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Telecom Division International Bureau

Before The FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of

Application of Price Communications Wireless III, Inc., Assignor and Cellco Partnership, Assignee for Assignment of International Section 214 Authorization

Streamlined ITC-ASG-20001229-00767
PRICE COMMUNICATIONS WIRELESS III, INC.

INTERNATIONAL SECTION 214 AUTHORIZATION APPLICATION FOR ASSIGNMENT OF

cellular and microwave licenses from Price to Cellco. application and has been filed as part of the applications to assign the related description of the transaction and its public interest benefits is attached to this cellular and associated point-to-point microwave assets to Cellco. will occur pursuant to a transaction in which Price will contribute certain international Section 214 authorization to be held by Price. Commission's Rules (47 C.F.R. Communications Act of 1934, as amended, and Section 63.18(e)(3) of the hereby request Commission consent pursuant to Section 214 of the Communications Wireless III, Inc. ("Price") (collectively, "the Applicants"), Cellco Partnership ("Cellco") d/b/a Verizon Wireless and Price § 63.18(e)(3)), for the assignment to Cellco of an The assignment A detailed

Ï. SECTION 63.18 REQUIREMENTS

applicable paragraphs thereunder 63.18(e)(3) of the Commission's Rules (47 C.F.R. § 63.18(e)(3)), and the The following information is submitted in accordance with Section

b Names, Addresses and Telephone Numbers

Assignor: New York, NY 10020 45 Rockefeller Plaza, Suite 3201 Price Communications Wireless III, Inc.

(212) 757-5600

Assignee: Cellco Partnership, d/b/a Verizon Wireless

180 Washington Valley Road

(908) 306-7304

Bedminster, NJ 07921

<u>o</u> Corporate Organization

Price is a Delaware corporation.

Cellco is Delaware general partnership.

G **Contact Persons for Correspondence**

Assignor: Lawrence Roberts

Partner

Washington, DC 20005 Davis Wright Tremaine LLP 1500 K Street, NW, Suite 450

(202) 508-6600

Transferee: John T. Scott, III

Vice President and Deputy General Counsel -- Regulatory Law

Washington, DC (202) 624-2582; 1001 Pennsylvania Avenue, NW 20004-2595

after January 1, 2001 1300 I Street, NW Washington, D.C. Suite 400 West 20005

d. Description of Section 214 Authorizations

pursuant to Sections 63.18(e)(1) and (e)(2) of the rules, between points in the switched and private-line services as a facilities-based and resale carrier the rules.² to provide international service pursuant to [Sections 63.18(e)(1) and (e)(2)] of commercial mobile service. Price will hold international Section 214 authority United States and foreign points in connection with Cellco's provision of Cellco holds international Section 214 authority to provide international

Section 63.18(e)(2) of the rules. File Nos. ITC-214-19961004-00492, ITC-214with certain PrimeCo affiliates, is authorized to provide service pursuant to interest in PrimeCo Personal Communications, L.P. ("PrimeCo") which, along (switched resale); ITC-94-275 (switched resale). 19960924-00461 (limited global facilities-based); ITC-214-1996-1008-00504 19961118-00579. See File Nos. ITC-214-19960422-00159 (switched resale), ITC-214-Cellco also holds a controlling

authorization. International Bureau is processing this and related applications for initial See File No. ITC-214-20001221-00733, (filed Dec. 19, 2000).

authorizations held by Price pursuant to Section 63.18(e)(3) of the seeks authority to acquire, by assignment, the international Section 214 P By this and other simultaneous filed applications, Cellco

f. Not applicable

Commission's rules

- g. Not applicable
- h. Equity and Directors

Verizon Communications, Inc. ("Verizon") and Vodafone Group Plc ("Vodafone"). The ultimate 10 percent or greater interest holders in assignee Cellco are

Verizon Communications, Inc. 1095 Avenue of the Americas New York, NY 10036

Principal Business: Telecommunications
Citizenship: Delaware (U.S.) Corporation
Descention Held: 55 percent indirect inter-

Percentage Held: 55 percent indirect interest

Vodafone Group, Plc The Courtyard 2-4 London Road, Newbury Berkshire RG14 1JX U.K.

