

International Section 214 Authorization Application
Thales USA, Inc. (FRN: 0021083316)
April 7, 2014

ATTACHMENT 1

Answer to Question 9

This application is eligible for streamlined processing treatment pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12. Under that provision, an applicant affiliated with an authorized foreign carrier is eligible for streamlined treatment if it meets one of the criteria set forth in Section 63.12(c)(1)(i)-(vi). Here, the Applicant meets the criteria in Section 63.12(c)(1)(ii).

Applicant is eligible for streamlined treatment under Section 63.12(c)(1)(ii) of the Commission's Rules because the Applicant qualifies as non-dominant under Section 63.10(a)(3) of the Commission's Rules. Applicant qualifies as non-dominant under Section 63.10(a)(3) of the Commission's Rules because the Applicant's affiliated foreign carrier, Telespazio S.p.A.,¹ is not a monopoly provider of communications services in a relevant market in any country. In addition, Telespazio S.p.A. lacks sufficient market power on the foreign end of any international route to affect competition adversely in the U.S. market because Telespazio S.p.A. has far less than 50 percent market share in the international transport or the local access markets on the foreign end of any route on which it provides telecommunications service.

Answer to Question 11

The Applicant is not a foreign carrier, but Thales SA, which owns 100% of Applicant, owns a 33% ownership interest in Telespazio S.p.A. Telespazio S.p.A.'s subsidiaries operate as authorized foreign carriers in the following countries:

- Argentina through its subsidiary Telespazio Argentina
- Spain through its subsidiary Telespazio Iberica
- Germany through Telespazio S.p.A.
- Italy through Telespazio S.p.A.
- France through its subsidiary Telespazio France
- Romania through its subsidiary RARTEL
- Brazil through its subsidiary Telespazio Brazil

All of these countries are members of the World Trade Organization.

As explained in response to Question 9, Telespazio S.p.A. and its subsidiaries are nondominant carriers in every country listed above.

¹ References to Telespazio S.p.A. in the responses to questions 9 and 13 include Telespazio S.p.A.'s subsidiaries listed in the response to question 11.

Telespazio S.p.A.'s subsidiaries provide voice and data transmission services to and from points in the countries listed above using leased satellite capacity in combination with Telespazio S.p.A.'s own uplink facilities and teleports and leased terrestrial transmission capacity.

Answer to Question 12

As explained in response to Question 14, both the French State and Dassault Aviation, S.A. indirectly own more than 25 percent of the Applicant. Having consulted publicly available information, the Applicant has not been able to identify a foreign carrier that is controlled by either the French State or Dassault Aviation, S.A.²

Answer to Question 13

The Applicant seeks authorization to provide resold international telecommunications services between the U.S. and the countries served by its affiliate Telespazio S.p.A., which are listed in the response to Question 11 above. However, as explained in response to Question 9 above, the Applicant nevertheless qualifies as non-dominant under Section 63.10(a)(3) of the Commission's Rules.

² Although the French State at one time owned a controlling interest in France Telecom, now called Orange SA, this is no longer the case. The French State currently owns (together with the Fonds Stratégique d'Investissement) 27 percent of the equity in Orange SA, and it has the right to appoint only 3 of the 14 members of the company's board of directors.