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DA 21-227

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VIA CERTIFIED FIRST-CLASS MAIL – RETURN RECEIPT REQUESTED AND E-MAIL

**Re: Reclamation of International Signaling Point Codes—3-194-2, 3-195-0, and 3-199-2
(Los Angeles, CA)**

Dear Messrs. Stup and Besozzi:

This letter serves to notify you that, as of the date of this letter, we are reclaiming the three above-referenced International Signaling Point Codes (ISPCs) that were initially provisionally assigned to China Netcom (USA) Operations Limited (China Netcom USA) (3-194-2) on July 30, 2003 and China Unicom USA Corporation (China Unicom USA) (3-195-0) on October 29, 2003 and (3-199-2) on March 6, 2007 (together, the “China Unicom operators”), and that are now all held by China Unicom (Americas) Operations Limited (China Unicom Americas).¹ On June 1, 2020, China Unicom Americas admitted that it failed to notify the Commission of the transfer of ISPC 3-194-2 from China Netcom USA to China Unicom USA in August 2009 and that two ISPCs (3-194-2 and 3-195-0) have not been in use since May 1, 2020 and another (3-199-2) has not been used since 2009.² Based on this and other information described below, China Unicom Americas is not in compliance with the conditions of its provisional ISPC assignments, and we reclaim the three ISPCs and make them immediately available for reassignment.

¹ Letter from Cathy Hsu, Policy Division, FCC International Bureau, to Mr. Yue Min, Engineer, China Netcom (USA) Operations Limited, July 30, 2003 (assigning ISPC 3-194-2) (2003 China Netcom USA ISPC Letter); Letter from Cathy Hsu, Policy Division, FCC International Bureau, to Mr. Sunny Chan and Mr. Jiming Ming, Deputy Gen. Manager, China Unicom USA Corporation, Oct. 29, 2003 (assigning ISPC 3-195-0) (2003 China Unicom USA ISPC Letter); Letter from Cathy Hsu, Economist, Policy Division, FCC International Bureau, to Mr. Banghong Huang, China Unicom USA Corporation, March 6, 2007 (assigning ISPC 3-199-2) (2007 China Unicom USA ISPC Letter).

² China Unicom (Americas) Operations Limited, Response to Order to Show Cause, GN Docket No. 20-110, File Nos. ITC-214-20020728-00361, ITC-214-20020724-00427 at 26, 28 (June 1, 2020) (China Unicom Americas Response) (filing with the Commission a public filing and a non-public business confidential filing); *China Unicom (Americas) Operations Limited*, GN Docket No. 20-110, File Nos. ITC-214-20020728-00361, ITC-214-20020724-00427, Order to Show Cause, 35 FCC Rcd 3721 (IB, WCB, EB 2020) (*Order to Show Cause*) (asking China Unicom Americas to respond to certain questions, including responding to questions regarding the above ISPCs).

The Federal Communications Commission (Commission), as the Administrator for the United States, assigns ISPCs for Signaling System No. 7 networks under International Telecommunication Union ITU-T Recommendation Q.708.³ Pursuant to ITU-T Recommendation Q.708, the Commission required the China Unicom operators to make several certifications in their applications for the ISPCs.⁴ First, the China Unicom operators certified that the “[c]ode assignments held in excess of 12 months without implementation must be returned to this Administrator for reassignment.”⁵ Second, the China Unicom operators certified “[they are] aware that all ISPC assignments are provisional and that nobody has a property right in [an] ISPC [and they are] aware that the Commission may take an assigned ISPC and reassign it to another person.”⁶ Third, the China Unicom operators certified that their failure to file an annual International Traffic Data Report and Circuit Status Report would “be interpreted as inactive operation and could, therefore, result in the loss of the carrier’s point code assignment.”⁷

In its letters provisionally assigning the ISPCs to the China Unicom operators, the International Bureau reiterated the requirement to make the certifications,⁸ adding that “[u]nless this office is specifically notified of the actual implementation of assignments for planned future service, it will be

³ 47 CFR §§ 1.10007(a), 1.10014(h) (requiring an application for an ISPC be filed with the Commission); International Telecommunication Union, ITU-T Recommendation Q.708 (03/99), Series Q: Switching and Signalling, Specifications of Signalling System No. 7 – Message Transfer Part (MTP), Assignment procedures for international signalling point codes, <https://www.itu.int/rec/recommendation.asp?lang=en&parent=T-REC-Q.708-199903-I> (ITU-T Recommendation Q.708); *see also* International Telecommunication Union, List of International Signalling Point Codes (ISPC) (Oct. 1, 2016), https://www.itu.int/dms_pub/itu-t/opb/sp/T-SP-Q.708B-2016-PDF-E.pdf (ITU Listing).