Principal Business: Wireless, Competitive Fixed and Satellite

Telecommunications Services Citizenship: United Kingdom

Percentage Held: 45 percent indirect interest

There are no interlocking directorates between Cellco and a foreign

carrier.

i. Affiliations with Foreign Carriers

in the countries described below. Applicant Cellco hereby certifies that it is affiliated with foreign carriers

Argentina CTI Compania de Telefonos del Interior S.A.; CTI Norte

Compania de Telefonos del Interior S.A.

Australia Austria tele.ring Vodafone Australia

Canada BCT.Telus Communications, Inc.; Quebec-Telephone;

Dominican Republic Compania Dominicana de Telefonos ("CODOTEL" Clearnet Communications Inc

MisrFone

Egypt France FLAG Telecom Holdings Limited ("FLAG")

Gibraltar Germany Gibraltar NYNEX Communications, Ltd. Mannesmann Mobilfunk GmbH/D2; Arcor and o.tel.o

Greece Panafon

Hungary Vodafone Hungary

Italy Omnitel; Infostrada; FLAG Telecom Ireland Limited

("FTIL")

Japan GTE Far East (Services) Limited; FLAG

Vodafone Malta

Malta

Netherlands Mexico Grupo Iusacell, S.A. de C.V Libertel; FTIL

New Zealand Vodafone New Zealand

Portugal Telecel

Singapore FLAG Telecom Singapore ("FTS"

Spain Airtel

United Kingdom Sweden Europolitan Vodafone; FTIL

Venezuela Compania Anonima Nacional Telefonos de Venezuela

("CANTV")

Destination Markets

market, and does not control a foreign carrier in any destination market Cellco hereby certifies that it is not a foreign carrier in any destination

Portugal, Singapore, Spain, Sweden, the United Kingdom, and Venezuela Greece, Hungary, Italy, Japan, Malta, Mexico, The Netherlands, New Zealand, Austria, Canada, Dominican Republic, Egypt, France, Germany, Gibraltar which Vodafone and/or Verizon controls a foreign carrier: Argentina, Australia, services to the following destination markets identified in paragraph (i) above in Cellco hereby certifies that it provides international telecommunications

k. Competition Issues

Member countries All the destination markets identified in paragraph (j) above are WTO

Reselling Services of Unaffiliated U.S. Facilities-Based

requirements of Section 43.61(c) of the rules.³ Cellco does not serve Gibraltar Republic and Venezuela and agrees to continue to comply with the reporting non-dominant regulation for purposes of services provided to the Dominican Commission, pursuant to Section 63.18(e)(2) of the rules, Cellco is subject to 63.10(a)(3) of the Commission's rules, except as to the routes to the Dominican nondominant treatment on all international routes pursuant to Section international carrier subsidiary of Verizon (formerly Bell Atlantic), is entitled to on a facilities basis Republic and Venezuela. However, as previously determined by the The Commission has previously determined that Cellco, as an authorized

m. Non-Dominant Classification

Greece, Hungary, Italy, Malta, The Netherlands, New Zealand, Portugal, Spain percent ownership interest -- those in Australia, Austria, Egypt, Germany, The foreign carriers affiliated with Cellco by virtue of Vodafone's 45

Atlantic-GTE Order"). Sections 214 and 310 Authorizations and Application to Transfer Control of Opinion and Order, FCC 00-221, ¶ 422, n.953 (rel. June 16, 2000) ("Bell Submarine Cable Landing License, CC Docket No. 98-184, Memorandum Transferee, for Consent to Transfer Control of Domestic and International See In re Application of GTE Corporation and Bell Atlantic Corporation

countries; moreover, Cellco only provides resold international services to these Sections 63.10(a)(3) and (a)(4) of the Commission's rules.⁴ Cellco is entitled to non-dominant treatment on all of these routes pursuant to destinations. share in the international transport and the local access in their respective competitive wireline carriers, each of which has far less than 50 percent market Sweden, and the United Kingdom -- are all either mobile wireless carriers or Therefore, and as the Commission has already determined

international subsidiaries -- including Cellco -- qualify for non-dominant acquire no additional foreign carrier affiliations by virtue of the transaction international service pursuant to Section 63.18(e)(2) of the rules, and would carriers' international switched services.⁵ classification on all of these routes for the resale of unaffiliated facilities-based routes where its parent company Verizon holds indirect ownership interests Venezuela. Argentina, Canada, Dominican Republic, Japan, Gibraltar, Mexico, and Cellco is also entitled to non-dominant regulation on those affiliated The Commission has already determined that Verizon and its As Cellco will continue to provide

