

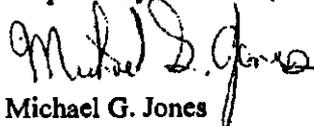
Federal Communications Commission

May 9, 2006

Page Two

Please do not hesitate to contact the undersigned should you have any questions regarding this submission.

Respectfully submitted,



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202-303-1141

Counsel for América Móvil, S.A. de C.V.

Enclosure

cc w/enc: Tracy Wilson-Parker
Dennis Johnson
Susan O'Connell
James Bird

BEFORE THE
Federal Communications Commission
WASHINGTON, D.C.

In re Applications of)
)
VERIZON COMMUNICATIONS INC.,)
Transferor,)
)
and)
)
AMÉRICA MÓVIL, S.A. DE C.V.,) WT Docket No. _____
Transferee,)
)
)
for Consent to the Transfer of Control of)
Entities Holding Commission Licenses and)
Authorizations Pursuant to Sections 214 and)
310(d) of the Communications Act)

**APPLICATION TO TRANSFER CONTROL OF DOMESTIC AND
INTERNATIONAL SECTION 214 AUTHORIZATIONS**

Pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.24 of the Commission's rules, 47 C.F.R. § 63.24, Verizon Communications Inc., Transferor ("Verizon") (FRN 0003257094), and América Móvil, S.A. de C.V., Transferee ("América Móvil") (FRN 0015025067) (all parties collectively, the "Applicants"), hereby apply for authority to transfer control of the domestic and international Section 214 authorizations held by subsidiaries of Telecomunicaciones de Puerto Rico, Inc. ("TELPRI"), from Verizon to América Móvil. As described below and in the attached Public Interest Statement, the Applicants believe that the transaction serves the public interest.

I. DESCRIPTION OF THE PARTIES AND THE TRANSACTION

(ANSWER TO QUESTION 13)

TELPRI, through its subsidiary Puerto Rico Telephone Company, Inc. ("PRT"), is authorized, pursuant to Section 214 of the Communications Act of 1934, as amended, to provide domestic telecommunications services to consumers in the Commonwealth of Puerto Rico. Additionally, through its subsidiary PRT Larga Distancia, Inc. ("PRT LD"), TELPRI is authorized, pursuant to Section 214 of the Communications Act of 1934, as amended, to provide global facilities-based and global resale services between the United States and all authorized international points,¹ as well as domestic telecommunications services to consumers in the Commonwealth of Puerto Rico.

On April 2, 2006, Sercotel, S.A de C.V. ("Sercotel"), a subsidiary of América Móvil, and GTE Holdings (Puerto Rico) LLC ("GTE Holdings"), a wholly owned subsidiary of Verizon, entered into a Stock Purchase Agreement, pursuant to which Sercotel agreed to purchase from GTE Holdings all of the issued and outstanding shares of common stock of TELPRI owned by it, representing approximately 52 percent of the issued and outstanding shares of common stock of TELPRI. In exchange for each share of common stock purchased by Sercotel, Sercotel has agreed to pay to GTE Holdings \$72.13567 in cash, representing an aggregate purchase price for all of the shares of TELPRI common stock owned by GTE Holdings of approximately \$938 million, which purchase price is subject to adjustment on the terms set forth in the Stock Purchase Agreement.

¹ File Numbers ITC-214-19960215-00072, ITC-214-20000714-00410, and ITC-214-20051129-00480.

In addition, under the terms of certain existing agreements to which *GTE Holdings* is a party, the other TELPRI stockholders have a right (or, in the case of one TELPRI stockholder, will be offered the opportunity) to participate in the proposed transaction with respect to all of the shares of TELPRI common stock owned by them. The Stock Purchase Agreement requires that Sercotel purchase any and all shares of TELPRI common stock that the other TELPRI stockholders elect to include in the transaction, without any reduction in the number of shares purchased by Sercotel from GTE Holdings.²

On May 4, 2006, Popular, Inc., a TELPRI stockholder, agreed to sell to Sercotel all of the issued and outstanding shares of common stock of TELPRI owned by it, representing approximately 13 percent of the issued and outstanding shares of common stock of TELPRI. If the other stockholders of TELPRI elect to sell all of their shares of TELPRI common stock to Sercotel, Sercotel will acquire 100 percent of the issued and outstanding shares of common stock of TELPRI. In all cases, however, Sercotel will acquire at least 65 percent of the issued and outstanding shares of common stock of TELPRI, representing the percentage ownership of TELPRI that GTE Holdings and Popular, Inc. have agreed to sell to Sercotel.

