Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)		
Iusatel USA, Inc.)	File No. ITC-T/C-2011	
)		
Joint Application Pursuant to Section 214 of the)		
Communications Act of 1934, as amended,)		
and Section 63.24 of the Commission's Rules)		
for Approval of the Transfer of Control of an)		
International Section 214 Authorization)		

JOINT APPLICATION FOR APPROVAL OF A TRANSFER OF CONTROL

I. <u>INTRODUCTION</u>

A. Summary of Transaction

Total Play Telecomunicaciones, S.A. de C.V. f/k/a Iusatel, S.A. de C.V. ("<u>Transferor</u>" or "<u>Total Play</u>"), Corporativo Vasco de Quiroga, S.A. de C.V. ("<u>Transferee</u>" or "<u>CVQ</u>"), and Iusatel USA, Inc. ("<u>Licensee</u>" or "<u>Iusatel USA</u>") (collectively "<u>Applicants</u>"), by their undersigned attorneys and pursuant to Section 214 of the Communications Act of 1934 (the "<u>Act</u>"), as amended, 47 U.S.C. § 214, and Section 63.24 of the Commission's rules, 47 C.F.R. § 63.24, hereby respectfully seek approval to transfer control of Iusatel USA.

Although the proposed transaction will result in a change in the ultimate control of Iusatel USA, no assignment of authorizations, assets, or customers will occur as a consequence of the proposed transaction. Iusatel USA will continue to provide service to its existing customers pursuant to its authorization under the same rates, terms and conditions. Accordingly, this transaction will be transparent to the customers of Iusatel USA.

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Iusatel USA holds international Section 214 authority under File No. ITC-214-19960923-00459.

B. Request for Streamlined Processing

Applicants respectfully submit that this Application is eligible for presumptive streamlined processing pursuant to Section 63.12(c)(1)(i) and (ii) of the Commission's rules. Total Play is a non-dominant telecommunications carrier in Mexico, which provides cable television, Internet access, long distance and fixed local telephony services. CVQ is a subsidiary of Grupo Televisa S.A.B. ("Grupo Televisa"), which is the largest media company in Latin America. Grupo Televisa is the controlling shareholder of (A) Cablevisión S.A. de C.V. ("Cablevisión"), which provides cable television, Internet access and fixed local telephony services in Mexico and (B) Operbes, S.A. de C.V. ("Operbes") and (C) Bestphone, S.A. de C.V. ("Bestphone" and together with Operbes collectively "Bestel"), a competitive Mexican telecommunications company offering Internet access, long distance services and local telephony services primarily to other carriers, resellers and high volume users in Mexico and the United States. Grupo Televisa does not have telecommunications operations in any countries other than Mexico and the United States.

Therefore, at the conclusion of this transaction, Iusatel USA will be affiliated with four non-dominant competitive carriers in Mexico. The FCC has already found Total Play to be a non-dominant carrier at the time it granted Iusatel USA's initial section 214 authorization, FCC File No. ITC-214-19960923-00459, and determined to regulate Iusatel USA as non-dominant on the U.S.-Mexico route. In addition, as competitive service providers, Cablevisión and Bestel do not have more than 50% of the domestic or international telecommunications market in Mexico, and therefore are presumptively considered to be non-dominant service providers pursuant to Section 63.10(a)(3) of the Commission's Rules, 47 C.F.R. § 63.10(a)(3). Therefore, Iusatel USA will continue to qualify for a presumption of non-dominance with respect to its foreign carrier

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affiliations under Section 63.10(a)(3) of the Commission's Rules, 47 C.F.R. § 63.10(a)(3), and this application therefore qualifies for streamlined processing under Section 63.12(c)(1)(i) and (ii).

In support of this Application, Applicants also provide the following information:

II. <u>DESCRIPTION OF THE APPLICANTS</u>

A. Total Play Telecomunicaciones, S.A. de C.V. (Transferor)

Total Play is a company formed under the laws of Mexico. Total Play is a competitive provider of cable television, Internet access, long distance and fixed local telephony services in Mexico.

