikacijos (“Bite”) (Lithuania). Bite is a wholly-owned subsidiary of Tele Danmark. Consequently, Ameritech holds an indirect, controlling interest in Bite. Bite is authorized to provide wireless services in Lithuania, and has far less than a 50 percent market share in the international transport and local access markets in Lithuania. In the SBC/Ameritech Order, the Commission held that Bite lacks market power in Lithuania, and that SBC subsidiaries are entitled to regulation as non-dominant carriers on the U.S.-Lithuania route.⁵

9. Ameritech Communications International, Inc. (“ACII”) (Canada). ACII is an indirect, wholly owned subsidiary of Ameritech. As a consequence, SBC holds a controlling interest in ACII. ACII is a foreign carrier, as that term is defined in Section 63.09(d). ACII has a minuscule share of the international transport and local access market in Canada. On June 30, 1999, Ameritech Communications, Inc. and Ameritech Mobile Communications, Inc. (subsidiaries of SBC) notified the Commission that: (1) ACII (a wholly-owned subsidiary of Ameritech Communications, Inc.) had become a foreign carrier in Canada, (2) ACII lacks market power in Canada, and (3) ACI and AMCI therefore are entitled to non-dominant treatment along the U.S.-Canada route.⁶ The Commission apparently agrees that ACII lacks market power in Canada because the Commission has not imposed dominant carrier status on ACI and AMCI along the U.S.-Canada route.⁷

10. EITele Ost (“ETO”) (Norway). Tele Danmark owns a 51 percent interest of ETO, which provides competitive fixed network, broadband and internet services in Norway. ETO currently serves a minuscule share of the Norwegian market.

⁴ Id.

⁵ Id. at ¶ 538.

⁶ Ameritech Communications, Inc. Certification of Status of its Affiliate, Ameritech Communications International, Inc. as a Foreign Carrier in Canada, FCC File Nos. ITC-96-441, ITC-96-272, ITC-97-298 (filed June 30, 1999); Ameritech Mobile Communications, Inc. Certification of Status of its Affiliate, Ameritech Communications International, Inc. as a Foreign Carrier in Canada, FCC File No. ITC-96-243 (filed June 30, 1999).

⁷ Foreign Participation Order, 12 FCC Rcd. 23891, ¶¶ 161-162 (1997).

11. Belgacom S.A. (“Belgacom”) (Belgium). SBC, through its subsidiary Ameritech, indirectly has an affiliation with Belgacom.⁸ Belgacom is the incumbent telecommunications carrier in Belgium.

12. Contactel, s.r.o. (“Contactel”) (Czech Republic). Through its interests in Tele Danmark and Ceske Radiokomunikace (“Ceske”) (Tele Danmark holds a 20.8 percent non-controlling interest in Ceske), SBC holds an indirect 60.4 percent joint controlling interest in Contractel, a provider of competitive data and Internet services in the Czech Republic. In particular, Tele Danmark holds directly a 50 percent joint controlling interest in Contractel. Ceske holds the other 50 percent joint controlling interest in Contractel. With Tele Danmark’s 20.8 percent non-controlling equity interest in Contractel, Tele Danmark has an additional indirect 10.4 percent equity interest in Contractel, for a combined 60.4 percent joint controlling interest in Contractel.

13. Belgacom U.K. Limited (“Belgacom U.K.”) (United Kingdom). Through its interest in Belgacom, SBC holds an indirect 34 percent interest in Belgacom U.K. Belgacom U.K. offers competitive telecommunications services in the United Kingdom.

14. Belgacom Deutschland GmbH (“BDG”) (Germany). Through its interest in Belgacom, SBC holds an indirect 34 percent interest in BDG. BDG offers competitive telecommunications services in Germany.

15. Belgacom Nederland B.V. (“BN”) (the Netherlands). Through its interest in Belgacom, SBC holds an indirect 34 percent interest in BN. BN offers competitive telecommunications services in the Netherlands.

Applicant hereby certifies that it is not a foreign carrier in any country.

(f) Pursuant to section 63.18(f) of the Commission’s rules, 47 C.F.R. § 63.18(f),

Applicant hereby certifies that: (1) it does not seek to provide international telecommunications services to any destination country in which Applicant is a foreign carrier or controls a foreign carrier.

Applicant further certifies that it seeks to serve Mexico, where Telmex, which owns a 50 percent non-controlling interest in Applicant, is a carrier.