Following the consummation of the transaction, TELPRI will continue to own the stock of its subsidiaries and TELPRI and its subsidiaries will continue to hold all of the FCC authorizations that they hold prior to the transaction. As such, the transaction does not involve any assignment of licenses and authorizations held by TELPRI and its subsidiaries, or any change in the licensees that hold such licenses and authorizations, and those companies will

² América Móvil may elect to have Sercotel purchase the shares directly or through a wholly-owned subsidiary of Sercotel. As this change would not result in a substantive change of ownership or ultimate control of PRT, América Móvil will advise the Commission of the ownership structure it elects to use at the time it files its notice of consummation.

continue to provide service to the public. Similarly, the transaction will not result in any *assignment of América Móvil's or Verizon's existing licenses and authorizations, or any change in the licensees that hold such licenses and authorizations.* Those companies also will continue to provide service to the public.

In addition to FCC approval, the transaction is subject to notification to and/or review by other governmental agencies, including review by the Department of Justice pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15 U.S.C. § 18(a), and the rules promulgated thereunder. The parties intend to notify the Committee on Foreign Investment in the United States pursuant to the Exon-Florio Amendment to the Defense Production Act of 1950, as amended, 50 U.S.C. § 2170, and the rules promulgated thereunder. The parties intend to seek such approvals and consummate the transaction as promptly as possible after the necessary FCC and other regulatory approvals have been received and certain other pre-conditions set forth in the Stock Purchase Agreement have been satisfied. In addition, the transaction is subject to notification to the Telecommunications Regulatory Board of Puerto Rico.

II. FOREIGN OWNERSHIP CONSIDERATIONS

In the attached "Public Interest Statement," the Applicants demonstrate that the instant transaction will serve the public interest. Here, the Applicants address the foreign ownership considerations specifically as they relate to the international Section 214 authorizations.³

³ The Applicants are filing simultaneously herewith a Petition for Declaratory Ruling pursuant to section 310(b)(4) of the Act which demonstrates that the Commission should find that América Móvil's ownership and control, through subsidiaries, of PRT's licenses in excess of the 25 percent foreign ownership benchmark is in the public interest.

Through its commitments made in the World Trade Organization ("WTO") Basic Telecommunications Agreement ("WTO Agreement"), the United States has adopted an unambiguous "open entry" policy under which the Commission presumes that entry by a foreign carrier from a WTO member-country will advance the public interest. As the Commission concluded in the *Foreign Carrier Participation Order*, open entry stimulates competition in the U.S. market for international telecommunications services, thereby creating incentives for carriers to develop innovative new services as well as to offer existing services at lower prices.⁴ Indeed, in adopting the open entry policy currently in effect, the Commission concluded that "discriminating among foreign applicants based on the quality of their WTO commitment or the extent of the implementation of their commitment could raise serious GATS concerns."⁵ In implementing the U.S. commitments, therefore, the Commission established a rebuttable presumption that an international Section 214 application filed by an entity from a WTO member-country does not raise competitive concerns, unless granting the application would pose a "very high risk to competition" in a U.S. market that cannot be addressed by existing conditions the Commission places on U.S. international carriers considered dominant under its rules.⁶

Transfer of control of TELPRI's Section 214 authorizations to Sercotel poses no such risk to competition in any U.S. market, much less the "very high risk to competition" required to rebut the Commission's unambiguous open entry policy. In fact, the Commission has recognized that América Móvil-affiliated entities pose no such risk. Most recently, the

⁴ *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order and Order on Reconsideration*, 12 FCC Rcd 23891, ¶ 10 (1997) ("*Foreign Carrier Participation Order*").