B. Corporativo Vasco de Quiroga, S.A. de C.V. (Transferee)

CVQ is a holding company formed under the laws of Mexico. CVQ is a subsidiary of Grupo Televisa. Grupo Televisa, is the largest media company in the Spanish-speaking world based on market capitalization and a major participant in the international entertainment business. It has interests in television production and broadcasting, production of pay television networks, international distribution of television programming, direct-to-home satellite services, cable television and telecommunication services, publishing and publishing distribution, radio production and broadcasting, professional sports and live entertainment, feature film production and distribution, gaming, and the operation of a horizontal Internet portal.

Bestel (USA), Inc. ("Bestel (USA)"), an indirect subsidiary of Grupo Televisa holds Section 214 authority issued by the Commission.²

C. Iusatel USA, Inc. (Licensee)

Iusatel USA, a wholly-owned subsidiary of Total Play, holds international section 214 authority to provide facilities-based and resold international services pursuant to FCC File No.

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FCC File No. ITC-214-19970804-00457.

ITC-214-19960923-00459. Iusatel USA solely provides cross-border services to U.S. carriers at several locations along the U.S.-Mexico border, including international voice and data services.

III. DESCRIPTION OF THE PROPOSED TRANSACTION (Answer to Question 13)

The transfer of Iusatel USA is a small part of a larger transaction through which CVQ is also acquiring 50% equity interest in Total Play. The transaction entails the acquisition by CVQ of the trust beneficiary rights to 1.093875% of the outstanding shares of stock of GSF Telecom Holdings, S.A.P.I. de C.V. ("GSF"), which indirectly owns 100% of the outstanding shares of stock of Total Play, and the acquisition of unsecured convertible debentures issued by GSF, mandatorily convertible into shares of stock of GSF, which, together with the shares underlying the aforementioned trust beneficiary rights, represent 50% (fifty percent) of the outstanding shares of stock of GSF and indirectly 50% interest in Iusatel USA (the "Transaction"). The Transaction is governed by Mexican law and is expected to close in the second half of 2011. For the Commission's convenience, pre- and post-closing organization illustrative charts are provided as Exhibit A.

IV. <u>PUBLIC INTEREST CONSIDERATIONS</u>

Applicants submit that the transaction will serve the public interest because it will strengthen Iusatel USA's ability to offer competitive cross-border services to Mexico. Moreover, the change in ownership of Iusatel USA will not have any adverse impact on existing customers. Iusatel USA will continue to possess the managerial and technical qualifications to provide international telecommunications services. Because the Transaction will be completed at the holding company level and will not change the rates, terms or conditions of Iusatel USA's services, the Transaction will not result in a change of service provider for Iusatel USA's customers and will otherwise be transparent to customers of Iusatel USA receiving services in the United States.

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Immediately following consummation of the Transaction, Iusatel USA will continue to provide

high-quality international telecommunications services to its customers without interruption and

without immediate change in rates, terms or conditions.

At the same time, a grant of the application would not result in any anticompetitive

effects. For these reasons, Applicants respectfully submit that this Transaction is in the public

interest.

V. <u>INFORMATION REQUIRED BY SECTION 63.24(e)</u>

Pursuant to Section 63.24(e) of the Commission's rules, in support of this Application

Applicants submit the following information from Section 63.18(a)-(d)(h) for the Transferor and

the Transferee, and from Section 63.18(i)–(p) for the Transferee:

Section 63.18 (Transferor and Transferee) -

(a) Name, address and telephone number of Transferor, Transferee and Licensee:

Transferor: Total Play Telecomunicaciones, S.A. de C.V.

Montes Urales No. 460

Primer Piso

Colonia Lomas de Chapultepec

Mexico City, 11000

Mexico

Tel: 011 (52-55) 5109-4400 Fax: 011 (52-55) 5109-5941

FRN: 0021004494

Transferee: Corporativo Vasco de Quiroga, S.A. de C.V.

Av. Vasco de Quiroga No. 2000

Colonia Santa Fe Mexico City, 01210

Mexico

Tel: 011 (52-55) 5261-2000 Fax: 011 (52-55) 5261-2494

FRN: 0021004528

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Licensee:

Iusatel USA, Inc.

