



PUBLIC NOTICE

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Report No. SCL-00066S

Wednesday June 18, 2008

STREAMLINED SUBMARINE CABLE LANDING LICENSE APPLICATIONS ACCEPTED FOR FILING

Unless otherwise specified, the following procedures apply to the applications listed below:

The applications listed below have been found, upon initial review, to be acceptable for filing and subject to the streamlined processing procedures set forth in section 1.767 of the Commission's rules, 47 C.F.R. § 1.767. Pursuant to the Submarine Cable Landing License Act, 47 U.S.C. §§ 34-39, and Executive Order No. 10530, reprinted as amended in 3 U.S.C. § 301, each applicant seeks: (a) the grant of a cable landing license; (b) the modification of a cable landing license; and/or (c) the assignment or transfer of control of an interest in a submarine cable landing license.

Pursuant to its decision in Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, FCC 01-332, 16 FCC Rcd 22167 (2001) and section 1.767 of the rules, the Commission will take action upon these applications within forty-five (45) days after release of this public notice, unless the Commission has informed the applicant in writing that the application, upon further examination, has been deemed ineligible for streamlined processing.

Ex parte communications between outside parties and Commission staff concerning these applications are permitted subject to the Commission's rules for "permit-but-disclose proceedings." See 47 C.F.R. § 1.1206. Filings relating to this application must be received within 14 days of this notice. Such filings will not necessarily result in an application being deemed ineligible for streamlined processing.

Copies of all applications listed here are available for public inspection in the FCC Reference and Information Center, located in room CY-A257 at the Portals 2 building, 445 12th Street, SW, Washington DC 20554. The center can be contacted at (202) 418-0270. People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty). All applications listed are subject to further consideration and review, and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations, and other requirements.

Submarine Cable Landing License

Application filed by Unity Cable System Parties ("Unity Parties" or "Applicants") for authority to operate a non-common carrier fiber-optic submarine cable system extending between the United States and Japan, the Unity Cable System ("Unity System").

The Unity System will be owned, operated and maintained pursuant to a Joint Building Agreement, executed in February 2008. The six Unity Parties are: (1) Pacnet Services (USA) Inc. ("Pacnet"), 40% equity and voting interests; (2) GU Holdings Inc. ("GU Holdings"), 20% equity and voting interests; (3) Bharti Airtel Limited ("Bharti Airtel"), 10% equity and voting interests; (4) Global Transit Limited ("GTL"), 10% equity and voting interests; (5) KDDI Corporation ("KDDI"), 10% equity and voting interests; and, (6) Singapore Telecommunications Limited ("SingTel"), 10% equity and voting interests. The Executive Committee, comprised of one representative from each of the Unity Parties, will manage the common infrastructure including directing the engineering, construction, operation and maintenance of the Unity System. Decisions of the Executive Committee will be by consensus or simple majority, except for certain major actions that will require a super-majority or unanimity.

The Application states that the Unity System will initially consist of 5 fiber pairs, with a total capacity of 4.8 Terabits per second (Tbps). The proposed system can be expanded to a total of 8 fiber pairs with total capacity of up to 7.68 Tbps. The individual parties will own and manage fiber pairs: Pacnet will have two fiber pairs; GU Holdings will have one fiber pair; and, Bharti Airtel, GTL, KDDI, and SingTel will each have one-half (0.5) fiber pair.

The Unity System will land in two locations: Chikura Japan, and either Hermosa Beach, California or Norma Beach, Washington. KDDI owns and operates the landing and terminal facilities in the Chikura landing station, where individual Parties may connect their capacity to Japan's domestic network or other international cable system. GU Holdings will be the U.S. landing party and the Unity System will terminate at a Point of Presence ("PoP") to be located in either Los Angeles or Seattle. The primary Network Operations Center ("NOC") for the Unity System will be located in Singapore and managed by SingTel. A second, fully redundant, NOC, will be located in the U.S. and will be controlled by GU Holdings either directly or through a subcontractor.