Assignment of Licenses and Authorizations, Memorandum Opinion and Order, 00048, FCN-NEW-20000608-00036 DA 00-721, ⁴ See 47 C.F.R. §§ 63.10(a)(3), (4); see also In re Applications of Vodafone AirTouch, Plc, and Bell Atlantic Corporation for Consent to Transfer of Control or ¶ 18 (WTB/IB rel. March 30, 2000); File Nos. FCN-NEW-20000831

⁵ See Bell Atlantic-GTE Order, ¶¶ 406-422

international routes pursuant to Section 63.10(a)(4).6 with Price, Cellco remains subject to nondominant regulation on all

n. Special Concessions

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

o. Anti-Drug Abuse Act Certification

1988 of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of the Commission's Rules, that no party to this application is subject to a denial Cellco hereby certifies, pursuant to Sections 1.2001 through 1.2003

p. Streamlined Processing

result from both Verizon's 55 percent and Vodafone's 45 percent ownership Commission has already determined, as to the foreign carrier affiliations that 63.12 of the Commission's Rules (47 C.F.R. § 63.12). This application qualifies for streamlined processing pursuant to Section As discussed above, the

carrier regulation, namely the Dominican Republic and Venezuela. those routes in which Verizon-controlled carriers are subject to dominant has already determined that Cellco is subject to non-dominant regulation on Cellco were to provide facilities-based international services, the Commission pursuant to Section 63.18(e)(1) of the Commission's rules. As noted above, Cellco is also authorized to provide facilities-based services To the extent that Id. ¶¶ 420-

(iv) of the Commission's rules therefore subject to streamlined processing pursuant to Section 63.12(c)(1)(i)that Cellco is entitled to non-dominant treatment. This application is

H. CONCLUSION

authorization held by Price. should consent to the assignment to Cellco of various international Section 214 necessity would be furthered by grant of this application, and the Commission For the reasons set forth above, the public interest, convenience and

Respectfully submitted

Price Communications Wireless III, Inc. Cellco Partnership

By: Partner Lawrence Roberts essend

By:

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General

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> d/b/a Verizon Wireless Cellco Partnership Counsel -- Regulatory Law Vice President and Deputy John T. Scott, III 1001 Pennsylvania Avenue, NW

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December 28, 2000

⁷ See 47 C.F.R. 88 63.10(a)(3), (a)(4).

DESCRIPTION OF TRANSACTION AND PUBLIC INTEREST STATEMENT

entities that are ultimately controlled by Price Communications Corporation radiotelephone licenses (and any associated point-to-point microwave licenses) from on the application. ("PCC"), to Cellco Partnership ("Cellco"). The call signs for the licenses are set forth This application requests the Commission's consent to assign certain cellular

changes have occurred in Vodafone or Cellco's foreign ownership. Accordingly, subsidiaries hold any direct ownership interests in any common carrier licenses. 310(b)(4) of the Communications Act. 1 Neither Vodafone nor any of its foreign common carrier licenses have been previously authorized by the FCC under Section qualifications (as a foreign corporation) to hold indirect ownership interests in application and in Cellco's Form 602, which is on file with the Commission. licenses in this application. raised by this filing and extend the previous section 310(b)(4) authorization to the Cellco requests the Commission find that no new foreign ownership issues are Vodafone's minority, indirect, non-controlling interest in the partnership, and its Communications Inc. ("Verizon Communications") and Vodafone Group Plc. ("Vodafone"). Information as to Cellco's ownership is provided in Exhibit 2 to this Cellco is a general partnership, which is ultimately owned by Verizon Z

contributed by each current licensee, through intermediate subsidiaries, to Price will be a $pro\ forma$ assignment because each licensee and intermediate subsidiary is Communications Wireless, Inc. ("PCW"), a wholly owned subsidiary of PCC. This The transaction will involve three steps. First, the licenses will be

Authorizations, Memorandum Opinion and Order, DA 00-721 at \P 19 (Intl. and Wir. Tel. Burs., rel. Mar. 30, 2000); FCC Public Notice, "International Authorizations Transferee, For Consent to the Transfer of Control of Licenses and Authorizations In re AirTouch Communications, Inc., Transferor, and Vodafone Group, Plc., Granted," Report No. TEL-00174, DA No. 99-3033 (IB and WTB, rel. Dec. 30, 1999); For Consent to the Transfer of Control or Assignment of Licenses and Memorandum Opinion and Order, 14 FCC Rcd 9430, ¶ 9 (WTB 1999). See In re Applications of Vodafone AirTouch Plc and Bell Atlantic Corporation

two steps, Cellco will become the licensee of the subject stations.² In step three, to Cellco in return for a partnership interest in Cellco. At the conclusion of these presently ultimately controlled by PCC. In step two, PCW will assign the licenses Verizon Wireless Inc. (VWI") will acquire PCW, in exchange for VWI common stock.

