

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

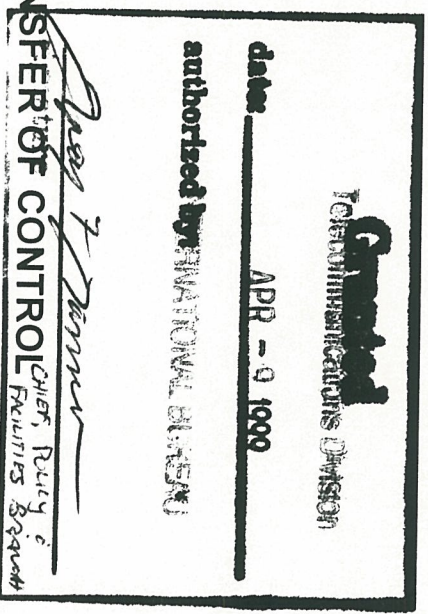
Streamlined ITC-T/C-19990401-00214
STRATOS MOBILE NETWORKS (USA), LLC

In the Matter of

Stratos Mobile Networks (USA), LLC,
IDB Mobile Communications, Inc.,
MarineSat Communications
Network, Inc., Marine Satellite Services,
Inc., BCE Inc., and AtlanticCo

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Application for Pro Forma Transfer
of Control



APPLICATION FOR PRO FORMA TRANSFER OF CONTROL

I. INTRODUCTION

Stratos Mobile Networks (USA), LLC ("Stratos (USA)"), IDB Mobile Communications, Inc. ("IDB Mobile"), MarineSat Communications Network, Inc. ("MCN"), Marine Satellite Services, Inc. ("MSSI"), BCE Inc. ("BCE") and "AtlanticCo" 3595641 Canada Inc. ("AtlanticCo") hereby apply, pursuant to Section 214 of the Communications Act of 1934, for *pro forma* authority to transfer control of Stratos (USA), IDB Mobile, MCN and MSSI from BCE to control by AtlanticCo, which is 41.6% held by BCE and otherwise widely held.

Applicants certify by their signature to this Application that they will comply with the Commission's dominant carrier regulations on the U.S.-Canada route.¹

¹ *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order on Reconsideration*, FCC 97-398 (rel. Nov. 28, 1997) at ¶ 322; 47 C.F.R. § 63.12(c)(1)(iii).

Additionally, Applicants have affiliates in various countries, as identified in the attached Appendix D. These affiliates, however, control less than 50 percent of the international transport and local access markets in the relevant countries and, as such, are entitled to a presumption of non-dominance.²

The proposed *pro forma* transfer of control is in the public interest.

AtlanticCo will provide improved efficiencies in the overall operation and management of the service providers, creating a platform for greater innovation and stronger competition in the mobile satellite services marketplace and enabling Stratos (USA), IDB Mobile, MCN and MSSl to offer U.S. consumers both reduced prices and increased choices.

Part II of this Application demonstrates that grant of this Application is in the public interest. Part III provides the information required by 47 C.F.R. § 63.18.

II. GRANT OF THIS APPLICATION IS IN THE PUBLIC INTEREST

Subject to Commission approval, the Parties to this proceeding have agreed to transfer *de jure* control of Stratos (USA), IDB Mobile, MCN and MSSl from BCE to AtlanticCo, as described below. Stratos (USA), IDB Mobile, MCN and MSSl are currently authorized to provide a variety of international services. Stratos (USA) is authorized to provide international maritime satellite services, international aeronautical satellite services, international land mobile satellite services, and MSSl is authorized to provide international basic switched and private line services to various international

² 47 C.F.R. § 63.12(c)(1)(i).

points on both facilities and resale bases. IDB Mobile is also authorized to provide various international mobile satellite services, and MCN is authorized to provide a variety of maritime services utilizing Inmarsat facilities. Current authorizations are listed in the attached Appendix A.