Montes Urales No. 460

Primer Piso

Colonia Lomas de Chapultepec

Mexico City, 11000

Mexico

Tel: 011 (52-55) 5109-5794 Fax: 011 (52-55) 5109-5941

FRN: 0007453806

(b) Place of Formation:

Transferor:

Total Play Telecomunicaciones, S.A. de C.V. is a corporation

organized under the laws of Mexico.

Transferee:

Corporativo Vasco de Quiroga, S.A. de C.V. is a corporation

organized under the laws of Mexico.

Licensee:

Iusatel USA, Inc. is a corporation organized under the laws of the

State of Delaware.

(c) (Answer to Question 10) Correspondence concerning this Application should be sent to:

To CVQ:

Luis Mancera
General Counsel Telecommunications
Av. Vasco de Quiroga No. 2000
Colonia Santa Fe
Mexico City, 01210
Mexico
Tel: 011 (52-55) 5261-3192

Tel: 011 (52-55) 5261-3192 lmancera@televisa.com.mx

To Total Play and Iusatel USA to:

Carlos Hirsch
Regulatory Director
Montes Urales No. 460
Primer Piso
Colonia Lomas de Chapultepec
Mexico City, 11000
Mexico
Tel: 011 (52-55) 5109-5794

chirsch@iusacell.com.mx

In all cases with a copy to:

Ulises R. Pin Nguyen T. Vu Bingham McCutchen LLP 2020 K Street, NW Washington, DC 20006 Tel: (202) 373-6000

Fax: (202) 373-6000 Fax: (202) 373-6001 u.pin@bingham.com

(d) Transferor: Total Play Telecomunicaciones, S.A. de C.V. has not received

authority under Section 214 of the Act.

Transferee: Corporativo Vasco de Quiroga, S.A. de C.V. has not received

authority under Section 214 of the Act.³

Licensees: Iusatel USA, Inc. provides international facilities-based and resale

telecommunications services pursuant to FCC File No. ITC-214-

19960923-00459.

(h) (Answer to Questions 11 & 12)

Ownership Information:

Please see Exhibit B attached hereto.

Interlocking Directorates:

CVQ has no interlocking directorates to report:

Section 63.18 (Transferee) –

(i) (Answer to Question 14) Foreign Carrier Affiliations:

Pursuant to Section 63.18(i) of the Commission's Rules, Corporativo Vasco de Quiroga S.A. de C.V. certifies that as of the closing of the Transaction, it will be affiliated with the following foreign carriers:

Operbes, S.A. de C.V. (Mexico) Bestphone, S.A. de C.V. (Mexico) Cablevisión S.A., de C.V. (Mexico)

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As noted above, an affiliate of CVQ, Bestel (USA), has received international Section 214 authority from the Commission.

Total Play Telecomunicaciones, S.A. de C.V (Mexico)

(Answer to Question 15)

- (j) CVQ certifies that Iusatel USA will provide international telecommunications services to Mexico where CVQ is affiliated with four foreign carriers within that country.
- (k) CVQ certifies that Mexico is a Member of the World Trade Organization ("<u>WTO</u>") and that at the close of the Transaction, Iusatel USA's foreign affiliates will lack market power in Mexico.
- (l) CVQ hereby certifies that, through Iusatel USA, it may at times resell the international switched services of an unaffiliated U.S. carrier for the purposes of providing international telecommunications services.
- (m) CVQ hereby certifies that each of its foreign affiliates have less than a fifty percent share in the international transport and the local access markets on the foreign end and, therefore, CVQ's foreign affiliates should be presumptively classified as non-dominant carriers pursuant to Section 63.10(a)(3) of the Commission's Rules.
- (n) Applicants certify that neither they nor any of their licensed subsidiaries have agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, directly or indirectly from any foreign carrier, as defined in Section 63.09(d) of the Commission's Rules, 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 that they will not enter into such agreements in the future.
- (o) Applicants certify that neither they nor any of their licensed subsidiaries are subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) This Application qualifies for streamlined processing pursuant to Section 63.12(c)(1)(i) and (ii) of the Commission's Rules, as set forth in Section I.(B) above.

VII. <u>CONCLUSION</u>

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application for consent to the transfer of control of Iusatel USA, Inc., a holder of international section 214 authority.