to elect a majority of the board of directors of VWI. and PCW will own an indirect minority ownership interest in Cellco. completed for VWI. Following the completion of all three steps, VWI will own PCW, Communications will continue to hold ultimate control of Cellco through its rights The transaction will not occur unless an initial public offering ("IPO") is Verizon

comprised of just one county, Bay County. Based on the most recent available of the population of the PCS licensed service area for the counties contained therein overlapping markets. Finally, the cellular system located in the Panama City, single entity is permitted to hold up to 55 MHz of cellular and PCS spectrum in is located within the Panama City MSA. Accordingly, Cellco will be in compliance decennial census figures, only six percent of the population of the Jacksonville MTA is located within the CGSA of the cellular system. The Panama City MSA is overlap, resulting in a violation of the spectrum cap, occurs when at least 10 percent will total 55 MHz. Under the spectrum cap rule, 47 CFR § 20.6(c)(1), significant Florida MSA overlaps with the Jacksonville, Florida MTA. The combined spectrum Under the spectrum cap rule, 47 CFR § 20.6(a), as applied to rural service areas, a Cellco holds a PCS 30 MHz license. The combined spectrum will thus total 55 MHz systems are located in RSAs which overlap the Jacksonville, Florida MTA, in which which Cellco currently holds no interests in CMRS licenses. Several of the cellular 47 CFR § 20.6. The majority of the cellular systems are located in markets in with the rule. This application raises no issues under the Commission's spectrum cap rule,

customers in these markets to have access to the large array of wireless voice and Grant of this application will serve the public interest because it will enable

staff the applicants request alternative consents to assign the licenses or transfer of the licensee or to assign the licenses. Accordingly, at the direction of Commission whether the applicants will ultimately require authority either to transfer control of to consummation of the ultimate transaction. At this time, it is not possible to know control of the licensees As discussed above, PCW will engage in a series of pro forma consolidations prior

RESPONSE TO QUESTION 73

foreign ownership issues are raised by this filing. subsidiaries hold any direct ownership interests in any common carrier licenses. No new interests in common carrier licenses have been previously authorized by the FCC under Section 310(b)(4) of the Communications Act.² Neither Vodafone nor any of its foreign partnership, and its qualifications (as a foreign corporation) to hold indirect ownership and Verizon Wireless. Vodafone's minority, indirect, non-controlling interest in the is vested in a Board of Representatives, which in turn is controlled by Verizon. In sum, organized under the laws of the United Kingdom, owns 45%. Control of this partnership Verizon is the majority owner and possesses sole affirmative control of the partnership Verizon, a Delaware Corporation, owns 55% of this partnership; Vodafone, a company carrier. Verizon Wireless is owned and controlled, ultimately, by a partnership between Verizon Communications Inc. ("Verizon") and Vodafone Group Plc ("Vodafone"). The Applicant is part of Verizon Wireless, a national commercial wireless Neither Vodafone nor any of its foreign

July, 2000. September, 2000; Vodafone AirTouch Plc changed its name to Vodafone Group Plc in ¹Bell Atlantic Corporation changed its name to Verizon Communications Inc. in

^{9430, ¶9 (}Wir. Tel. Bur., 1999) Inc., Transferor, and Vodafone Group, Plc., Transferee, For Consent to the Transfer of 00174, DA No. 99-3033 (Intl. Bur., rel. Dec. 30, 1999); In re AirTouch Communications 30, 2000); FCC Public Notice, "International Authorizations Granted," Report No. TEL Memorandum Opinion and Order, DA 00-721 at ¶ 19 (Intl. and Wir. Tel. Burs., rel. Mar. For Consent to the Transfer of Control or Assignment of Licenses and Authorizations. Control of Licenses and Authorizations, Memorandum Opinion and Order, 14 FCC Rcd ²See In re Applications of Vodafone AirTouch Plc and Bell Atlantic Corporation