⁵ *Foreign Carrier Participation Order*, 12 FCC Rcd 23891, ¶ 40.

⁶ *Id.* at ¶¶ 50-52.

Commission granted América Móvil's subsidiary, TracFone Wireless, Inc. ("TracFone"), its *Application for Authority to Resell the International Switched Services of Unaffiliated U.S. International Facilities-based Carriers.*⁷

In light of the clear public interest benefits that would accrue to U.S. consumers, the Commission should allow the transfer of control of the international Section 214 authorizations held by TELPRI to América Móvil. Such action is mandated by the United States' WTO commitments and is amply warranted because América Móvil's transaction with Verizon poses no risk to competition in any domestic or international U.S. telecommunications market.

III. INFORMATION REQUIRED BY SECTION 63.18 AND 63.24(e)
(ANSWER TO QUESTION 10)

In accordance with Section 63.24(e)(2) of the Commission's Rules, the Applicants submit the following information in support of this Application.

Transferor

- (a) Name, Address, and Telephone Number of Verizon is:

Verizon Communications Inc.
140 West Street
New York, NY 10007
(202) 515-2537

- (b) Verizon is a corporation formed under the laws of Delaware.
(c) Correspondence concerning Verizon should be sent to:

Michael E. Glover
Karen Zacharia
Leslie V. Owsley
Verizon

⁷ Public Notice, *Fed. Communications Comm'n, Int'l Authorizations Granted*, 18 FCC Rcd. 9121, May 1, 2003 (File No. ITC-214-20030401-00162). Tracfone Wireless is a subsidiary of América Móvil, through Sercotel.

1515 N. Courthouse Rd.
Arlington, VA 22201
(703) 351-3193

with a copy addressed to:

Nancy J. Victory
Wiley Rein & Fielding LLP
1776 K Street, N.W.
Washington, DC 20006
(202) 719-7344

- (d) PRT LD, a subsidiary of TELPRI, is authorized pursuant to Section 214 of the Communications Act of 1934, as amended, to provide global facilities-based and global resale services between the United States and all authorized international points (File Numbers ITC-214-19960215-00072, ITC-214-20000714-00410, and ITC-214-20051129-00480).

Transferee

- (a) Name, address, and telephone number of América Móvil is:

América Móvil, S.A. de C.V.
Lago Alberto 366
Torre 1, Piso 2
Colonia Anáhuac
11320 Mexico, D.F.
011-52-525-703-3990

- (b) América Móvil is a corporation that is organized under the laws of Mexico.
- (c) Correspondence concerning América Móvil should be sent to:

Alejandro Cantú Jiménez
Lago Alberto 366
Torre 1, Piso 2
Colonia Anáhuac
11320 Mexico, D.F.
011-52-525-703-3990

with a copy to:

Philip L. Verveer
Michael G. Jones
Daniel K. Alvarez
Willkie Farr & Gallagher LLP

1875 K Street, N.W.
Washington, D.C. 20006
(202) 303-1000

- (d) TracFone, a subsidiary of América Móvil, holds an international Section 214 authorization that gives TracFone the authority to resell the international switched services of unaffiliated U.S. international facilities-based carriers (File Number ITC-214-20030401-00162).
- (e) This Application seeks authority for transfer of control of the Section 214 international authorizations held by TELPRI's subsidiaries from Verizon to América Móvil, as described above, without alteration. América Móvil certifies that it will comply with Sections 63.21, 63.22, or 63.23, as may be applicable.
- (f) Not applicable.
- (g) Not applicable.

(ANSWER TO QUESTION 11)

- (h) The name, address, citizenship, and principal businesses of the direct or indirect holders of at least 10% of the equity of the transferee are as follows:

Sercotel, S.A. de C.V.