The Applicants propose to operate the Unity System on a non-common carrier basis. They state that there are sufficient existing or planned facilities on the route or on alternative routes to prevent it from exercising market power. They also state that capacity will not be sold indifferently to the user public, but will be used by the Unity Parties and offered to other carriers on terms tailored to their particular needs.

GU Holdings is an indirect subsidiary of Google Inc. formed for the purposes of developing the Unity Cable System. GU Holdings is wholly-owned by Google International LLC, which in turn is wholly-owned by Google Inc. The following United States citizens hold a 10 percent or greater voting or equity interest in Google Inc.: Eric Schmidt (12.4% of Class B common stock, 9.4% voting); Larry Page (38.0% of Class B common stock, 29.0% voting); and Sergey Brin (37.3% of Class B common stock, 28.5% voting). No other individual or entity has a 10 percent or greater direct or indirect equity or voting interest in Google Inc.

Bharti Airtel is organized under the laws of India. Bharti Telecom Limited, also an Indian company, holds 45.31% equity and voting interest and exercises managerial control over Bharti Airtel. Pastel Limited, a Mauritian company, holds 15.58% equity and voting interest in Bharti Airtel. The remaining shares of Bharti Airtel are traded publicly on the National Stock Exchange of India Limited and The Stock Exchange, Mumbai.

The following persons or entities have a 10 percent or greater indirect ownership interest in Bharti Airtel through Bharti Telecom Limited: Bharti Infotel Private Limited (16.61% equity and 36.65% voting); Bharti Enterprises (18.42% equity and 50.27% voting); Macritchie Investment Pte Ltd (4.99% equity and 11.01% voting) and the Mittal Family (18.42% equity and 50.27% voting). Bharti Infotel Private Limited, Bharti Enterprises, and Macritchie Investment Pte Ltd are organized under the laws of India, and the Mittal Family are citizens of India.

In addition to its direct holdings in Bharti Airtel, Pastel Limited has an indirect interest through its 32.81% interest in Bharti Telecom Limited. Pastel Limited thus has a 30.45% direct and indirect equity and a 48.39% voting interest in Bharti Airtel (15.58% through Pastel Limited's direct ownership interest in Bharti Airtel and 14.87% through Pastel Limited's ownership interest in Bharti Telecom Limited). Pastel Limited is wholly owned by Singapore Telecommunications Limited. Consequently, SingTel has a 30.45% indirect equity and 48.39% indirect voting interest in Bharti Airtel. No other individual or entity has a 10 percent or greater direct or indirect equity or voting interest in Bharti Airtel.

GTL, a Malaysian company, is wholly owned by Megawisra Sdn Bhd, also a Malaysian company, which in turn is wholly owned by a British Virgin Islands company, Megawisra Investment Ltd. Two Malaysian citizens hold 75% and 25% interest in Megawisra Investment Ltd. No other individual or entity has a 10 percent or greater direct or indirect equity or voting interest in GTL.

KDDI is organized under the laws of Japan. Kyocera Corporation holds a 12.83% ownership interest and Toyota Motor Corporation holds an 11.14% ownership interest in KDDI. Kyocera and Toyota, both Japanese corporations, are both publicly-traded and widely-held. No other individual or entity has a 10 percent or greater direct or indirect equity or voting interest in KDDI. Subsidiaries of KDDI are foreign carriers in Japan, a World Trade Organization member, and KDDI agrees to accept and abide by the reporting requirements in section 1.767(l) of the Commission's rules, 47 C.F.R. § 1.767(l).

