

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

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DA 09-2620 Released: December 22, 2009

# APPLICATION FILED FOR THE TRANSFER OF CONTROL OF TOTAL CALL INTERNATIONAL, INC. TO KDDI AMERICA, INC.

### PLEADING CYCLE ESTABLISHED

WC Docket No. 09-228

## Comments Due: January 5, 2010 Reply Comments Due: January 12, 2010

On December 11, 2009, Total Call International, Inc. (Total Call) and KDDI America, Inc. (KDDI America) (together, Applicants) filed an application pursuant to section 63.03 of the Commission's rules.<sup>1</sup> Applicants seek Commission approval for the transfer of control of Total Call to KDDI America.

Total Call, a California corporation, is authorized to provide resold interexchange telecommunications services in multiple states.<sup>2</sup> Total Call primarily provides one-plus long distance services and prepaid calling card services.

KDDI America, a New York corporation, is wholly owned by KDDI Corporation, a Japanese corporation. KDDI America is authorized to provide resold interexchange telecommunications services throughout the United States. KDDI America primarily provides international services, dial-around services, and resold wireless services. KDDI America is affiliated with KDDI Global L.L.C., which provides telecommunications termination services on a wholesale basis, supplying domestic and international termination of telecommunications traffic for other carriers. The following Japanese corporations hold a 10 percent or greater interest in KDDI Corporation: Kyocera Corporation (12.76%); Toyota Motor Corporation (11.09%).

<sup>&</sup>lt;sup>1</sup> 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing an application for a transfer of control associated with authorization for international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related applications.

<sup>&</sup>lt;sup>2</sup> Total Call is authorized to provide resold interexchange telecommunications services in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Iowa, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Missouri, Minnesota, Mississippi, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming. Total Call's affiliate, Total Call Mobile, Inc., is a provider of resold commercial mobile radio services offering service in approximately 45 states.

Pursuant to the terms of the proposed transaction, KDDI America has agreed to acquire 51 percent of the capital stock of Total Call. KDDI America will become the new corporate parent of Total Call. Prior to KDDI's acquisition of 51 percent of Total Call, Total Call will transfer its one plus long distance customer base to OPEX (Step 1) in a *pro forma* transaction, and then OPEX will be spun off to the current shareholders of Total Call on a pro rata basis (the Total Call/OPEX Transaction) (Step 2) via a second *pro forma* transaction. The Total Call/OPEX Transaction will result in Total Call itself having no one plus long distance customers, but it will have only prepaid calling card customers. Further, Applicants state that, prior to KDDI's acquisition of 51 percent of Total Call, the shareholders of Total Call America forma transaction, resulting in TCMI becoming a wholly owned subsidiary of Total Call. Accordingly, when KDDI purchases 51 percent of Total Call, it will also acquire a controlling interest in TCMI and TCMI's prepaid wireless business. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>3</sup>

Domestic Section 214 Application Filed for the Transfer of Control of Total Call International, Inc. to KDDI America, Inc., WC Docket No. 09-228 (filed Dec. 11, 2009).

# **GENERAL INFORMATION**

The Wireline Competition Bureau finds, upon initial review, that the transfer of control identified herein is acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 C.F.R. § 63.03(a), interested parties may file comments **on or before January 5**, **2010**, and reply comments **on or before January 12**, **2010**. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31<sup>st</sup> day after the date of this notice.<sup>4</sup> Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's eRulemaking Portal. *See* 47 C.F.R. § 63.03(a) ("All comments on streamlined applications shall be filed electronically . . . ."); *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Comments may be filed electronically using the Internet by accessing the ECFS, http://www.fcc.gov/cgb/ecfs/, or the Federal eRulemaking Portal, http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

<sup>&</sup>lt;sup>3</sup> 47 C.F.R. § 63.03(b)(2)(i).

<sup>&</sup>lt;sup>4</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

### In addition, email one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: 202 / 488-5300; fax: 202 / 488-5563;
- Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, tracey.wilsonparker@fcc.gov;
- 3) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;
- 4) David Krech, International Bureau, Policy Division, International Bureau, david.krech@fcc.gov;
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: 202 / 488-5300; fax: 202 / 488-5563; email: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson-Parker at 202/418-1394 or Dennis Johnson at 202/418-0809.

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