

Categories of Services for Streamlined License
(Streamline/Non-streamline)

- LIMITED/GLOBAL RESALE SERVICE
- LIMITED/GLOBAL FACILITIES-BASED SERVICE
- LIMITED/GLOBAL FACILITIES-BASED/RESALE SERVICE
- INDIVIDUAL FACILITIES-BASED SERVICE
- INTERCONNECTED PRIVATE LINE RESALE SERVICE
- INMARSAT AND MOBILE SATELLITE SERVICE
- INTERNATIONAL SPECIAL PROJECT
- SWITCHED RESALE SERVICE
- TRANSFER OF CONTROL
- ASSIGNMENT OF LICENSE
- PRO FORMA TRANSFER/ASSIGNMENT
- SPECIAL TEMPORARY AUTHORITY
- SUBMARINE CABLE LANDING LICENSE

Description of Application: _____

FCC/MELLON

JUN 01 2000

ARNOLD & PORTER

PHILIP W. HORTON
(202) 942-5787
INTERNET: Philip_Horton@qporter.com

555 TWELFTH STREET, N.W.
WASHINGTON, D.C. 20004-1206
(202) 942-5000
FACSIMILE: (202) 942-5999

NEW YORK
DENVER
LOS ANGELES
LONDON

June 1, 2000

Federal Communications Commission
International Bureau, Telecommunications
P.O. Box 358115
Pittsburgh, PA 15251-5115

Re: Application for Authority, Pursuant to Section 214 of the Communications Act of 1934, as Amended, to Transfer Control of Tele Danmark USA Inc., a Company Holding an International Section 214 Authorization

Dear Sir/Madam:

Enclosed for filing please find an original and five copies of the application of SBC Communications Inc. ("SBC") for authority pursuant to Section 214 of the Communications Act, 47 U.S.C. § 214, and Section 63.18 of the Commission's Rules, 47 C.F.R. § 63.18, to formally transfer control of the international Section 214 authorization held by Tele Danmark USA Inc. This authorization was inadvertently omitted from the transfer of control applications filed in connection with SBC's merger with Ameritech Corporation, which the Commission approved by order dated October 8, 1999.

Also enclosed is a check payable to the Federal Communications Commission in the amount of \$780.00 for the prescribed filing fee.

As indicated in the application, please direct questions or correspondence concerning this application to:

Wayne Watts
Vice President and Assistant General Counsel
SBC Communications Inc.
175 E. Houston
San Antonio, TX 78205
210-351-3476 (voice)
210-351-3257 (facsimile)

Thank you for your assistance.

Sincerely,



Philip W. Horton

Enclosures

the omission of the TD-USA authorization was inadvertent, SBC hereby requests that the transfer of that authorization be granted as well, on a nunc pro tunc basis.

DISCUSSION

On July 24, 1998, SBC and Ameritech filed a number of applications seeking permission to transfer control of the FCC authorizations controlled by Ameritech to SBC. Those applications were intended to cover all of Ameritech's authorizations then in existence, as well as any authorizations subsequently acquired. The applications included an application pursuant to 47 U.S.C. § 214 and 47 C.F.R. § 63.18 to transfer control of several international section 214 authorizations controlled by subsidiaries of Ameritech.¹

On October 8, 1999, the Commission released an order² approving the SBC/Ameritech merger and granting the transfer of control applications, including the application to transfer control of Ameritech's section 214 international authorizations. The merger was consummated shortly thereafter, with the result that SBC now controls all of the FCC authorizations formerly controlled by Ameritech.

SBC has recently learned that an international section 214 authorization was inadvertently omitted from the application to transfer control of all such authorizations held by Ameritech. That authorization (File No. ITC-98-241) is held by TD-USA and was granted by Public Notice effective May 6, 1998, shortly before the SBC/Ameritech

¹ A copy of the portions of that application containing the information required by Section 63.18 of the Commission's rules (as of the time that the application was originally filed) is attached hereto and is hereby incorporated by reference.

² In re Applications of Ameritech Corp. and SBC Communications Inc., Memorandum Opinion and Order, 14 FCC Rcd. 14712 (rel. Oct. 8, 1999) (the "SBC/Ameritech Order").

transfer of control applications were filed.³ TD-USA is an affiliate of Tele Danmark A/S (“Tele Danmark”), a Danish carrier controlled by Ameritech.⁴

Since the omission of the TD-USA section 214 authorization was inadvertent, SBC hereby requests that the Commission formally authorize the transfer of that authorization as well, effective as of the date of the SBC/Ameritech Order.⁵

Respectfully submitted,

SBC COMMUNICATIONS INC.