The instant transfer is illustrated in the attached Appendix C. Currently, Stratos USA, IDB Mobile, MCN and MSSl are controlled by Stratos Global Corp., which is controlled by NewTel Enterprises Limited ("NewTel") through an approximately 60% interest in Stratos Global Corp.³ BCE, in turn, holds a 54.9% interest in NewTel, giving it *de jure* control over Stratos USA, IDB Mobile, MCN and MSSl. By the change proposed by this *pro forma* Application, NewTel, as well as the other interests identified in Appendix D, would be consolidated in a newly formed entity called AtlanticCo, 41.6% owned by BCE.⁴ The remaining ownership of AtlanticCo will be widely held. For the reasons set forth below, the Applicants request that the Commission expeditiously find that it is in the public interest to transfer *de jure* control of NewTel and the subsidiary U.S. licensees from BCE to *de jure* control by AtlanticCo on a *pro forma* basis.

³ See Order and Authorization, DA 98-1538 (released August 5, 1998) (authorizing Stratos USA to transfer control of Section 214 authorizations to NewTel). See also Attachment B.

⁴ See News Release of March 22, 1999 announcing the creation of AtlanticCo by the merger of Bruncor Inc., Island Telecom Inc., Maritime Telegraph and Telephone Company Limited, and NewTel Enterprises Limited. AtlanticCo has been created and exists as a lawful entity in Canada. The merger of the constituent companies under AtlanticCo is expected to occur by May 31, 1999.

III. INFORMATION REQUIRED BY SECTION 63.18

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

63.18:

- a. The names, addresses and telephone numbers of the proposed applicants are:

Stratos Mobile Networks (USA), LLC
6903 Rockledge Drive, Suite 500
West Bethesda, Maryland 20817
(301) 214-8700

IDB Mobile Communications, Inc.
6903 Rockledge Drive, Suite 500
West Bethesda, Maryland 20817
(301) 214-8726

MarineSat Communications Network, Inc.
3300 Corporate Ave., Suite 108
Weston, FL 33331
(954) 217-2256

Marine Satellite Services, Inc.
6903 Rockledge Drive, Suite 500
West Bethesda, Maryland 20817
(301) 214-8700

The name, address and telephone number of the proposed transferor is:

BCE Inc.
1000, rue de La Gauchetiere Street West
Bureau 3700
Montreal, Quebec
Canada H3B 4Y7
(514) 397-7076

The name, address and telephone number of the proposed transferee is:

"AtlanticCo"
3595641 Canada Inc.
c/o Blake, Cassels & Graydon
Box 25, Commerce Court West
Toronto, Ontario M5L 1A9
Attn: J. David A. Jackson
(416) 863-2636

b. IDB Mobile, Stratos (USA), MCN and MSSl are Delaware corporations.
BCE, AtlanticCo and NewTel are Canadian corporations.

c. Correspondence concerning this Application should be directed to:

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

"AtlanticCo"
3595641 Canada Inc.
c/o Blake, Cassels & Graydon
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Toronto, Ontario M5L 1A9
Attn: J. David A. Jackson

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MarineSat Communications Network, Inc.
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Weston, FL 33331
(954) 217-2256

Marine Satellite Services, Inc.
6903 Rockledge Drive, Suite 500
West Bethesda, Maryland 20817
(301) 214-8700

with copies to:

Alfred M. Mamlet
James M. Talens
Steptoe & Johnson, LLP
1330 Connecticut Avenue, N.W.
Washington, D.C. 20036-1795
(202) 429-3000

- d. As detailed in the attached Appendix A, Stratos (USA) is currently authorized to provide international maritime satellite services, international aeronautical satellite services, international land mobile satellite services, and international basic switched and private line services to various international points on both facilities and resale bases. Stratos (USA) also has several applications for Section 214 authority pending. IDB Mobile, MCN and MSS1 are authorized to provide certain international mobile satellite services.
- e. Not Applicable.
 - f. Not Applicable.
 - g. Not Applicable.
 - h. (1) IDB Mobile certifies, by its signature to this Application, that it is affiliated with the following foreign carriers in Canada. IDB Mobile is affiliated with Stratos Mobile Networks, Inc. ("Stratos Mobile"), a Canadian carrier and the wholly-owned telecommunications operating subsidiary of Stratos Wireless, Inc. ("Stratos

Wireless”).⁵ Stratos Mobile is authorized within Canada to provide international telecommunications services. Also, IDB Mobile, Stratos (USA), MCN and MSSl are affiliated with a number of Canadian and other foreign carriers through the ownership interests of NewTel and BCE, which are Canadian holding companies. These affiliations listed in Attachment D.