Respectfully submitted,

Ulises R. Pin Nguyen T. Vu Bingham McCutchen LLP 2020 K Street, NW Washington, D.C. 20006 (202) 373-6000 (Tel) (202) 373-6001 (Fax)

Counsel to Applicants

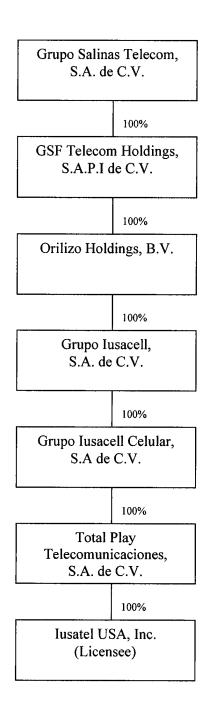
Dated: July 11, 2011

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EXHIBIT A

PRE- AND POST-CLOSING ORGANIZATIONAL CHARTS

Pre-Transaction Ownership Structure



Post-Transaction Ownership Structure

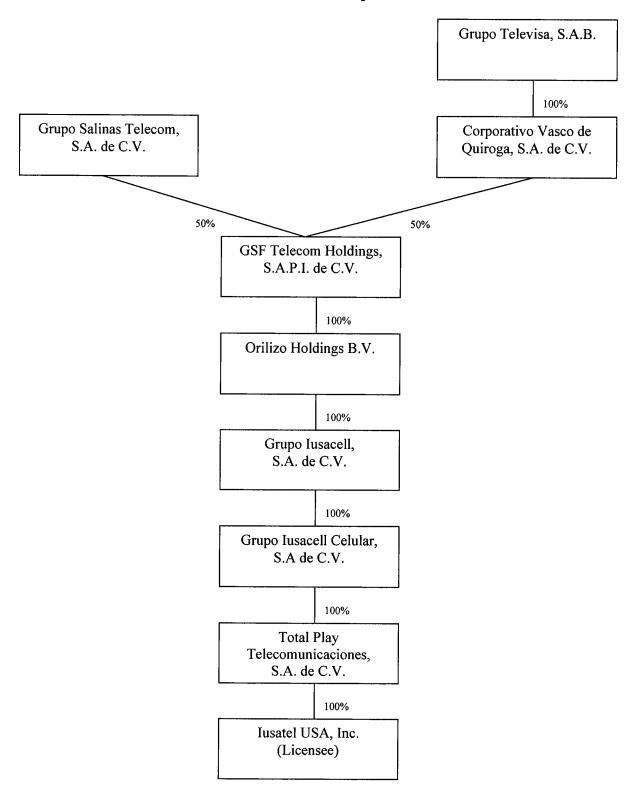


EXHIBIT B

OWNERSHIP INFORMATION

As of the date of the closing of the Transaction, the 10% or greater direct shareholders of Licensee, Iusatel USA, Inc. will be:

Name: Total Play Telecomunicaciones, S.A. de C.V. ("Total Play")

Address: Montes Urales No. 460

Primer Piso

Colonia Lomas de Chapultepec

Mexico City, 11000

Mexico

Ownership: 100% Citizenship: Mexico

Principal Business: Telecommunications

The following entity will hold an indirect ten percent (10%) or greater equity or controlling interest in Licensee through its ownership in <u>Total Play</u>:

Name: Grupo Iusacell Celular, S.A. de C.V. ("GIC")

Address: Montes Urales No. 460

Primer Piso

Colonia Lomas de Chapultepec

Mexico City, 11000

Mexico

Ownership: 100% Citizenship: Mexico

Principal Business: Holding Company

The following entity will hold an indirect ten percent (10%) or greater equity or controlling interest in Licensee through its ownership in <u>GIC</u>:

Name: Grupo Iusacell, S.A. de C.V. ("GI")

Address: Montes Urales No. 460

Primer Piso

Colonia Lomas de Chapultepec

Mexico City, 11000

Mexico

Ownership: 100% Citizenship: Mexico

Principal Business: Holding Company

The following entity will hold an indirect ten percent (10%) or greater equity or controlling interest in Licensee through its ownership in <u>GI</u>:

Name: Orilizo Holdings B.V. ("Orilizo")