By:



DATED: May 24, 2000

³ See Overseas Common Carrier Section 214 Applications Actions Taken, Public Notice, 13 FCC Rcd. 9402 (May 7, 1998) (“Public Notice”).

⁴ Ameritech’s control over Tele Danmark is discussed at ¶¶ 534-36 of the SBC/Ameritech Order.

⁵ Since there was no showing in the original international section 214 transfer of control applications that Tele Danmark lacked sufficient market power in Denmark to affect competition adversely in the United States, the Commission amended certain of SBC’s section 214 international authorizations to apply dominant carrier regulation to their provision of service on the U.S.-Denmark route. SBC/Ameritech Order, ¶ 536. As set forth in the Public Notice granting TD-USA’s application, TD-USA has previously agreed to dominant carrier regulation on that route. See Public Notice, 13 FCC Rcd. at 9402.

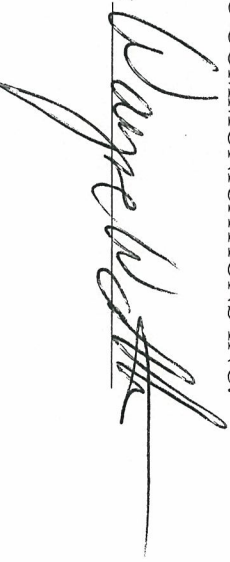
**CERTIFICATION PURSUANT TO
SECTIONS 1.2001-1.2003 OF THE COMMISSION'S RULES**

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

§§ 1.2001-1.2003, SBC 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 SBC is subject to a denial of federal benefits that includes FCC benefits pursuant to Section 5301 of the Federal Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

SBC COMMUNICATIONS INC.

By:



DATED: May 24, 2000

I. INTRODUCTION AND DESCRIPTION OF THE PARTIES AND TRANSACTION

The Applicants are filing this Application to request the Commission to approve the transfer of control of the international section 214 authorizations held by two Ameritech subsidiaries, ACI and Ameritech Mobile, which will result from the proposed merger of SBC and Ameritech. Applicants, the transaction into which they propose to enter, and the international section 214 authorizations that are the subject of this application are summarized below. The parties are also submitting herewith as Exhibit 1 a detailed narrative describing the parties, the transaction and the reasons why the merger serves the public interest, convenience and necessity.

A. The Parties

Ameritech's businesses consist primarily of the provision of local exchange and wireless service through its operating subsidiaries. Ameritech also is engaged in the provision of cable television service and security monitoring. In addition, Ameritech provides facilities-based and resold international communications services through two of its subsidiaries, ACI and Ameritech Mobile. ACI presently holds three international section 214 authorizations which allow it to resell international switched, private line and non-interconnected private line communications services and to provide international facilities-based switched, private line and data services originating outside the states in which Ameritech provides local exchange service. Ameritech Mobile holds one international section 214 authorization, which grants it the authority to resell international switched service. Ameritech also has a number of international interests, including investments in telecommunications companies in Belgium, Denmark and Hungary.

SBC's principal businesses consist of local exchange, wireless and directory publishing services provided by operating subsidiaries of SBC. SBC also has a number of international interests, including investments in companies that offer telecommunications services in Mexico, France, the United Kingdom, Chile, South Africa, Israel, South Korea, Taiwan and Switzerland. Only those investments in Chile, South Africa and Switzerland, however, rise to the level of a foreign affiliation under the Commission's international section 214 regulations. See 47 C.F.R. § 63.18(h)(1)(i) (1998). SBC's subsidiaries hold a number of international section 214 authorizations, which are described more fully below.

B. The Transaction

SBC and Ameritech have entered into an Agreement and Plan of Merger (the "Plan") under which Ameritech would become a wholly-owned subsidiary of SBC. Following the merger, Ameritech will continue to own the stock of its subsidiaries, including ACI and Ameritech Mobile, which will continue to hold all of the Commission authorizations they currently hold. The proposed merger is described in detail in Exhibit 1.