Pacnet is a wholly-owned subsidiary of Pacnet Global Corporation (S) Pte. Ltd., a Singapore company, which in turn is a wholly-owned subsidiary of Pacnet Services Corporation Ltd., a Bermuda company, which in turn is a wholly-owned subsidiary of Pacnet Limited, a Bermuda company. Pacnet International Limited has an 88.869% direct ownership interest in Pacnet Limited and is also a Bermuda company. The remaining 11.131% ownership interest in Pacnet Limited is held by various other funds, none of which has a 10% or greater ownership interest.

The following entities hold a 10% or greater indirect ownership interest in PacNet through Pacnet International Limited: (1) The Ashmore Group (51.233%), with two funds holding a 10% or greater interest in Pacnet International: Asset Holder PCC Limited (Re Ashmore Emerging Markets Liquid Investments Portfolio), incorporated in Guernsey, (10.732%), and Asset Holder PCC No. 2 Limited (Re Ashmore Asian Recovery Fund) incorporated in Guernsey (13.728%); (2) The Spinnaker Group (35.307%), with one fund holding a 10% or greater interest in Pacnet international: HSBC Custody Services (Guernsey) Ltd., as sub-custodian and agent for Spinnaker Global Emerging Markets Fund Ltd, a company incorporated in the British Virgin Islands (19.953%); and, (3) Clearwater Undersea Cable Investments, L.P., a Cayman Islands limited partnership, (13.460%). No other individual or entity has a 10 percent or greater direct or indirect equity or voting interest in Pacnet Services (USA) Inc.

—Pacnet is affiliated with carriers in Japan, but it states that its affiliates do not have market power in Japan. —

SingTel is incorporated under the laws of the Republic of Singapore. Temasek Holdings (Private) Limited ("Temasek Holdings"), a Singapore investment house, holds a 55.96% interest in SingTel (54.14% direct and 1.82% indirect). Temasek Holdings is wholly owned by the Minister of Finance, Inc., a corporation created by the Minister for Finance (Incorporation) Act to engage in certain commercial activities on behalf of the Government of Singapore. Minister of Finance, Inc. is controlled by the Minister of Finance of the Government of Singapore. No other individual or entity has a 10 percent or greater direct or indirect equity or voting interest in SingTel.

SingTel is affiliated with a carrier in Japan, but it states that its affiliate does not have market power in Japan.

All the applicants agree to accept and abide by the routine conditions specified in section 1.767(g) of the Commission's rules, 47 C.F.R. § 1.767(g).

REMINDERS:

Applicants must certify that neither the applicant nor any party to the application is subject to a denial of federal benefits by federal and/or state courts under authority granted in 21 U.S.C. § 862. See C.F.R. §§ 1.2001-1.2003.

The Commission's rules applicable to submarine cable landing licenses (47 C.F.R. §§ 1.767, 1.768) are available at <http://www.fcc.gov/ib/td/pf/telecomrules.html>. See also http://hraunfoss.fcc.gov/edoc_public/attachmatch/DA-02-5981A1.pdf for a March 13, 2002 Public Notice; http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-01-332A1.pdf for the December 14, 2001 Report and Order.

By this notice, we inform the public that submarine cable landing license applications and international section 214 applications that are part of larger transactions involving multiple Commission licenses or authorizations may involve "extraordinary circumstances" as referenced in Review of Commission Consideration of Applications under the Cable Landing License Act, Report and Order, 16 FCC Rcd 22167 (2001) and Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891 (1997), paras. 327-28, Order on Reconsideration, 15 FCC Rcd 18158 (2000). Additionally, these extraordinary circumstances may result where Executive Branch agencies petition the Commission to defer decision on certain transactions pending the resolution of potential national security, law enforcement, foreign policy and trade policy issues. Accordingly, these applications may not be acted on within the 90-day review period that the Commission has established as the period of time normally required to reach a decision on non-streamlined cable landing licenses and international section 214 applications. This notice shall serve as public notice to applicants that, in these circumstances, additional time may be required for Commission review and final action. No additional formal public notice will be provided routinely with respect to specific applications in the event that the applicable review period extends beyond 90 days.