



# PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION  
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**Report No. SCL-00129S**

**Thursday April 26, 2012**

## **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 licensee; (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](mailto: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 Latam Telecommunications, LLC (Latam), Puerto Rico Telephone Company, Inc. (PRTC), and Claro Chile, S.A. (Claro Chile) (together, the "Applicants") for a license to construct, land, and operate a non-common carrier fiber-optic submarine cable system linking the continental United States, the Dominican Republic, Puerto Rico, Brazil, Colombia, Guatemala, and Mexico - the America Movil Submarine Cable System (AMX1 System).

The AMX1 System will be a high capacity digital fiber-optic system initially deployed with 40 Gigabits per second wavelengths and a design to support a 100 Gigabits per second wavelengths solution. It is based on repeated technology using Wavelength Division Multiplexing. The system will extend more than 17,500 kilometers. Construction of the AMX1 System began on February 23, 2011, with a target completion date of August 7, 2013.

The Applicants state that the AMX1 System will provide increased capacity from the United States to landing points in the Dominican Republic, Puerto Rico, Brazil, Colombia, Guatemala, and Mexico to help meet the dramatic growth in Internet, data and voice traffic in those countries. The cable landing stations will be located in Jacksonville and Miami, Florida, and San Juan, Puerto Rico in the United States; Puerto Barrios in Guatemala; Barranquilla and Cartagena in Colombia; Fortaleza, Salvador de Bahia, and Rio de Janeiro in Brazil; Puerto Plata in the Dominican Republic; and Cancun in Mexico.

The Applicants propose to operate the cable system on a non-common carrier basis. They state that there are a variety of alternative facilities serving the region including several other submarine cables, and thus Applicants will not be able to exercise market power. The Applicants further state that they will not offer capacity to the public indifferently, but rather the available capacity will be used by the Applicants and offered to other carriers on terms tailored to their particular needs.

The AMX1 System will be owned by eight subsidiaries of America Movil, S.A.B. de C.V. (America Movil). Of these eight subsidiaries, only Latam, PRTC, and Claro Chile will either own or control a landing station in the United States, or own or control a five percent or greater interest in the cable system and use U.S. points of the cable system. (1) Latam will own and operate the cable landing station in Jacksonville, Florida and operate the station in Miami, Florida. It will have 100% ownership in the U.S. and U.S. waters and 4.251% overall ownership of the AMX1 System. (2) PRTC will own and operate the landing station in San Juan, Puerto Rico. It will have 100% ownership in Puerto Rico and in Puerto Rican waters and 2.253% overall ownership. (3) Radiomovil Dipsa, S.A. de C.V. will own and operate the landing station in Cancun, Mexico. It will have 100% ownership in Mexico and in Mexican waters and 1.085% overall ownership. (4) Telecomunicaciones de Guatemala, S.A. will own and operate the landing station in Puerto Barrios, Guatemala. It will have 100% ownership in Guatemala and Guatemalan waters and 1.059% overall ownership. (5) Comunicacion Celular, S.A. will own and operate the landing station in Barranquilla and Cartagena in Colombia. It will have 100% ownership in Colombia and in Colombian waters and 2.850% overall ownership. (6) Compania Dominicana de Telefonos, S.A. will own and operate the landing station in Puerto Plata in the Dominican Republic. It will have 100% ownership in the Dominican Republic and in Dominican Republic waters and 2.309% overall ownership. (7) Claro S.A. will own and operate the landing station in Fortaleza, Rio de Janeiro and Salvador de Bahia, Brazil. It will have 100% ownership in Brazil and in Brazilian waters and 3.776% overall ownership. (8) Claro Chile will have 100% ownership of the cable in international waters and 82.417% overall ownership of the AMX1 System.

Applicants request a waiver of section 1.767(h)(1) of the Commission's rules, which requires that "any entity that owns or controls a cable landing station in the United States" shall be applicants for, and licensees on, a cable landing license." 47 C.F.R. § 1.767(h)(1). According to the Applicants, AT&T Inc. owns the landing station in Miami, Florida and that Latam will own and have control of the U.S. end of the cable and all landing station equipment and functions relating to the AMX1 System at the Miami, Florida landing station. According to applicants, AT&T will thus have no control over the cable and that "requiring AT&T to be a licensee would not accomplish the Commission's intent" to ensure that entities that have the ability to affect the operation of a cable system are applicants. See Application at 6, n.5 (citing Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Report and Order, 16 FCC Rcd 22167, 22194, 53 (2001)).

Latam, PRTC, and Claro Chile are controlled by America Movil, a Mexican company. Collectively, members of the Slim family, the Slim family trust, and Inmobiliaria Carso hold 42.43% of the equity and 65.52% of the voting stock in America Movil. Other Mexican and foreign investors hold the remaining equity and voting stock of America Movil. No public investor holds more than 10% of America Movil's capital stock.

Latam is a corporation organized under the laws of the State of Delaware. Latam is a wholly-owned subsidiary of Sercotel, S.A. de C.V. (Sercotel), a Mexican holding company. America Movil owns directly 99.99% of Sercotel, with the remaining 0.01% held by Amov IV, S.A. de C.V., a wholly-owned subsidiary of America Movil.

PRTC is a corporation organized under the laws of the Commonwealth of Puerto Rico. PRTC is a wholly-owned subsidiary of Telecomunicaciones de Puerto Rico, Inc. (TELPRI), a Puerto Rican holding, which in turn is a wholly-owned subsidiary of Tenedora Telpri, S.A. de C.V. (Tenedora), a Mexican holding company. Radiomovil Dipsa, S.A. de C.V. (Telcel), a Mexican company, has a 99.99% direct interest in Tenedora and Sercotel has a 99.99% direct interest in Telcel. As described above, America Movil holds a 100% ownership interest in Sercotel.

Claro Chile is a corporation organized under the laws of Chile. Claro Chile is a wholly-owned subsidiary of Sercotel. America Movil holds a 100% ownership interest in Sercotel.

Applicants are affiliated with foreign carriers that are presumed to have market power in Brazil, the Dominican Republic, Guatemala, and Mexico. They each agree to accept and abide by the reporting requirements in section 1.767(l), 47 C.F.R. § 1.767(l), for each of the U.S.-Mexico, U.S.-Brazil, U.S.-Guatemala, and U.S.-Dominican routes.

Applicants agree to 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](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](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.