II. PUBLIC INTEREST CONSIDERATIONS

For the reasons set forth in Exhibit 1, the Applicants believe that the proposed transfer of control will serve the public interest, convenience and necessity. The transfer of control of the international section 214 authorizations held by ACI and Ameritech Mobile is incidental to the merger. As set out in Exhibit 1, however, it is clear that SBC is highly qualified to be in ultimate control of these authorizations and that there will be no anticompetitive effects stemming from the transfer of control of the international section 214 authorizations.

Because the proposed transfer of control is in the public interest, convenience and necessity and otherwise complies with applicable law and regulations, the Applicants respectfully request the Commission to grant this Application.

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

The Applicants provide the following information in compliance with subsections (a) through (k) of Section 63.18 of the Commission's Rules, 47 C.F.R. §§ 63.18(a)-(k) (1998), and in support of the Applicants' request.

(a) The names, addresses and telephone numbers of the parties to this application

are:

Ameritech Communications, Inc.
1401 H St., N.W., Suite 1020
Washington, DC 20005
202-326-3800

Ameritech Mobile Communications, Inc.
1401 H St., N.W., Suite 1020
Washington, DC 20005
202-326-3800

Ameritech Corporation
1401 H St., N.W., Suite 1020
Washington, DC 20005
202-326-3800

SBC Communications Inc.
175 E. Houston
San Antonio, TX 78205
210-351-3476

(b) Ameritech, ACI, Ameritech Mobile and SBC are all corporations organized under the laws of the State of Delaware.

(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:

For Ameritech, ACI and Ameritech Mobile

Lynn Starr
Executive Director, Federal Relations
Ameritech Corporation
1401 H Street, N.W., Suite 1020
Washington, DC 20005

202-326-3800 (voice)
202-326-3826 (facsimile)

with a copy to

Antoinette Cook Bush
Skadden, Arps, Slate, Meagher & Flom
1440 New York Avenue, N.W.
Washington, DC 20005

202-371-7230 (voice)
202-371-7996 (facsimile)

For SBC

Wayne Watts
General Attorney
SBC Communications Inc.
Legal Department, Suite 1146
175 E. Houston
San Antonio, TX 78205

210-351-3476 (voice)
210-351-3488 (facsimile)

with a copy to

Patrick J. Grant
Arnold & Porter
555 12th Street, N.W.
Washington, DC 20004

(202) 942-6060 (voice)
(202) 942-5999 (facsimile)

(d) ACI has previously received authority under Section 214 of the Communications Act, as amended, to: (i) resell the international switched services of authorized facilities-based international common carriers originating in the contiguous United States (excluding Illinois, Indiana, Michigan, Ohio and Wisconsin), Hawaii, Puerto Rico and the U.S. Virgin Islands and terminating at all international points; (ii) resell international private lines between the United States (excluding Illinois, Indiana, Michigan, Ohio and Wisconsin) and Canada (and other countries providing equivalent resale opportunities) in order to engage in switched hubbing to various international points;¹ (iii) to resell non-interconnected private line service for the provision of international private line service between the United States (excluding Illinois, Indiana, Michigan, Ohio and Wisconsin) and various international points (excluding Hungary); and to provide international facilities-based switched, private line and data services between all points in the United States (excluding Illinois, Indiana, Michigan, Ohio and Wisconsin) and all international points except Hungary and those countries listed on the Commission's exclusion list. This authority was granted to both ACI and its subsidiaries. The Commission's approvals are stated in FCC File Nos. ITC-96-272

¹ ACI's application did not request authority to resell the private line service of any affiliated carrier that was dominant on the route over which the private line service would be carried,

Footnote continued on next page

(effective July 19, 1996; order released, 11 FCC Rcd. 8685, July 24, 1996); ITC-96-441 (effective September 13, 1996; public notice, 11 FCC Rcd. 11306, issued September 19, 1996); and ITC-97-289 (effective July 9, 1997; public notice, DA 97-1442, issued July 10, 1997).

Ameritech Mobile has previously received authority under Section 214 to resell the international switched services of authorized unaffiliated United States facilities-based international carriers for the provision of international switched services (in association with the provision of international CMRS) originating in the contiguous United States, Hawaii, Puerto Rico and the U.S. Virgin Islands and terminating at all international points. The Commission's approval is stated in FCC File No. ITC-96-243 (effective June 7, 1996; public notice, DA 96-933, issued June 13, 1996).

