



PUBLIC NOTICE

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January 28, 2014

DOMESTIC SECTION 214 AUTHORIZATION GRANTED

Applications Filed for the Acquisition of Assets of Stratos Offshore Services Company by RigNet SatCom, Inc.

WC Docket No. 13-224

On August 15, 2013, Stratos Offshore Services Company (Stratos) and RigNet SatCom, Inc. (RigNet) (together, Applicants) filed a series of applications pursuant to sections 214 and 310(d) of the Communications Act of 1934, as amended (Act),¹ seeking approval for the acquisition by RigNet of certain assets of Stratos, including assets associated with Stratos's domestic telecommunications service operations.

On October 28, 2013, the Wireline Competition Bureau (Bureau) released a public notice accepting the applications for filing.² On November 26, 2013, the Department of Justice, including the Federal Bureau of Investigation, with the concurrence of the Department of Homeland Security (collectively, the Executive Branch Agencies), filed a letter requesting that the Commission defer action on the applications while they reviewed potential national security, law enforcement, and public safety issues.³ On January 24, 2014, the Executive Branch Agencies withdrew their request to defer action, stating that they have no objection to the applications.⁴

¹ 47 U.S.C. §§ 214, 310(d). *Joint Application of RigNet SatCom, Inc. (Assignee) and Stratos Offshore Services Company (Assignor) for Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as amended, and Sections 63.04 and 63.24 of the Commission's Rules to Complete the Assignment of Assets, Customers and Section 214 Licenses*, WC Docket No. 13-224 (filed Aug. 15, 2013). Applicants filed supplements to their domestic section 214 application on September 30, October 23, and November 25, 2013.

² *Applications Filed for the Acquisition of Assets of Stratos Offshore Services Company by RigNet SatCom, Inc.*, WC Docket No. 13-224, Public Notice, DA 13-2084 (rel. Oct. 28, 2013). Applicants also filed applications for transfer of control associated with authorizations for international and wireless services. Action on the domestic section 214 application is without prejudice to Commission action on other related, pending applications.

³ Letter from Joanne P. Ongman, U.S. Department of Justice, to Marlene H. Dortch, FCC, WC Docket No. 13-224, ITC-ASG-2013815-00212, SES-ASG-20130815-00736, SES-ASG-20130815-00737, File Nos. 0005897246, 0005896965 (filed Nov. 26, 2013).

⁴ Letter from Joanne P. Ongman, U.S. Department of Justice, to Marlene H. Dortch, FCC, WC Docket No. 13-224, ITC-ASG-2013815-00212, SES-ASG-20130815-00736, SES-ASG-20130815-00737, File Nos. 0005897246, 0005896965 (filed Jan. 24, 2014).

The Bureau finds, upon consideration of the record, that grant of the domestic section 214 application will serve the public interest, convenience, and necessity. Upon consummation of the transaction, the resulting entity will have a market share in the U.S. interstate interexchange market of less than 10 percent and will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier in the U.S. that is not a party to the transaction. In addition, the Applicants will not be dominant with respect to any domestic service.⁵

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.⁶ 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, 47 C.F.R. § 0.291, the Bureau hereby grants the application discussed in this Public Notice.

Pursuant to section 1.103 of the Commission's rules, 47 C.F.R. § 1.103, the grant is effective upon release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

For further information, please contact Jodie May at (202) 418-0913, Competition Policy Division, Wireline Competition Bureau.

⁵ 47 C.F.R. 63.03(b)(2)(i).

⁶ 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.