Lago Alberto 366
Torre 1, Piso 2
Colonia Anáhuac
11320 Mexico, D.F.

Citizenship: Mexico

Principal Business: Holding company for telecommunications-related investments

Percentage: 65 - 100 % of TELPRI⁸

América Móvil, S.A. de C.V.

Lago Alberto 366
Torre 1, Piso 2
Colonia Anáhuac
11320 Mexico, D.F.

Citizenship: Mexico

Principal Business: Holding company for telecommunications-related investments

⁸ As explained above, upon consummation of the instant transaction, Sercotel will own at least 65 percent, and may own as much as 100 percent, of the outstanding and issued common stock of TELPRI, depending on whether other TELPRI shareholders elect to participate in the transaction.

Percentage: América Móvil directly owns 99.99% of Sercotel.

América Telecom, S.A. de C.V. ("América Telecom")

Insurgentes Sur 3500

Colonia Peña Pobre

14060 Mexico, D.F.

Citizenship: Mexico

Principal Business: Holding company for telecommunications-related investments.

Percentage: As of December 31, 2005, América Telecom. held approximately 40.48% of the total capital stock of América Móvil and 64.72% of the voting shares of América Móvil. Other Mexican and foreign investors hold the remaining 59.64% of the capital stock of América Móvil.⁹ No public investor holds more than 10% of América Móvil's capital stock.

As of December 31, 2005, there were approximately 3,488,158,759 outstanding A1 shares of América Telecom. As of April 30, 2005, 81% of the A1 shares of América Telecom was held by Carlos Slim Helú and certain members of his family, all of whom are Mexican citizens. The remaining 19% of A1 shares was held by other public investors.

(ANSWER TO QUESTION 12)

América Móvil has the following interlocking directors with Teléfonos de México, S.A. de C.V. ("Telmex"): Carlos Slim Helú, Jaime Chico Pardo, Alejandro Soberón Kuri.

⁹ SBC International, Inc. ("SBCI"), a wholly-owned subsidiary of the U.S. telecommunications company AT&T Inc., holds approximately 7.91 percent of América Móvil's total capital stock as of December 31, 2005. This interest is held in the form of AA shares, and would normally represent approximately 24.47 percent of the voting shares of América Móvil. América Móvil's bylaws prohibit non-Mexican entities from holding or acquiring AA shares, except through a trust that effectively neutralizes their votes. SBCI holds its AA shares through a trust that has been approved by relevant authorities in Mexico for this purpose. SBCI also has the right to two seats on the 12-seat board of directors of América Móvil. As of December 31, 2005, 79 percent of the outstanding L shares of América Móvil (approximately 19.4 million) was represented by L Share ADSs, each representing the right to receive 20 L Shares, and 99.9 percent of the L Share ADSs was held by 13,234 holders (including The Bank of New York as Depositary) with registered addresses in the United States. 24.79 percent of the A shares were held in the form of A shares ADSs, each representing the right to receive 20 A Shares, and 99.83 percent of the A shares ADSs were held by 5,234 holders with registered addresses in the United States.

(ANSWER TO QUESTION 14-15)

- (i) The following foreign carriers are subsidiaries of América Móvil: Telecomunicaciones de Guatemala ("Telgua"), a Guatemalan telecommunications company; Compañía de Telecomunicaciones de El Salvador ("CTE"), an El Salvadoran telecommunications company that provides fixed and wireless services; and Empresa Nicaragüense de Telecomunicaciones, S.A. ("Enitel"), a Nicaraguan telecommunications company that provides fixed and wireless services. The following wireless providers are also subsidiaries of América Móvil: CTI Compañía Telefonos del Interior, S.A. and CTI PCS, S.A. (Argentina); BCP, S.A., Americel S.A., and Telet S.A. (Brazil); Comunicación Celular S.A. (Colombia); Consorcio Ecuatoriano de Telecomunicaciones, S.A. (Ecuador); Servicios de Comunicaciones de Nicaragua, S.A. (Nicaragua); Servicios de Comunicaciones Personales Inalámbricas, S.A. (Guatemala); AMOV Peru, S.A.C. (Peru); AM Wireless Uruguay, S.A. (Uruguay); Servicios de Comunicaciones de Honduras, S.A. de C.V. and Megatel de Honduras, S.A. de C.V. (Honduras); Smartcom, S.A. (Chile); Hutchison Telecommunications Paraguay, S.A. (Paraguay); Genesis Telecom, C.A. (Venezuela); and Radiomóvil Dipsa, S.A. de C.V. (Mexico).