⁴ China Netcom (USA) Operations Ltd., International Signalling Point Code Filing Per Network Per Code, File No. SPC-NEW-20030730-00031 at 2-3 (filed Jul. 30, 2003) (2003 China Netcom USA ISPC Application); China Unicom USA Corporation, International Signalling Point Code Filing Per Network Per Code, File No. SPC-NEW-20031009-00040 at 2-3 (filed Oct. 9, 2003) (2003 China Unicom USA ISPC Application); China Unicom USA Corporation, International Signalling Point Code Filing Per Network Per Code, File No. SPC-NEW-20070112-00002 at 2-3 (filed Jan. 12, 2007) (2007 China Unicom USA ISPC Application). On September 30, 2009, the Commission was notified of the *pro forma* assignment of China Netcom USA’s international section 214 authorization to China Unicom USA, effective August 31, 2009, pursuant to an internal corporate restructuring that resulted in the merger of China Netcom USA into China Unicom USA. On September 30, 2009, the Commission was notified of the *pro forma* transfer of control of China Unicom USA’s international section 214 authorization from its direct parent, China Unicom International Limited, to China Unicom (Hong Kong) Limited, effective August 31, 2009, as part of the internal corporate restructuring. Upon the effective date of the *pro forma* assignment and transfer of control, China Unicom USA changed its name to China Unicom Americas. *See International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b)(4) Requests*, File Nos. ITC-ASG-20090930-00433, ITC-T/C-20090930-00434, Public Notice, DA 09-2218, 24 FCC Rcd 12611, 12613, 12615 (2009); *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b)(4) Requests*, File No. ITC-214-20020724-00427, Public Notice, DA 09-2406, 24 FCC Rcd 13706, 13708 (2009) (Informative).

⁵ 2003 China Netcom USA ISPC Application at 2; 2003 China Unicom USA ISPC Application at 2; 2007 China Unicom USA ISPC Application at 2.

⁶ 2003 China Netcom USA ISPC Application at 3; 2003 China Unicom USA ISPC Application at 3; 2007 China Unicom USA ISPC Application at 3.

⁷ *Id.*

⁸ *See, e.g.*, 2003 China Netcom USA ISPC Letter at 1-2 (reiterating that assignments “held in excess of 12 months without implementation must be returned to this Administrator for reassignment pursuant to the guidelines”); 2003 China Unicom USA ISPC Letter at 2; 2007 China Unicom USA ISPC Assignment Letter at 1.

assumed that those implementations did not occur and such assignments will expire, making those particular codes available for reassignment.”⁹ The International Bureau also asked that “‘warehousing’ of ISPC assignments be avoided” and that all requests for ISPC assignments be limited to those that strictly fit the ITU-T Recommendation Q.708 guidelines.¹⁰ Notably, the ITU advises that an administration may withdraw an ISPC assignment when the “[a]ssigned ISPC is no longer in use”¹¹ The ITU also advises that ISPCs “may not be transferred, except in the case of a merger, acquisition, divestiture, or joint venture” and that “[t]he Administrator(s) shall be notified of any such transfer *by the signalling point operators.*”¹² The ITU guidelines also advise ISPC operators to inform their Administrator about any changes in the information provided in the initial application for a given code, including changes to “its name, its registered office, the name of its contact person or the location where the signalling point is in operation”¹³ Additionally, the Commission has explained that ISPCs are a scarce resource¹⁴ and “[a]s a result, code assignments are conditional upon their being used within one year lead time, so that the Commission can reassign unused codes to another carrier.”¹⁵