- (2) Upon approval of this Application, Stratos (USA) and IDB Mobile will have the following direct and indirect 10-percent or greater shareholders: (1) TII Aeronautical, Inc. (“TIIA”), a Delaware corporation and the holder of 100% of IDB Mobile’s and 91% of Stratos (USA)’s shares; (2) Stratos Wireless, with a 100% interest in TIIA; (3) Stratos Global, a Canadian holding company with a 100% interest in Stratos Wireless; (4) NewTel Enterprises Limited, a Canadian company with an approximately 60% interest in Stratos Global; (5) AtlanticCo, a Canadian company with 100% ownership of NewTel Enterprises Limited; and (6) BCE Inc., a Canadian holding company with a 41.6% interest in AtlanticCo. MCN and MSSl have 1 direct shareholder, Stratos Holdings (100% ownership of MCN and MSSl); and three indirect shareholders, Stratos Global (which owns 100% of Stratos Holdings,), NewTel (which owns approximately 60% of Stratos Global), AtlanticCo (which owns 100% of NewTel), and BCE (which owns 41.6% of AtlanticCo).

⁵ Stratos Wireless wholly-owns Stratos (USA) through two U.S. subsidiaries.

The principal place of business of TIIA is as follows:

TII Aeronautical, Inc.
Suite 500
6903 Rockledge Drive
West Bethesda, MD 20817

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

Stratos Wireless, Inc.
P.O. Box 5933
St. John's, Newfoundland A1C5X4
Canada

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 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 AtlanticCo is as follows:

“AtlanticCo”
3595641 Canada Inc.
c/o Blake, Cassels & Graydon
Box 25, Commerce Court West
Toronto, Ontario M5L 1A9
Attn: J. David A. Jackson

- (3) Not Applicable.
- (4) Not Applicable: IDB Mobile, Stratos (USA), MCN and MSSl are not seeking to provide international services by this Application. Nevertheless, they acknowledge that they are responsible for the continuing accuracy of their certifications in (h)(1)-(3) above.
- (5/6) IDB Mobile is applying to operate as a U.S. facilities-based provider of domestic AMSS services via the Inmarsat system.
- (7) Not Applicable.
- (8) Not Applicable.
- i. Not Applicable. IDB Mobile is not applying for authority to provide services on any international route.
- j. By their signatures to this Application, IDB Mobile, Stratos (USA), MCN, MSSl, BCE and AtlanticCo certify pursuant to 47 C.F.R. § 1.2002 that they are 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.

IV. CONCLUSION

For the reasons set out above, Applicants hereto request that the Commission promptly grant this Application for pro forma transfer of control.

Dated: April 1, 1999

Respectfully submitted,
IDB MOBILE COMMUNICATIONS, INC.

By: *Mark Shultz*

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James M. Talens
Colleen A. Sechrest
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Counsel for
IDB Mobile Communications, Inc.

MARK - 20 99 (THU) 13:33 EXECUTIVE OFFICE
RCV BY: STRATOS : 3-24-24 : 11:01 AM
MAR-24-24 18:33 FROM: STEPTOE & JOHNSON

TEL: /09 /40 4010 F. 000
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2024283802 1-440 P. 1/740 JOB-111

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BY: *Alfred M. Mamlet*

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James M. Talens
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**Counsel for
Stratos Mobile Networks (USA) LLC**

MARK - 20 09 (THU) 10:00 EXECUTIVE OFFICE
RCV BY: STRATOS
MAR-24-08 18:33 FROM: STEPTOE & JOHNSON

TEL: / 09 / 48 4010 P. 004
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2024283802
1-440 P. 1/140 JOB-877
STRATOS: #18

MARINEBAT COMMUNICATIONS NETWORK, INC.

By: *Neo Phelan*

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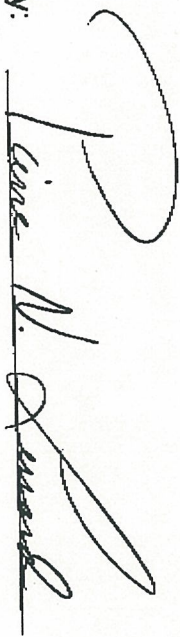
**MarineSat Communications
Network, Inc.**

MARINE SATELLITE SERVICES, INC.

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BCE INC.

By:  Pierre N. Renaud

ATLANTICO
3595641 CANADA INC.

By:

John David Alan Jackson

President and a Director