Ameritech itself holds no international section 214 authorizations.

SBC's subsidiaries have previously received authority under Section 214 of the Communications Act, as amended, to provide both resold and facilities-based switched (voice and data) and private line international services. The Commission's approvals are stated in FCC File Nos. ITC-96-496 (Oct. 25, 1996), ITC-96-497 (Oct. 25, 1996), ITC-96-498 (Oct. 25, 1996), ITC-96-499 (Oct. 25, 1996), ITC-96-500 (Oct. 25, 1996), ITC-96-689 (Feb. 13, 1997), ITC-96-692 (Sept. 9, 1997), ITC-98-423 (June 11, 1998) and in TAO-2623 (granted Feb. 26, 1998; expires Aug. 25, 1998). SBC's subsidiaries also have applications pending before the Commission requesting additional authority for resale and facilities-based provision of international switched and private line services. These applications are

Footnote continued from previous page

nor did it request authorization for the provision of private line service to any country where ACI was affiliated with a foreign carrier which had market power in that country.

contained in FCC File Nos. ITC-97-161 (filed March 3, 1997), ITC-97-162 (filed March 3, 1997), ITC-97-770 (filed Dec. 5, 1997), ITC-97-776 (filed Dec. 5, 1997) and ITC-97-777 (filed Dec. 8, 1997).

Upon approval of the transfer of control of the international section 214 authorizations attendant to the merger of SBC and SNET (and subsequent consummation of that merger), SBC will also obtain control of the international section 214 authorizations of its new SNET subsidiaries.

SNET America, Inc., has previously received authority under Section 214 of the Communications Act, as amended, to: resell the services of international carriers for the purpose of providing switched communications services from the contiguous United States to multiple international points; resell the services of international carriers for the purpose of providing prepaid phone card services between the United States and multiple international points; and resell private lines for services not interconnected with the public switched network between the United States and various international points and to expand its international resale authority to resell the switched services of additional international common carriers. The Commission's approvals are stated in File Nos. ITC-93-256 (Sept. 15, 1993), ITC-95-145 (May 22, 1995) and ITC-96-172 (May 2, 1996).

SNET Diversified Group, Inc. has previously received authority under Section 214 to provide global international resale services, including authority to resell private lines interconnected at one or both ends to the public switched network from the contiguous United States, Hawaii, Puerto Rico and the U.S. Virgin Islands. The Commission's approval is stated in File No. ITC-96-538 (Nov. 27, 1996).

(e) SBC is applying for authority under Section 63.18(e)(5) of the Commission's Rules to acquire facilities through the transfer of control of common carriers (ACI and Ameritech Mobile) holding international section 214 authorizations

(f) No response required.

(g) The Applicants are not seeking facilities-based authority under Section

63.18(e)(6) of the Commission's Rules. Therefore, and in accord with Section 63.18(e)(5),

Section 63.18(g) requires no response from the Applicants.

(h)(1) SBC hereby certifies that it is affiliated, as that term is defined in Section

63.18(h)(1)(i) of the Commission's Rules, with the following foreign carriers:

1. VTR Inversiones ("VTRI") (Chile). SBC International Inc. ("SBCI"), a wholly owned subsidiary of SBC, owns 49.3 percent of VTRI, a privately owned telecommunications holding company in Chile. Through its subsidiaries, VTRI provides local, long distance and cable television services in Chile.
2. Telkom South Africa Ltd. ("Telkom S.A.") (South Africa). A consortium formed between Telekom Malaysia Berhad and SBC (of which SBC owns 60 percent) owns 30 percent of Telkom S.A. 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.
3. Diax Holding AG ("Diax") (Switzerland). SBC, through a joint venture, owns a 40 percent interest in Diax, a new full-service Swiss telecommunications carrier.

SBC further certifies that, except as set forth above, neither SBC nor any entity it directly or indirectly controls or is controlled by, or that is under direct or indirect common control with it, owns 25 percent or more of the capital stock, or holds a controlling interest at any level, of any other foreign carrier or in any entity that directly or indirectly controls another foreign carrier.

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

(1i)(2) No shareholder or other equity holder controls 10 percent or more of SBC.