⁸ In The Matter of Southwestern Bell Communications Services, Inc., DA 00-1474 (June 30, 2000) ¶ 21.

Applicant further certifies that it seeks to serve certain destination countries in which SBC, an entity that owns greater than 25 percent of Applicant, controls foreign carriers. These foreign carriers and destination countries are:

1. Denmark (Tele Danmark);
2. Germany (Talkline);
3. Netherlands (Talkline);
4. Lithuania (Bite);
5. Canada (ACID);
6. Norway (ETO); and
7. Czech Republic (Contractel)

(k) Pursuant to section 63.18(k) of the Commission's rules, for each of the destination countries listed in subsection (j) of this application, Applicant provides the following information:

- (1) Telmex (Mexico). Mexico is a member of the World Trade Organization.
- (2) Tele Danmark (Denmark). Denmark is a member of the World Trade Organization.
- (3) Talkline (Germany and the Netherlands). Both Germany and the Netherlands are members of the World Trade Organization. In addition, Talkline has far less than 50 percent market share of the international transport and local access markets in Germany and the Netherlands, and therefore is presumed not to have market power in Germany and the Netherlands.⁹ Additionally, as noted above, the Commission has already concluded that Talkline lacks market power in Germany and the Netherlands.¹⁰
- (4) Bite (Lithuania). Lithuania is not a member of the World Trade Organization. However, Bite has far less than a 50 percent market share

⁹ Foreign Participation Order, 12 FCC Rcd 23891, 23955-65, ¶¶ 150-70 (1997).

¹⁰ SBC/Ameritech Order, at ¶ 537.

in the international transport and local access markets in Lithuania, and therefore is presumed not to possess market power in any relevant market on the U.S.-Lithuania route.¹¹ For this reason, the Commission has already concluded that Bite lacks sufficient market power to affect competition adversely in the United States.

(5) ACII (Canada). Canada is a member of the World Trade Organization. In addition, ACII is a nascent carrier with far less than 50 percent of the international transport and local access markets in Canada, and therefore is presumed not to possess market power in any relevant market on the U.S.-Canada route.¹² In addition, as noted in section (i)(8) of this application, the Commission apparently already has concluded that ACII lacks market power in Canada.

(6) ETO (Norway). Norway is a member of the World Trade Organization. In addition, ETO is a nascent carrier with a miniscule share of the international transport and local access markets in Norway, and therefore is presumed not to possess market power in any relevant market on the U.S.-Norway route.¹³

(7) Contractel (Czech Republic). The Czech Republic is a member of the World Trade Organization. In addition, Contractel has far less than 50 percent market share of the international transport and local access markets in the Czech Republic, and therefore is presumed not to have market power in the Czech Republic.

(f) Applicant proposes to resell the international switched services of unaffiliated U.S. carriers for the purpose of providing global international communications services.

In thirteen countries — Mexico, South Africa, Switzerland, Norway, the Netherlands, Denmark, Germany, Canada, Lithuania, Belgium, France, the United Kingdom, and the Czech Republic — Applicant has a foreign affiliation as defined by Section 63.09(e) of the Commission’s Rules. Pursuant to Section 63.18(f) of those Rules, Applicant provides the following information with respect to the foreign carriers with which it has an

¹¹ Foreign Participation Order, 12 FCC Rcd 23891, 23955-65, ¶¶ 150-70 (1997).

¹² Id.

¹³ Id.

affiliation and as to which it either satisfies Section 63.10(a)(3) of the Commission's Rules or files the quarterly traffic reports required by Section 43.61(c) of the

Commission's Rules:

On all international routes Applicant will provide service solely via resale of the international switched services of an unaffiliated U.S. carrier. Since all of Applicant's foreign affiliated carriers, except Telmex, Telkom S.A., Tele Danmark, and Belgacom, lack 50 percent market share in the international transport and the local access markets on the foreign end of the route, Applicant will satisfy Section 63.10(a)(3) of the Rules for all international communications services covered by this application, other than those to Mexico, South Africa, Denmark, and Belgium. With respect to those four countries, Applicant will file the quarterly traffic reports required by Section 43.61(c) of the Rules.