Additionally, Carso Global Telecom, S.A. de C.V., a Mexican holding company under common control with América Telecom, controls Telmex, a telecommunications carrier that provides domestic telecommunications services in Mexico and international telecommunications services originating in Mexico on the U.S.-Mexico route. Under the Commission's rules, América Móvil is also affiliated with foreign carriers operating elsewhere in South America: Telmex do Brasil Ltda. (Brazil), Telmex Argentina S.A. and MetroRed Telecomunicaciones S.R.L. (Argentina), Telmex Peru S.A. (Peru), Telmex Chile S.A. and Chilesat Corp. S.A. (Chile), Telmex Colombia S.A. (Colombia), and Embratel (Brazil).¹⁰

- (j) After consummation of this transaction, América Móvil seeks authority to continue providing international telecommunications services to all authorized global points. By its signature on this Application, América Móvil certifies that it seeks to provide international telecommunications services to the destination countries identified in response to part (i) above, in which it is under common control with a foreign carrier under the Commission's rules.

¹⁰ Telmex and América Móvil separately entered into contracts to acquire Verizon's 28.5% indirect interest in CANTV Venezuela ("CANTV"), which operates in Venezuela, and 100% interest in Verizon Dominicana, C. por A. ("Verizon Dominicana"), which operates in the Dominican Republic. The CANTV acquisition is subject only to a post-transaction notification to the FCC. The Verizon Dominicana transaction does not involve a transfer of control of authorizations issued by the FCC. Existing América Móvil- and Telmex-affiliated carriers providing service to and from the U.S. are required to file a post-closing notification of the new affiliations. If all three transactions are consummated, PRT LD will retain its current foreign carrier affiliation with CANTV and Verizon Dominicana, and will continue to comply with the dominant foreign carrier affiliation safeguards in the FCC's rules.

- (k) All of the named foreign countries are members of the WTO.
- (l) Please see response to item (m), below. América Móvil notes that a subsidiary, Tracfone Wireless, and other affiliates, which are subsidiaries of Telmex, already hold authority to resell the international switched services of an unaffiliated U.S. carrier for the purpose of providing international telecommunications services to all authorized global points.

(ANSWER TO QUESTION 17)

- (m) As discussed in the response to part (i), above, América Móvil is affiliated with foreign carriers in various countries throughout the Americas. América Móvil notes that Telmex, Embratel, Telgua, Enitel, and CTE appear on the Commission's list of carriers that are not entitled to the presumption of non-dominance established in Section 63.10(a)(3) of the Commission's rules, and therefore are presumed under those rules to possess market power on the foreign end of the route.¹¹ América Móvil observes, however, that Telmex today is not properly considered dominant in Mexico under Mexican law, which differs from U.S. law and the Commission's rules. Whether Telmex possesses market power in relevant Mexican telecommunications markets is a question that currently is being litigated before the Mexican Federal Competition Commission and in the Mexican courts. With respect to the U.S.-Mexico, U.S.-Guatemala, U.S.-Nicaragua, and U.S.-El Salvador routes, however, América Móvil will comply with the Commission's rules applicable to carriers affiliated with foreign carriers that the Commission considers dominant under its rules, without prejudice to América Móvil's right to seek reclassification of Telmex, Telgua, Enitel, and CTE in the future, and without prejudice to Telmex's position that it is not properly considered dominant in Mexico under Mexican law.