(1i)(3) SBC has no affiliation, as that term is defined in Sections 63.18(h)(1)(i) and (h)(3) of the Commission's Rules, with the U.S. carriers whose facilities-based services are resold pursuant to the international section 214 authorizations held by ACI and Ameritech Mobile.

(1i)(4) SBC acknowledges its continuing responsibility for the accuracy of the certifications required by Sections 63.18(h)(1), 63.18(h)(2) and 63.18(h)(3) of the Commission's Rules.

(1i)(5) Through its acquisition of Ameritech and the transfer of control of the international section 214 authorizations held by ACI and Ameritech Mobile, SBC seeks to operate as a U.S. facilities-based international carrier to those foreign countries allowed by the international section 214 authorizations held by ACI and Ameritech Mobile. In three of those countries — Chile, South Africa and Switzerland — SBC has a foreign affiliation as that term is defined in Section 63.18(h)(1)(i)(B) of the Commission's Rules. Therefore, pursuant to Section 63.18(h)(5) of the Commission's Rules, SBC provides the following information:

1. Chile is a Member of the World Trade Organization.
2. South Africa is a Member of the World Trade Organization.
3. Switzerland is a Member of the World Trade Organization.

(h)(6) Through its acquisition of Ameritech and the transfer of control of the international section 214 authorizations held by ACI and Ameritech Mobile, SBC proposes to resell the international switched or non-interconnected private line services of other U.S. carriers for the purpose of providing international communications services to those foreign countries allowed by the international section 214 authorizations held by ACI and Ameritech Mobile. In three of those countries — Chile, South Africa and Switzerland — SBC has a foreign affiliation as that term is defined in Section 63.18(h)(1)(i)(B) of the Commission's Rules. Therefore, pursuant to Section 63.18(h)(6) of the Commission Rules, SBC provides the following information:

1. Chile is a Member of the World Trade Organization.
2. South Africa is a Member of the World Trade Organization.
3. Switzerland is a Member of the World Trade Organization.

(h)(7) Through its acquisition of Ameritech and the transfer of control of the international section 214 authorizations held by ACI and Ameritech Mobile, SBC proposes to resell the international switched services of unaffiliated U.S. carriers for the purpose of providing international communications services to those foreign countries allowed by the international section 214 authorizations held by ACI and Ameritech Mobile. In three of those countries — Chile, South Africa and Switzerland — SBC has a foreign affiliation as that term is defined by Section 63.18(h)(1)(i)(B) of the Commission's Rules. Pursuant to Section 63.18(h)(7) of those Rules, SBC provides the following information in order to demonstrate either that it satisfies Section 63.10(a)(3) of the Commission's Rules or that it

will file the quarterly traffic reports required by Section 43.61(c) of the Commission's

Rules:

1. Chile: VTRI lacks 50 percent market share in the international transport and local access markets in Chile and thus satisfies the conditions of Section 63.10(a)(3) of the Commission's Rules.
2. South Africa: SBC will file the quarterly traffic reports required by Section 43.61(c) of the Commission's Rules for its switched resale traffic between the United States and South Africa.
2. Switzerland: Diax lacks 50 percent market share in the international transport and local access markets in Switzerland and thus satisfies the conditions of Section 63.10(a)(3) of the Commission's Rules.

(11)(8) Pursuant to Section 63.18(h)(8) of the Commission's Rules, and in accord with the standards set forth in Section 63.10 of those Rules, SBC requests that it be treated as non-dominant for the provision of the international communications services to Chile, South Africa and Switzerland listed below for the following reasons:

1. VTRI lacks 50 percent market share in the international transport and the local access markets in Chile and thus SBC would satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.
2. SBC would satisfy Section 63.10(a)(4) for the provision of international communications service to South Africa through the resale of unaffiliated U.S facilities-based carriers' switched services.
3. Diax lacks 50 percent market share in the international transport and local access markets in Switzerland and thus SBC would satisfy Section 63.10(a)(3) of the Commission's Rules for all international communications services which are covered by this application.

(i) SBC 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 sufficient market power on the foreign end of the route to affect

competition adversely in the U.S. market and will not enter into such agreements in the future.

(j) SBC 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 SBC.

(k) The Applicants do not request streamlined processing of this application.

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, SBC Communications 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 SBC Communications 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.

SBC COMMUNICATIONS INC.

By: 

DATE: JULY 23, 1998