(m) Pursuant to Section 63.18(m) of the Commission's Rules, and in accord with the standards set forth in Section 63.10 of those Rules, Applicant requests that it be treated as non-dominant for the provision of the international communications services to Mexico, South Africa, Switzerland, Norway, the Netherlands, Denmark, Germany, Canada, Lithuania, Belgium, France, the United Kingdom, and the Czech Republic for the following reasons:

1. Applicant will satisfy Section 63.10(a)(4) for the provision of international communications service to Mexico through the resale of an unaffiliated U.S facilities-based carriers' international switched services.
2. Applicant will satisfy Section 63.10(a)(4) for the provision of international communications service to South Africa through the resale of an unaffiliated U.S facilities-based carriers' international switched services.
3. diAx and Sunrise lack 50 percent market share in the international transport and local access markets in Switzerland and thus Applicant will

- satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.
4. BEN lacks 50 percent market share in the international transport and local access market in the Netherlands and thus Applicant will satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.
5. Applicant will satisfy Section 63.10(a)(4) for the provision of international communications service to Denmark through the resale of an unaffiliated U.S. facilities-based carriers' international switched services.
6. Talkline provides mobile communications services by connecting customers to different mobile operators' networks, and has far below 50 percent of the market share of the international transport and local access markets in Germany and the Netherlands and thus Applicant will satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.
7. Bite provides only mobile wireless communications services and lacks 50 percent market share in the international transport and local access markets in Lithuania and thus Applicant will satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.
8. ACII is a foreign carrier, as that term is defined in Section 63.09(d). ACII has a minuscule share of the international transport and local access market in Canada and lacks 50 percent market share in the international transport and local access markets in Canada and thus Applicant will satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.
9. ETO, which provides competitive fixed network, broadband and internet services in Norway, has far below 50 percent of the market share of the international transport and local access markets in Norway and thus Applicant will satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.
10. Applicant will satisfy Section 63.10(a)(4) for the provision of international communications service to Belgium through the resale of an unaffiliated U.S. facilities-based carriers' international switched services.
11. Contractel lacks 50 percent market share in the international transport and local access market in the Czech Republic and thus Applicant will satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.

12. Belgacom France lacks 50 percent market share in the international transport and local access market in France and thus Applicant will satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.

13. Belgacom U.K. lacks 50 percent market share in the international transport and local access market in the United Kingdom and thus Applicant will satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.

14. BDG lacks 50 percent market share in the international transport and local access market in Germany and thus Applicant will satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.

15. BN lacks 50 percent market share in the international transport and local access market in the Netherlands and thus Applicant will satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.

(n) Applicant hereby certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

(o) Applicant is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. Attached hereto is a certification, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862), of Applicant.

(p) Applicant requests streamlined processing of this application. This application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's Rules because, although Applicant is affiliated with foreign carriers within the meaning of Section 63.09(e) in Mexico, South Africa, Switzerland, Norway, the

Netherlands, Denmark, Canada, Germany, Belgium, France, the United Kingdom, and the Czech Republic, these affiliated destination markets are World Trade Organization member countries, and Applicant qualifies for a presumption of non-dominance under Section 63.10(a)(4) of the Commission's Rules as the international service which is the subject of this application would be provided solely through the resale of an unaffiliated U.S. facilities-based carrier's international switched services (either directly or indirectly through resale of another U.S. resale carrier's international switched services).

In addition, although Applicant is affiliated with a foreign carrier within the meaning of Section 63.09(e) in Lithuania, the Commission has previously found that Bite lacks market power in the destination market.¹⁴

¹⁴ Id. at ¶¶ 534-538.

IV. CONCLUSION

In view of the foregoing, Applicant respectfully requests that the Commission grant this application.

Respectfully submitted,

CCPR OF THE VIRGIN ISLANDS, INC.

By:  _____

DATE: October 31, 2000

**CERTIFICATION PURSUANT TO
SECTIONS 1.2001-1.2003 OF THE COMMISSION'S RULES**

Pursuant to Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R.

§§ 1.2001-1.2003, CCPR of the Virgin Islands, Inc. hereby certifies that neither it, nor any of its officers or directors, nor any of the shareholders holding 5 percent or more of the outstanding stock or shares (voting and/or non-voting) of CCPR of the Virgin Islands, Inc. is subject to a denial of federal benefits that include FCC benefits pursuant to Section 5301 of the Federal Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.


CCPR OF THE VIRGIN ISLANDS, INC.

By:

DATE: October 31, 2000