

*Application for Authority to Provide International
Facilities-Based and Resold Services to All International
Points Permitted under a Grant of Global Authority*

ATTACHMENT 1

Response to Question 9

This Application qualifies for streamlined treatment under Section 63.12 of the Commission's rules because: (1) DSI-ITI is not affiliated with a dominant foreign carrier; (2) DSI-ITI's affiliation with foreign carriers meets the requirements of Section 63.12(c)(1). DSI-ITI is affiliated with three (3) foreign carriers through its ownership by Goldman Sachs. However, DSI-ITI satisfies the criteria under Section 63.12(c)(1)(i) for streamlined processing because DSI-ITI qualifies for the presumption of non-dominance under Section 63.10(a)(3).

DSI-ITI's foreign carrier affiliate in Brazil, Mexico, and Colombia, Diveo Broadband Networks, Inc. ("Diveo"), lacks market power in its destination markets.¹ The telecommunications carriers presumed to possess market power in Brazil, Mexico, and Colombia are, respectively, Embratel, Telefonos de Mexico ("TelMex"), and Empresa Nacional de Telecomunicaciones.² Diveo lacks a fifty percent (50%) market share in the international transport and the local access markets in Brazil, Mexico, and Colombia. Moreover, Diveo does not appear on the Commission's List of Foreign Telecommunications Carriers Presumed to Possess Market Power in Foreign Markets.³

DSI-ITI's foreign carrier affiliate in Norway, Get A/S, also lacks market power in its destination markets. In Norway, the telecommunications carrier presumed to possess market power is Telenor.⁴ Get A/S lacks a fifty percent (50%) market share in the international transport and the local access markets in Norway, and does not appear on the Commission's List of Foreign Telecommunications Carriers Presumed to Possess Market Power in Foreign Markets.⁵

DSI-ITI is also affiliated with eMOBILE Ltd., a mobile broadband services provider in Japan without market power in its destination markets.⁶ The telecommunications carriers presumed to possess market power in Japan are KDDI and Nippon Telegraph & Telephone

¹ Diveo also has global Section 214 authority to provide international facilities-based and resale services. IB File No. ITC-214-19990908-00506.

² *The International Bureau Revises and Reissues the Commission's List of Foreign Telecommunications Carriers that Are Presumed to Possess Market Power in Foreign Telecommunications Markets*, 22 FCC Rcd 945 (rel. Jan. 26, 2007).

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

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Corporation (NTT).⁷ eMobile Ltd. lacks a fifty percent (50%) market share in the international transport and the local access markets in Japan, and does not appear on the Commission's List of Foreign Telecommunications Carriers Presumed to Possess Market Power in Foreign Markets.⁸

DSI-ITI therefore qualifies for a presumption of non-dominance pursuant to Section 63.10(a)(3) of the Commission's rules, because neither Diveo, eMobile Ltd., nor GET A/S appear on the Commission's List of Foreign Telecommunications Carriers Presumed to Possess Market Power in Foreign Markets.⁹ In addition, DSI-ITI satisfies the criteria under Section 63.12(c)(1)(iv) for streamlined processing because the affiliated destination markets are WTO Member countries (Brazil, Mexico, Colombia, Norway, and Japan) and DSI-ITI qualifies for the presumption of non-dominance under Section 63.10(a)(3) as discussed above.¹⁰

⁷ *Id.*

⁸ *Id.*

⁹ *Id.*

¹⁰ DSI-ITI may also be affiliated with foreign carriers engaged in the provision of communications services in the United Kingdom and India through its ownership by The Goldman Sachs Group, Inc. ("Goldman Sachs"). While Goldman Sachs has not been able to confirm whether these foreign companies are authorized to provide international telecommunications services, it is clear that these companies would not be considered dominant foreign carriers under Section 63.10(a)(3) of the Commission's rules.