(ANSWER TO QUESTION 16)

Note that América Móvil's remaining affiliations were treated as non-dominant when the Commission was originally notified of those affiliations.¹² América Móvil qualifies for a presumption of non-dominance because those carriers have significantly less than 50 percent market share in the international transport and local access markets on the foreign end of the route. Additionally, in several

¹¹ See Public Notice, *The International Bureau Revises and Reissues the Commission's List of Foreign Telecommunications Carriers That Are Presumed to Possess Market Power in Foreign Telecommunications Markets*, DA 04-1584 (rel. May 28, 2004).

¹² See, e.g., Public Notice, *Foreign Carrier Affiliation Notification*, DA 05-3014 (rel. Nov. 22, 2005) (noticing TracFone, LATAM, and Telmex USA affiliations with AMOV Peru, Smartcom and Hutchison); Public Notice, *Foreign Carrier Affiliation Notification*, DA 04-1635 (rel. June 4, 2004) (noticing TracFone and Telmex USA affiliations with carriers in Chile, Peru, and Argentina).

countries, the affiliated carriers are wireless service providers. The Commission has determined that *wireless service providers lack sufficient market power to affect competition adversely in the U.S. market.*¹³

- (n) América Móvil certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route, and América Móvil certifies that it will not enter into such agreements in the future.
- (o) América Móvil certifies that, pursuant to Sections 1.2001-1.2003 of the Commission's rules, it is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) The Applicants do not request streamlined processing of this Application.

¹³ *In re 1998 Biennial Regulatory Review – Review of International Common Carrier Regulations, Report and Order*, 14 FCC Rcd 4909 (1999), at ¶ 29.

IV. CONCLUSION

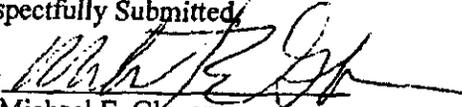
For the foregoing reasons, the Applicants request that the Commission consent to the transfer of control of the above-listed domestic international Section 214 authorizations held by subsidiaries of Verizon.

TWO SIGNATURE PAGES FOLLOW.

Verizon Communications Inc.

Respectfully Submitted,

By:


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Karen Zacharia

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Verizon

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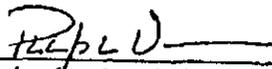
Washington, DC 20006

(202) 719-7344

Dated: May 9, 2006

América Móvil, S.A. de C.V.

Respectfully Submitted,

By: 

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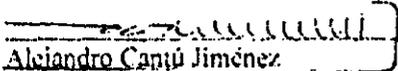
Dated: May 9, 2006

CERTIFICATION OF APPLICANT

On behalf of América Móvil, S.A. de C.V. ("América Móvil"), and in accordance with Sections 1.2001-1.2003 of the Commission's rules, 47 C.F.R. §§ 1.2001-1.2003, I hereby certify that América Móvil is not subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853a. I also hereby certify that the statements in the foregoing application for Section 214 authority are true, complete, and correct to the best of my knowledge and are made in good faith.

Except as permitted by the FCC's rules, América Móvil has not agreed to accept any concessions directly or indirectly from any carrier or administration with respect to traffic or revenue flow between the United States and various international points under the authority granted under Section 214 of the Communications Act of 1934, as amended, and the Commission's rules, and América Móvil has not agreed to enter into such agreements in the future.

América Móvil, S.A. de C.V.

By: 
Alejandro Capón Jiménez
Lago Alberto 366
Torre 1, Piso 2
Colonia Anáhuac
11320 Mexico, D.F.
011-52-525-703-3990

Dated: May 9, 2006

Information for Consent to the Transfer of Control of Telecomunicaciones de Puerto Rico, Inc. and Domestic Section 214 Authorizations held by its subsidiaries from Verizon Communications Inc. to América Móvil, S.A. de C.V., as Required by 47 C.F.R. § 63.04(b)

(a) Description of the Transaction

See Part I of the Application.

