

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)
)
IDB Worldcom Services, Inc., Assignor)
) File No. SCL-_____)
and)
)
MCI International, Inc., Assignee)
)
Application for *Pro Forma* Assignment of)
Interests in Cable Landing Licenses)

To: Chief, International Bureau

**APPLICATION FOR *PRO FORMA* ASSIGNMENT OF
INTERESTS IN CABLE LANDING LICENSES**

Pursuant to an Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39, and Section 1.767 of the Commission’s rules, 47 C.F.R. § 1.767, Verizon Communications Inc. (“Verizon”) requests Federal Communications Commission (“Commission” or “FCC”) consent to the *pro forma* assignment of its indirect ownership interests in the Americas II Cable System¹ and the recently retired Columbus III Cable System² (the “Cable Systems”) from IDB Worldcom Services, Inc. (“IDB Worldcom”) to MCI International, Inc. (“MCIII”).³ Verizon files this application to help ensure the Commission’s records regarding the Cable Systems are up to date.

¹ See File Nos. SCL-LIC-19980429-00019 (original) and SCL-MOD-20191202-00038 (current).

² See SCL-LIC-19980527-00007 (original) and SCL-MOD-20040304-00012 (current). The Columbus III Cable System was retired from service on December 18, 2020. See Letter from James Talbot, AT&T Corp., to Marlene H. Dortch, FCC, SCL-MOD-20040304-00012 (Sept. 1, 2020) (notifying the Commission of the planned retirement of the Columbus III Cable System).

³ MCIII was recently converted into a limited liability company, resulting in the *pro forma* assignment of its interests in the Cable Systems to MCI International, LLC. An application seeking consent to that *pro*

Description of Transaction and Public Interest Statement

In 1998, the Commission issued a cable landing license for the construction and operation of the Americas II Cable System, which connects Florida, Puerto Rico, the U.S. Virgin Islands, Martinique, Curacao, Trinidad, Venezuela, French Guiana, and Brazil.⁴ In 1999, the Commission issued a cable landing license for the construction and operation of the Columbus III Cable System, which connected United States, Italy, Spain, and Portugal.⁵ The licensees of each Cable System, among others, included MCIII and IDB WorldCom, which were subsidiaries of MCI, Inc. (“MCI”).

Verizon closed on its acquisition of MCI in 2006, which included MCI’s ownership interests in the Americas II and Columbus III Cable Systems.⁶ Based on a review of available records, it appears that IDB WorldCom’s original ownership interest in each of the Cable Systems was involved in *pro forma* internal corporate restructurings, which ultimately resulted in those interests being held by MCIII.⁷ On June 30, 2020, as part of another internal restructuring,

forma assignment was previously filed with and approved by the Commission. See *Actions Taken Under Cable Landing License Act*, File No. SCL-ASG-20200601-00023, Report No. SCL-00270, DA No. 20-660 (rel. June 24, 2020).

⁴ See *AT&T Corp., et al. Joint Application for a License to Land and Operate a Digital Submarine Cable System among Florida, Puerto Rico, the U.S. Virgin Islands, Martinique, Curacao, Trinidad, Venezuela, French Guiana and Brazil, the AMERICAS-II Cable System*, Cable Landing License, 13 FCC Rcd 22540 (1998).

⁵ See *AT&T Corp., et al. Joint Application for a License to Land and Operate a Digital Submarine Cable System between Hollywood, Florida, in the United States, Italy, Spain, and Portugal, the COLUMBUS-III Cable System*, Cable Landing License, 14 FCC Rcd 13428 (1999).

⁶ See *Verizon Communications Inc. and MCI, Inc. Applications for Approval of Transfer of Control*, Memorandum Opinion and Order, 20 FCC Rcd 18433 (2005).

⁷ See, e.g., *Verizon Communications Inc. and MCI, Inc., Application for Authority to Transfer Control of Cable Landing Licenses*, File No. SCL-T/C-20050317-00007, at Attachment A (Mar. 11, 2005) (noting that the IDB WorldCom’s interest in the Columbus III Cable System was now held by MCI Communications Corporation). Internal records also show that the ownership interest in the Columbus III Cable System originally held by IDB Worldcom was assigned to MCIII in March 2009.

