# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of	)
Verizon Hawaii International Inc., Assignor	) ) ) File No. SCL-
and	)
Verizon Business Global LLC, Assignee	) )
Notification of <i>Pro Forma</i> Assignment of Interests in Cable Landing License	) )

To: Chief, International Bureau

# NOTIFICATION OF *PRO FORMA* ASSIGNMENT OF INTERESTS IN CABLE LANDING LICENSE

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") notifies the Federal Communications Commission ("Commission" or "FCC") of the *pro forma* assignment of an ownership interest in the Japan-U.S. Cable System (the "Cable System")<sup>1</sup> from Verizon Hawaii International Inc. ("VHI") to Verizon Business Global LLC ("Verizon Business"). Verizon files this notification to help ensure the Commission's records regarding the Cable System is up to date.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> See File No. SCL-LIC-19981117-00025 (original); SCL-MOD-20130227-00002 (current).

<sup>&</sup>lt;sup>2</sup> The Cable System qualifies for the Commission's post-closing notification procedures. *See Actions Taken Under Cable Landing License Act*, Public Notice, DA No. 08-306, File No. SCL-MOD20071130-00020, (Feb. 7, 2008) (adding the *pro forma* condition in 47 C.F.R. § 1.767(g)(7) to the Cable System); *see also Review of Commission Consideration of Applications Under Cable Landing License Act*, Memorandum Opinion and Order, 16 FCC Rcd 22167, 22199, ¶ 61 (2001).

#### Description of Transaction and Public Interest Statement

In 1999, the Commission issued a cable landing license for the construction and operation of the Cable System, which connects landing points in Japan with landing points in the United States.<sup>3</sup> The licensees of the Cable System, among others, included VHI, which is a subsidiary of Verizon, and MCI WorldCom, Inc ("MCI"). Verizon closed on its acquisition of MCI in 2006, which included MCI's ownership interests in the Cable System.<sup>4</sup> Thus, both the MCI and VHI interests in the cable were at that point and remain controlled by Verizon.

Based on a review of available records, it appears that VHI's original ownership interest in the Cable System was involved in a *pro forma* internal corporate assignment, which ultimately resulted in that VHI interest in the Cable System being combined with and into the original MCI interest in the Cable System, held by the successor entity of MCI's original interest, which last year, as part of another internal restructuring, merged into its parent Verizon Business. Verizon Business currently holds an approximate 14.58353 percent ownership interest in the Cable System.

The non-substantive internal ownership changes described above did not result in a change the ultimate control of the Cable System's ownership interests and they were *pro forma* in nature.<sup>6</sup> The Commission has stated that, in situations "where no substantial change of control

<sup>&</sup>lt;sup>3</sup> See AT&T Corp., et al., Joint Application for a License to Land and Operate a Submarine Cable Network Between ) the United States and Japan, Cable Landing License, 14 FCC Rcd 13066 (1999).

<sup>&</sup>lt;sup>4</sup> See Verizon Communications Inc. and MCI, Inc. Applications for Approval of Transfer of Control, Memorandum Opinion and Order, 20 FCC Rcd 18433 (2005).

<sup>&</sup>lt;sup>5</sup> See Actions Taken Under Cable Landing License Act, Public Notice, SCL-ASG-20200601-00022, DA No. 20-660 (rel. June 24, 2020) (reporting the *pro forma* assignment of other cable interests from MCI Communications Corporation to Verizon Business).

<sup>&</sup>lt;sup>6</sup> 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)

will result from the transfer or assignment, grant of the application is deemed presumptively in the public interest."<sup>7</sup>

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

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

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

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VHI is a corporation organized under Delaware law. Verizon Business is 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  $\S\S63.18(h)$  and (o) of the Commission's rules:

Section 63.18(h). Verizon Business is a wholly-owned direct subsidiary of Verizon, a Delaware corporation. 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

(concluding that a "corporate reorganization which involves no substantial change in the beneficial ownership of the corporation" is *pro forma* in nature).

<sup>&</sup>lt;sup>7</sup> *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.").

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.

<u>Section 63.18(o).</u> Verizon certifies that no party to this notification 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 Brasil 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 Deutchland 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

Name of the affiliated carrier:	Countries in which carrier is authorized to provide telecommunications services to the public:
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
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 notification, 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

Verizon certifies that the assignment of the ownership interest in the Cable System 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 interest (which continues to be controlled by Verizon).

The undersigned certifies that all statements made in this notification and in the exhibits,

attachments, or documents incorporated by reference are material, are part of this notification,

are made in good faith, and based on reasonable investigation and belief, are true, complete, and

correct.

Respectfully submitted,

/s/ Gregory M. Romano

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Vice President – Regulatory & Legal Affairs

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908-418-8933

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