In its response to the *Order to Show Cause*, China Unicom Americas admits that it transferred ISPC 3-194-2 from China Netcom to China Unicom USA in August 2009 and did not notify the Commission of the transfer as the Commission’s “regulations are unclear as to whether such notification is required.”¹⁶ China Unicom Americas also admitted that two ISPCs (3-194-2 and 3-195-0) have not been in use since May 1, 2020 and another (3-199-2) has not been used since 2009.¹⁷ With respect to ISPC (3-199-2), China Unicom Americas indicates that it has not used this ISPC since 2009 and that it “does not have any records with respect to its use prior to 2009 due to personnel changes.”¹⁸ With respect to ISPCs (3-195-0 and 3-194-2), China Unicom Americas states that “[s]ince 2009, [China Unicom Americas] has had only one voice switch . . . located in . . . Los Angeles” and it registered these two ISPCs on that switch in Los Angeles.¹⁹ China Unicom Americas states that during the period from 2009 to the end of August 2016, the switch and the ISPCs “had been mainly used for international wholesale

⁹ 2003 China Netcom USA ISPC Letter at 2; 2003 China Unicom USA ISPC Letter at 2; 2007 China Unicom USA ISPC Letter at 2.

¹⁰ 2003 China Netcom USA ISPC Letter at 1; 2003 China Unicom USA ISPC Letter at 1; 2007 China Unicom USA ISPC Letter at 1.

¹¹ ITU-T Recommendation Q.708 at 6 (Subclause 11.6).

¹² *Id.* at 3 (Subclause 7.10) (emphasis added).

¹³ *Id.* at 6 (Subclauses 12.1 and 12.2).

¹⁴ *China Telecom (Americas) Corporation*, GN Docket No. 20-109, File Nos. ITC-214-20010613-00346, ITC-214-20020716-00371, ITC-T/C-20070725-00285, Order Instituting Proceedings on Revocation and Termination and Memorandum Opinion and Order, 35 FCC Rcd 15006, 15040, para. 58 (2020) (“ISPCs are a scarce resource that are used by international Signaling System 7 (SS7) gateways as addresses for routing domestic voice traffic to an international provider and anyone seeking an ISPC assignment is required by rule to file an application with the Commission and comply with its procedures.”).

¹⁵ *Reporting Requirements for U.S. Providers of International Telecommunications Services; Amendment of Part 43 of the Commission’s Rules*, Notice of Proposed Rulemaking, 19 FCC Rcd 6460, 6474, para. 36, n.83 (2004).

¹⁶ China Unicom Americas Response at 28.

¹⁷ *Id.* at 26, 28.

¹⁸ *Id.* at 26.

¹⁹ *Id.*

voice business services, including terminating voice traffic into China or refiling traffic to other international destinations,” but China Unicom Americas ceased this business in August 2016.²⁰ China Unicom Americas states that, from 2010 until March 2020, it also used the ISPCs (3-195-0 and 3-194-2) “to provide a single carrier customer with a DS3 connection” and, from 2009 until April 2020, used the switch and ISPCs for “toll-free customer support.”²¹ China Unicom Americas states that the two “ISPCs registered on [the Los Angeles switch] have been reserved for future application-to-person (‘A2P’) services.”²² China Unicom Americas is “planning to provide A2P services to telecom operators, SMS wholesale providers, and corporate clients.”²³ China Unicom Americas states that a feasibility study was expected to be completed by the end of 2020 and if successful, China Unicom Americas “would expect the commercial deployment of the platform in the first half of 2021”²⁴