MCIII was then converted from a corporation to a limited liability company.⁸ In short, Verizon ultimately consolidated the original IDB Worldcom ownership interest in each of the Cable Systems with its interests that are held by MCI International. Specifically, MCII LLC currently holds an approximate 8.0025 percent ownership interest in the Americas II Cable System, and it held an approximate 18.453 percent ownership interest in the Columbus III Cable System at the time it was retired.

The non-substantive internal ownership changes described above did not result in a change the ultimate control of the Cable Systems' ownership interests and they were *pro forma* in nature.⁹ The Commission has stated that, in situations “where no substantial change of control will result from the transfer or assignment, grant of the application is deemed presumptively in the public interest.”¹⁰

The information required pursuant to Section 1.767 of the Commission's rules is set forth below.

⁸ See *supra* n.3.

⁹ *Communications Bar Ass'ns Petition for Forbearance from Section 310(d) of the Communications Act Regarding Non-Substantial Assignments of Wireless Licenses & Transfers of Control Involving Telecomms. Carriers*, Memorandum Opinion and Order, 13 FCC Rcd. 6293, 6299, ¶ 8 (1998) (concluding that a “corporate reorganization which involves no substantial change in the beneficial ownership of the corporation” is *pro forma* in nature).

¹⁰ *Id.* at 6295, ¶ 2. See also *1998 Biennial Review – Review of International Common Carrier Regulations*, Report and Order, 14 FCC Rcd 4909, ¶ 42 (1999) (finding that “[r]egulatory review of [*pro forma*] transactions yields no significant public interest benefits, but may delay or hinder transactions that could provide substantial financial, operational, or administrative benefits for carriers.”).

Assignor/Assignee Information in Response to Section 1.767(a)(1)-(3)

All communications in connection with this application should be directed to the following:

Katharine Saunders
Managing Associate General Counsel
Verizon Communications Inc.
1300 I Street, N.W., Suite 500E
Washington, D.C. 20005
Phone: 202.515.2462
katharine.saunders@verizon.com

Jennifer L. Kostyu
Wilkinson Barker Knauer, LLP
1800 M Street, N.W., Suite 800N
Washington, D.C. 20036
Phone: 202.783.4141
Fax: 202.783.5851
jkostyu@wbklaw.com

IDB Worldcom was as corporation organized under Delaware law. MCIII was a corporation organized under Delaware law and is now a limited liability company organized under Delaware law.

Assignee Information in Response to Section 1.767(a)(8)-(9):

Section 1.767(a)(8)(i) – information and certifications required in §§63.18(h) and (o) of the Commission’s rules:

Section 63.18(h). MCIII (and now MCII LLC) is a wholly-owned indirect subsidiary of Verizon through a series of intermediate companies, which are identified in Attachment 1. MCII LLC, Verizon, and the intermediate companies are all Delaware corporations or limited liability companies. The address for the Verizon entities is One Verizon Way, Basking Ridge, NJ 07920. Verizon is a publicly traded and widely held company, and no person or entity holds a direct or indirect 10 percent or greater ownership interest in Verizon. Verizon’s principal business is the provision of communications services.

The Verizon entities do not have any interlocking directorates with a foreign carrier.

Section 63.18(o). Verizon certifies that no party to this application is subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

Section 1.767(a)(8)(ii) – foreign carrier affiliates:

The Verizon entities are currently affiliated with the following foreign carriers:

Name of the affiliated carrier:	Countries in which carrier is authorized to provide telecommunications services to the public:
Verizon Argentina S.R.L.	Argentina
Verizon Australia Pty Limited	Australia
Verizon Austria GmbH	Austria
NV Verizon Belgium Luxembourg S.A.	Belgium, Luxembourg
Verizon Telecomunicações do Brazil Ltda	Brazil
Verizon Bulgaria EOOD	Bulgaria
Verizon Canada Ltd.	Canada
Verizon Chile S.A.	Chile
Verizon Colombia S.A.	Colombia
Verizon Costa Rica S.R.L.	Costa Rica
Verizon Croatia Limited	Croatia
Verizon Czech s.r.o.	Czech Republic
Verizon Denmark A/S	Denmark
Verizon Finland Oy	Finland
Verizon France SAS	France
Verizon Deutschland GmbH	Germany
Verizon Hellas Telecommunications Single Member LLC	Greece
Verizon Communications Guatemala Limitada	Guatemala
Verizon Hong Kong Limited	Hong Kong
Verizon Hungary Telecommunications LLC	Hungary
Verizon Communications India Private Limited	India
Verizon Ireland Limited	Ireland
Verizon Italia S.p.A.	Italy
Verizon Japan Limited	Japan
Verizon Korea Limited	Korea
Verizon Servicios Empresariales Mexico, S de R.L. de C.V.	Mexico
Verizon Nederland BV	Netherlands
Verizon New Zealand Limited	New Zealand
Verizon Norway AS	Norway
Verizon Panama S.A.	Panama
Verizon Peru SRL	Peru
Verizon Polska Sp. Z.o.o	Poland
Verizon Portugal Sociedade Unipessoal, LDA	Portugal
Verizon Romania SRL	Romania
Verizon Rus LLC	Russia
Verizon Communications Singapore Pte. Ltd.	Singapore
Verizon Communications Slovakia s.r.o	Slovakia
Verizon Communications South Africa (Pty) Limited	South Africa

Name of the affiliated carrier:	Countries in which carrier is authorized to provide telecommunications services to the public:
Verizon Spain S.L.	Spain
Verizon Sweden AB	Sweden
Verizon Switzerland AG	Switzerland
Verizon Taiwan Co. Limited	Taiwan (Chinese Taipei)
Verizon UK Limited	United Kingdom
Verizon Venezuela, S.A.	Venezuela

Section 1.767(a)(8)(iii) – destination markets:

The Verizon foreign affiliates identified above provide service to the countries listed above. No party, through this application, is seeking to land or operate a new submarine cable that connects the United States to a foreign country.

Section 1.767(a)(8)(iv) – WTO status and market power:

All of the above-listed countries are WTO member countries. The Commission has not found that any of Verizon’s foreign carrier affiliates possess market power. These foreign carriers lack 50 percent market share in the international transport and the local access markets in the destination markets where they provide services. None of these foreign carriers is listed on the Commission’s List of Foreign Telecommunications Carriers that Are Presumed to Possess Market Power in Foreign Telecommunications Markets.

Section 1.767(a)(9) – certification regarding routine conditions:

The Verizon entities will accept and will abide by the routine conditions specified at Section 1.767(g) of the Commission’s rules.

Pro Forma Certification and Eligibility for Streamlined Processing

Verizon certifies that the assignment of the interests in the Cable Systems was *pro forma* and, together with all previous *pro forma* transactions, did not result in a change in the actual controlling party of the relevant interests (which continue to be controlled by Verizon).

The Verizon entities certify that they are not foreign carriers. This *pro forma* assignment application creates no new foreign carrier affiliations for Verizon. None of the foreign carrier affiliates listed above possess market power, and each lacks 50 percent market share in the international transport and the local access markets in the destination markets where they provide services. None of these foreign carriers is listed on the Commission's List of Foreign Telecommunications Carriers that Are Presumed to Possess Market Power in Foreign Telecommunications Markets.

The undersigned certifies that all statements made in this application and in the exhibits, attachments, or documents incorporated by reference are material, are part of this application, are made in good faith, and based on reasonable investigation and belief, are true, complete, and correct.

Respectfully submitted,

/s/ Gregory M. Romano

Gregory M. Romano
Vice President – Regulatory & Legal Affairs
Verizon Communications Inc.
1300 I Street, N.W., Suite 500 East
Washington, D.C. 20005
908-418-8933

January 27, 2021

ATTACHMENT 1: OWNERSHIP DIAGRAM