(b) Description of the Geographic Areas in which the Transferor and Transferee (and their affiliates) Offer Domestic Telecommunications Services and Services Provided in Each Area

PRT provides local exchange, long distance, and Internet access services within the Commonwealth of Puerto Rico. PRT-LD provides off-island long distance services to customers in the Commonwealth of Puerto Rico, and provides long distance service within the Commonwealth of Puerto Rico by reselling PRT services.

Verizon is a holding company whose operating subsidiaries provide local telephone service in 48 states and the District of Columbia, nationwide long-distance, and other services.

América Móvil has an indirect controlling interest in TracFone Wireless, Inc., a prepaid wireless provider with subscribers throughout the United States.

(c) Streamlining Information

The Applicants do not request streamlined processing of this Application.

(d) Other Commission Applications for Transaction

This is a combined application for both a domestic Section 214 authorization and an international Section 214 authorization; the international Section 214 application was filed on the IBFS simultaneously herewith. TELPRI holds various radio licenses through PRT and control of those licenses is also being transferred by this transaction. Applications for the transfer of control of have been filed simultaneously herewith.

(e) Special Consideration Because a Party is Facing Business Failure

None.

(f) Separately Filed Waiver Requests

Applicants are filing a request for approval of additional authorizations and for exemption from the cut-off rules. In addition, Applicants are filing a Petition for Declaratory Ruling under Section 310(b)(4) that América Móvil's ownership and control, through subsidiaries, of PRT's radio licenses in excess of the 25 percent foreign ownership benchmark is in the public interest.

(g) Public Interest Considerations

See attached Public Interest Statement.

BEFORE THE
Federal Communications Commission
WASHINGTON, D.C.

In re Applications of)
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VERIZON COMMUNICATIONS INC.,)
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PUBLIC INTEREST STATEMENT

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AMÉRICA MÓVIL, S.A. DE C.V.

May 9, 2006

*Admitted to Practice in Virginia

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PUBLIC INTEREST STATEMENT

I. INTRODUCTION

América Móvil, S.A. de C.V. ("América Móvil") and Verizon Communications Inc. ("Verizon") have agreed to transfer control of Telecomunicaciones de Puerto Rico, Inc. ("TELPR") and its subsidiaries from Verizon to América Móvil, a large and experienced international communications firm. As discussed below, the transfer will benefit the public interest because América Móvil will be able to take advantage of economies of scope and scale with its existing operations in serving Puerto Rico. In addition, América Móvil is skilled at serving consumers in every socioeconomic category, and is experienced in meeting the challenges of providing service in areas with climatic, geographic, and topographic characteristics similar to those found in Puerto Rico.

Moreover, this transaction involves no offsetting harms. The only existing overlap between América Móvil and TELPRI is América Móvil's limited provision of resold prepaid wireless service in Puerto Rico. As discussed below, the Commission has generally focused its analysis on facilities-based services and, as a result, this limited overlap is not relevant to the Commission's analytical framework. In any event, as demonstrated below, there is extensive competition among wireless service providers in Puerto Rico. Accordingly, the Commission should approve this transfer expeditiously, as it has other mergers that involve no significant overlap.¹

II. THE TRANSACTION WILL PRODUCE PUBLIC INTEREST BENEFITS.

Puerto Rican consumers will benefit from this transaction in three ways. First, they will benefit from the operating experience and business approach América Móvil has developed in offering service throughout the Americas. Second, they will benefit from the economies of scale and scope that América Móvil has achieved. Third, they will benefit from América Móvil's experience in bringing a wide array of communications services to consumers in the very diverse circumstances of many of the countries that América Móvil serves.

América Móvil has approximately 100 million wireless subscribers in fourteen countries throughout the Americas. It is the largest wireless operator in Latin America; the largest in

¹ See, e.g., *Application of PacifiCorp Holdings, Inc., Transferor, and Century Telephone Enterprises, Inc., Transferee, For Consent to Transfer Control of Pacific Telecom, Inc. a Subsidiary of PacifiCorp Holdings, Inc.*, 13 FCC Rcd 8891 (1997); *Applications of Centel Corporation, Transferor, and Sprint Corporation, and F W Sub Inc., Transferees, For Consent to the Transfer of Control of Authorizations in the Domestic Public Cellular Radio Telecommunications Service and Other Common Carrier Services*, 8 FCC Rcd 1829 (1993); *Application of Centel Corporation, Transferor, and GTE Corporation, Transferee, For Consent to the Transfer of Control of Authorizations Held by Centel Subsidiaries*, 6 FCC Rcd 1003 (1991).