Based on our assessment, China Unicom Americas is not in compliance with the conditions of its provisional ISPC assignments. First, according to the ITU guidelines, China Unicom Americas was required to inform the Commission of the transfer of ISPC 3-194-2 from China Netcom USA to China Unicom Americas.²⁵ We do not find persuasive China Unicom Americas’ arguments that the Commission’s “regulations are unclear as to whether such notification [of a transfer of an ISPC to another company] is required” such that “ISPC operators are left without adequate notice of acceptable actions.”²⁶ Contrary to China Unicom Americas’ claim, the ISPC authorizations must comply with the ITU guidelines, which clearly require ISPC operators to inform the Commission of any transfers.²⁷ Second, China Unicom Americas was obligated to inform the Commission when it ceased using one code in 2009 (3-199-2) and when it stopped using two codes (3-194-2 and 3-195-0) as of May 1, 2020. The rules, the conditions contained in the applications, and the ISPC assignment letters clearly place operators on notice that the ISPCs are subject to reclamation and reassignment if they are not in use. Indeed, Commission staff have routinely reclaimed unused codes over the years for this reason.²⁸ China Unicom Americas is warehousing these three codes, which are scarce resources, and all three must be reclaimed.

²⁰ *Id.*

²¹ *Id.*

²² *Id.*

²³ *Id.* at 28.

²⁴ *Id.*

²⁵ ITU-T Recommendation Q.708 at 3 (Subclause 7.10).

²⁶ China Unicom Americas Response at 28.

²⁷ ITU-T Recommendation Q.708 at 3 (Subclause 7.10) (emphasis added). ISPC operators are advised under the ITU guidelines to inform the Administrator (i.e., the Commission) of name changes. *Id.* at 6 (Subclause 12.2). Based on our review, China Unicom Americas failed to update the Commission’s ISPC records to reflect China Unicom USA’s name change to China Unicom Americas with regard to ISPC 3-194-2 and 3-195-0, which became effective on August 31, 2009. While the Commission was notified of the name change pursuant to the *pro forma* international section 214 filings, China Unicom Americas nevertheless was still required to inform the Commission that a name change occurred with respect to ISPCs 3-194-2 and 3-195-0 on August 31, 2009, so that the Commission could inform ITU of the name change and ITU would accordingly correct its records. Additionally, China Unicom Americas did not provide any evidence to indicate it did provide notice in the past in its response to the *Order to Show Cause*.

²⁸ See, e.g., Letter from Denise Coca, Chief, Telecommunications and Analysis Division, FCC International Bureau, to Maryann Edgecomb, CEO, Sirius Telecommunications, Inc. at 1 (Apr. 17, 2020) (on file in SPC-NEW-

Additionally, China Unicom Americas' statement that it seeks to retain at least two ISPCs for potential use in various A2P SMS services does not provide sufficient reason for it to retain any ISPC assignments.²⁹ China Unicom Americas provided information that it is doing a "feasibility study" in 2020 but never informed the Commission as to whether or not it will ultimately deploy the service based on the study. Nevertheless, China Unicom Americas simply cannot on its own decide to "reserve" unused ISPCs for possible service that may never be offered and would similarly be considered warehousing of ISPC codes.

We find that China Unicom Americas is not in compliance with the conditions of its provisional ISPC assignments. We therefore reclaim ISPCs 3-194-2 (Los Angeles, CA), 3-195-0 (Los Angeles, CA), and 3-199-2 (Los Angeles, CA) as of the date of this letter and make them immediately available for reassignment. If you have any questions please contact me at Denise.Coca@fcc.gov or (202) 418-0574, or Arthur Lechtman at Arthur.Lechtman@fcc.gov or (202) 418-1465.

Sincerely,

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Chief, Telecommunications and Analysis Division
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cc:

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20021210-00038) (stating that the Commission is reclaiming Sirius Telecommunications, Inc.'s unused ISPCs, "consistent with the terms of ITU-T Recommendation Q.708 and the conditions of their provisional assignment."); Letter from Denise Coca, Chief, Telecommunications and Analysis Division, FCC International Bureau, to Zhao-feng Ye and Xiaoyi Liu, China Telecom (Americas) Corporation at 1 (Nov. 18, 2020), DA 20-1368 (on file in SPC-NEW-20030314-00014, SPC-NEW-20100314-00006, and SPC-NEW-20100326-00007); Letter from Denise Coca, Chief, Telecommunications and Analysis Division, FCC International Bureau, to Michael A. Burns, V.P. Sales, Mundetel Communications, Inc. at 1 (Jan. 11, 2021), DA 21-36 (on file in SPC-NEW-20040312-00003).

²⁹ China Unicom Americas Response at 28.

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