Address: Amteldijk 166

1079, LH, Amsterdam

The Netherlands

Ownership: 100% Citizenship: Netherlands

Principal Business: Holding Company

The following entity will hold an indirect ten percent (10%) or greater equity or controlling interest in Licensee through its ownership in <u>Orilizo</u>:

Name: GSF Telecom Holdings, S.A.P. I. de C.V. ("GSF")

Address: Montes Urales No. 460

Primer Piso

Colonia Lomas de Chapultepec

Mexico City, 11000

Mexico

Ownership: 100% Citizenship: Mexico

Principal Business: Holding Company

The following entities will hold an indirect ten percent (10%) or greater equity or controlling interest in Licensee through their ownership in GSF:

Name: Grupo Salinas Telecom, S.A. de C.V. ("Grupo Salinas Telecom")

Address: Montes Urales No. 460

Primer Piso

Colonia Lomas de Chapultepec

Mexico City, 11000

Mexico

Ownership: 50% Citizenship: Mexico

Principal Business: Holding Company

Name: Corporativo Vasco de Quiroga, S.A. de C.V. ("CVQ")

Address: Av. Vasco de Quiroga No. 2000

Colonia Santa Fe Mexico City, 01210

Mexico

Ownership: 100% Citizenship: Mexico

Principal Business: Holding Company

The following person will hold an indirect ten percent (10%) or greater equity or controlling interest in Licensee through its ownership of <u>Grupo Salinas Telecom</u>:

Name: Ricardo Benjamín Salinas Pliego

Address: Periférico Sur 4119

Colonia Fuentes del Pedregal

Mexico City, 14141

Mexico

Ownership: 69.54% Citizenship: Mexico

Principal Business: Retailing, Telecommunications and Media

No other person or entity will hold a 10% or greater indirect interest in Licensee through an ownership interest in Grupo Salinas Telecom.

The following entity will hold an indirect ten percent (10%) or greater equity or controlling interest in Licensee through its ownership in CVQ:

Name: Grupo Televisa S.A.B. ("Grupo Televisa")

Address: Av. Vasco de Quiroga No. 2000

Colonia Santa Fe Mexico City, 01210

Mexico

Ownership: 100% Citizenship: Mexico

Principal Business: Media Investments

Grupo Televisa's shares are publicly traded on the Mexican and New York stock exchanges. Grupo Televisa's shareholding is widely held and the only 10% or greater shareholder is Mr. Emilio Fernando Azcárraga Jean, a Mexican national with the same address as Grupo Televisa. Mr. Azcárraga beneficially owns approximately 15.25% of Grupo Televisa's outstanding shares. Other than Mr. Azcárraga, there are no 10% or greater owners of Grupo Televisa. No other person or entity will hold a 10% or greater indirect interest in Licensee through an ownership interest in Grupo Televisa.

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Mr. Azcárraga's ownership in Grupo Televisa is held through a series of trusts in Mexico.

CERTIFICATIONS

CERTIFICATION

We, Fernando J. Cabrera and Carlos Ferreiro Rivas, each a legal representative of Total Play Telecomunicaciones, S.A. de C.V. ("<u>Total Play</u>"), hereby certify under penalty of perjury that we are authorized to make this Certification on behalf of Total Play, and Iusatel USA, Inc. the Transferor and Licensee, respectively, in the foregoing application. We further certify that the information in the foregoing application as it pertains to the Transferor and Licensee is true and accurate to the best of my knowledge, and that neither the Transferor nor the Licensee is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a), as amended.

Name: Fernando J. Cabrera Title: Legal Representative

Name: Carlos Ferreiro Rivas Title: Legal Representative

Date: July 6, 2011

CERTIFICATION

We, José Antonio Lara del Olmo and Jorge Lutteroth Echegoyen, each a legal representative of Corporativo Vasco de Quiroga, S.A. de C.V. ("CVQ"), hereby certify under penalty of perjury that we am authorized to make this Certification on behalf of CVQ, the Transferee in the foregoing application. We further certify that the information in the foregoing application as it pertains to the Transferee is true and accurate to the best of our knowledge, and that the Transferee is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a), as amended.

Name: José Antonio Lara del Olmo

Title: Logal Representative

Name: Jorge Lutteroth Echegoyen

Title: Legal Representative

Date: July 6, 2011