Filing Type

1a) Current Filing Proposed Filing

1b) Is the purpose of this filing to report cellular cross-ownership holdings required pursuant to section 1.919 of the Commission's Rules? Yes No

If 'Yes', provide an exhibit with this filing that identifies the Rural Service Area market(s) involved, as well as the cellular licensee of which the filer has acquired direct or indirect ownership interest of 10% or greater.

Filer Information

2) First Name (if individual):	MI:	Last Name:	Suffix:
3) Filer Name (if entity): Sercotel, S.A. de C.V.		4) FCC Registration Number (FRN): 14992861	

5) Contact Information

Name and Address: Phillip L Verveer Willkie Farr & Gallagher LLP 1875 K Street NW Washington, DC 20006 Attn: Phillip L. Verveer	Telephone Number: 202-303-1000
	Fax Number:
	E-mail Address: pverveer@willkie.com

Related FCC Regulated Businesses of Filer

6a) Name of all FCC-Regulated Businesses owned by Filer (use additional sheets, if necessary):	6b) Principal Business:	6c) FCC Registration Number (FRN):	6d) Percent of Interest Held:
PRT Larga Distancia, Inc.	Telecommunications	0007157936	65.00
Puerto Rico Telephone Company, Inc.	Telecommunications	0001731470	65.00
Tracfone Wireless, Inc.	Prepaid Wireless	0006855639	98.20

Signature

7) Typed or Printed Name of Party Authorized to Sign

First Name: Alejandro	MI:	Last Name: Cantú Jiménez	Suffix:
Title: General Counsel, América Móvil			
Signature: Alejandro Cantú Jiménez			Date: 5/09/2006
WILLFUL FALSE STATEMENTS MADE ON THIS FORM OR ANY ATTACHMENTS ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. Code, Title 18, Section 1001) AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. Code, Title 47, Section 312(a)(1) AND/OR FORFEITURE (U.S. Code, Title 47, Section 503).			

Schedule for Disclosable Interest Holders

Disclosable Interest Holder Information (complete as many as required to describe all disclosable interest holders)

1) Disclosable Interest Holder's First Name (if individual):		MI:	Last Name:	Suffix:
2) Disclosable Interest Holder's Name (if entity): America Movil, S.A. de C.V.			3) FCC Registration Number(FRN): 0015025067	
4) Disclosable Interest Holder's Address: Lago Alberto 366 Colonia Anahuac 11320 Mexico, D.F., Mexico				
5) Type of Interest in Filer () (refer to Instructions for a list of codes): Direct Ownership Interest in Filer		6) Disclosable Interest Holder is a (n): () (refer to instructions for list of codes): Corporation		7) Percent of Interest Held in Filer: 99.99
8) Disclosable Interest Holder's Type of Ownership () (refer to instructions for a list of codes): Common Stock: Voting and Non-Voting			9) Disclosable Interest Holder's Country of Citizenship or Jurisdiction of Formation: Mexico	

Related FCC Regulated Businesses of Disclosable Interest Holders (repeat for each interest holder identified)

10a) Name and address of all FCC-Regulated Businesses owned by the Disclosable Interest Holder listed in Item 1 or 2 (use additional sheets, if necessary)	10b) Principle Business	10c) FCC Registration Number (FRN)	10d) Percent of Interest Held
PRT Larga Distancia, Inc.	Telecommunications	0007157936	65.00
Puerto Rico Telephone Company, Inc.	Telecommunications	0001731470	65.00
Tracfone Wireless, Inc.	Prepaid Wireless	0006855639	98.20