**PUBLIC NOTICE** 

Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

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> DA 07-721 February 15, 2007

## DOMESTIC SECTION 214 AUTHORIZATION GRANTED

## Application for Transfer of Control of Arrival Communications, Inc. to U.S. TelePacific Corp.

## WC Docket No. 06-232

## By the Chief, Wireline Competition Bureau:

On December 8, 2006, Arrival Communications, Inc. ("Arrival") and U.S. TelePacific Corp. ("TelePacific") (together, the "Applicants"), filed an application, pursuant to section 63.04 of the Commission's rules,<sup>1</sup> requesting authority to transfer control of Arrival to TelePacific.<sup>2</sup>

The Commission released a public notice accepting this application for streamlined processing on January 11, 2007.<sup>3</sup> On January 25, 2007, the Department of Homeland Security ("DHS"), with the concurrence of the Department of Justice ("DOJ"), including the Federal Bureau of Investigation ("FBI") (collectively, the "Executive Branch Agencies") filed with the Commission a letter requesting that the Commission defer grant of this application while the Executive Branch Agencies address potential national security, law enforcement, and public safety issues.<sup>4</sup> On February 9, 2007, the Executive Branch Agencies withdrew their January 25, 2007 request to defer action on the application noting that they have no objection to the application.<sup>5</sup>

The Wireline Competition Bureau finds, upon consideration of the record, that grant of the application will serve the public interest, convenience, and necessity. Upon consummation of the

<sup>3</sup> Domestic Section 214 Application Filed For the Transfer of Control of Arrival Communications, Inc. to U.S. *TelePacific Corp.*, WC Docket No. 06-232, Public Notice, DA 07-56 (rel. Jan. 11, 2007).

<sup>4</sup> See Letter from Brandt Pasco, Deputy Director, Foreign Financial and Investment Issues, United States Department of Homeland Security, to Marlene H. Dortch, FCC, WC Docket No. 06-232 (filed Jan. 25, 2007); *Notice of Removal of Domestic Section 214 Application from Streamlined Treatment*, WC Docket No. 06-232, Public Notice, DA 07-533 (rel. Feb. 2, 2007).

<sup>5</sup> See Letter from Stephen Heifetz, Director, Foreign Financial and Investment Issues, United States Department of Homeland Security, to Marlene H. Dortch, FCC, WC Docket No. 06-232 (filed Feb. 9, 2007).

<sup>&</sup>lt;sup>1</sup> 47 C.F.R. § 63.04; see 47 U.S.C. § 214.

<sup>&</sup>lt;sup>2</sup> Applicants also filed applications for transfer of control associated with authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications.

transaction, the Applicants and their affiliates will have a market share in the interstate, interexchange market of less than 10 percent, and will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction. In addition, none of the Applicants or their affiliates are dominant with respect to any service.

Consistent with Commission precedent, the Bureau accords the appropriate level of deference to the Executive Branch Agencies' expertise on national security and law enforcement issues.<sup>6</sup> Therefore, pursuant to section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and section 0.291 of the Commission's rules,<sup>7</sup> the Wireline Competition Bureau hereby grants the application discussed in this Public Notice.

Pursuant to section 1.103 of the Commission's rules, the grant is effective upon release of this Public Notice.<sup>8</sup> Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules may be filed within 30 days of the date of this Public Notice.<sup>9</sup>

For further information, please contact Gail Cohen at (202) 418-0939.

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<sup>7</sup> 47 C.F.R. § 0.291.

<sup>&</sup>lt;sup>6</sup> The Commission considers national security, law enforcement, foreign policy, and trade policy concerns when analyzing a transfer of control or assignment application in which foreign ownership is an issue. *See Amendment of the Commission's Regulatory Policies to Allow Non-U.S. Licensed Satellites Providing Domestic and International Service in the United States*, Report and Order, 12 FCC Rcd 24094, 24170-72, paras. 178-82 (1997); *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market*, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23919-21, paras. 61-66 (1997) (*"Foreign Participation Order"*), Order on Reconsideration, 15 FCC Rcd 18158 (2000). In assessing the public interest, the Commission considers the record and accords the appropriate level of deference to Executive Branch expertise on national security and law enforcement issues. *See Foreign Participation Order*, 12 FCC Rcd at 23919-21, paras. 61-66.

<sup>&</sup>lt;sup>8</sup> See 47 C.F.R. § 1.103.

<sup>&</sup>lt;sup>9</sup> See 47 C.F.R. §§ 1.106, 1.115.