

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In re Applications of

VERIZON COMMUNICATIONS INC.,)

Transferor,)

and)

AMÉRICA MÓVIL, S.A. DE C.V.,)

Transferee,)

WT Docket No. 06-113

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)

**AMÉRICA MÓVIL’S AND VERIZON’S
REPLY COMMENTS**

América Móvil and Verizon demonstrated in the Application and Opposition to Petitions to Deny that the transfer of control of Telecomunicaciones de Puerto Rico, Inc. (“TELPRI”) and its subsidiaries from Verizon Communications Inc. (“Verizon”) to América Móvil, S.A. de C.V. (“América Móvil”) is in the public interest and should be approved. Apart from the Petitions to Deny that we have already addressed, only one additional party – Sprint Nextel – has filed comments.¹ Sprint’s comments include little

¹ Comments of Sprint Nextel Corporation (“Sprint”) (filed July 24, 2006). Sprint’s filing is untimely and, as a result, does not afford the company party status. See *GTE Mobilnet of Indiana Limited Partnership*, *GTE Mobilnet of Fort Wayne Limited Partnership*, *GTE Mobilnet of Indiana RSA #3 Limited Partnership* and *GTE Mobilnet of Indiana RSA #6 Limited Partnership*, Memorandum Opinion and Order, 6 FCC Rcd 7488 (1991). The Public Notice in this proceeding makes clear that petitions to deny the Application were due on July 14, 2006 and that oppositions to petitions to deny were due on July 24, 2006. *América Móvil, S.A. de C.V., Verizon Communications Inc., and Subsidiaries of Telecomunicaciones de Puerto Rico, Inc. Seek FCC Consent to Transfer Control of Licenses and Authorizations and Request a Declaratory Ruling on Foreign Ownership*, Public Notice, WT Docket No. 06-113 (June 14, 2006).

new information for the Federal Communications Commission (“Commission”) to consider, and propose conditions that are unrelated to this transaction. The purported factual basis for these conditions – that TELPRI is likely to discriminate against Sprint – also is misplaced.

1. Sprint provides a short summary of what other commenters have alleged regarding “the dominant status of PRTC as the incumbent local exchange carrier in Puerto Rico” and “its history of resistance to local wireline competition.” Sprint at 2, 3. As we already explained, however, this transaction does not affect local wireline markets or TELPRI’s obligations to comply with the Commission’s market-opening rules. *See* Opposition to Petitions to Deny at 8-13. The only service overlap in Puerto Rico between América Móvil and Verizon is in the intensely competitive wireless market, and that overlap is limited to América Móvil’s provision of resold prepaid wireless service to a few thousand consumers. We also explained that the extensive and growing competition in Puerto Rico belies any claim that TELPRI is impeding competitors, and that in any case issues regarding TELPRI’s compliance with its regulatory obligations are properly addressed in other fora. *See id.* at 17-23.

2. Sprint echoes the other commenters’ claims that América Móvil may be more likely to act anticompetitively in the future because it is a foreign-owned company. *See* Sprint at 3-4. But like the other commenters, Sprint provides no support for this claim. The Commission has previously held that a transaction is entitled to the presumption that it is in the public interest where, as here, the transferee is from a World Trade Organization (“WTO”) country, and Sprint does not rebut that presumption or provide any other basis to find that América Móvil’s ownership affects the ability of this

Commission or the Telecommunications Regulatory Board of Puerto Rico (“TRB”) to require TELPRI to comply with applicable rules and regulations. Opposition to Petitions to Deny at 13-14. The Commission has consistently rejected arguments such as these based wholly upon speculation that a party will not comply with its obligations in the future.²

3. Although Sprint proposes that the Commission should adopt certain performance “metrics that include standards for wholesale services,” it fails to demonstrate any link between the need for this condition and the transaction. Sprint at 5. In addition, Sprint acknowledges that the TRB already is considering whether to adopt the measures it proposes. *See id.* In fact, Sprint notes that the TRB’s proposed regulations “follow the desired approach for monitoring PRTC performance.” *Id.* That forum, not this one, is accordingly the appropriate place to address Sprint’s concerns. *See* Opposition to Petitions to Deny at 18 (citing Commission precedent to that effect).

² *See, e.g., Lockheed Martin Corp. Regulus, LLC and Comsat Corp.*, Memorandum, Order and Authorization, 14 FCC Rcd 15816, ¶ 37 (1999) (approving transfer of control and declining to speculate whether the combined entity would breach its future obligations); *accord Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, Order on Remand, 20 FCC Rcd 2533, ¶ 214, n. 580 (2005) (observing that the Commission will not impose obligations “on the basis of purely speculative concerns”).

CONCLUSION

The Commission should grant the application to transfer control of the licenses and authorizations at issue.

Respectfully submitted,

By: /s/ Michael E. Glover

Michael E. Glover
Karen Zacharia
Leslie V. Owsley
VERIZON
1515 Courthouse Road
Arlington, VA 22201
703-351-3193

Nancy J. Victory
WILEY REIN & FIELDING LLP
1776 K Street, N.W.
Washington, DC 20006
202-719-7344

Evan T. Leo
**KELLOGG, HUBER, HANSEN, TODD, EVANS
& FIGEL, PLLC**
1615 M Street, NW
Washington, DC 20036
202-326-7930

Attorneys for
VERIZON

By: /s/ Alejandro Cantú Jiménez

Alejandro Cantú Jiménez
General Counsel
AMÉRICA MÓVIL, S.A. DE C.V.
Lago Alberto 366
Torre 1, Piso 2
Colonia Anahuac
11320 Mexico, D.F.
011-52-525-703-3990

Philip L. Verveer
Michael G. Jones
Daniel K. Alvarez*
WILLKIE FARR & GALLAGHER LLP
1875 K Street, N.W.
Washington, DC 20006
202-303-1000

Attorneys for
AMÉRICA MÓVIL, S.A. DE C.V.

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*Admitted to Practice in Virginia

CERTIFICATE OF SERVICE

I, Margaret L. Crawford, hereby certify that on July 31, 2006, I caused a true and exact copy of the forgoing “América Móvil’s And Verizon’s Reply Comments” to be delivered via electronic mail to:

Erin McGrath
Federal Communications Commission
Mobility Division, Wireless Telecommunications Bureau
erin.mcgrath@fcc.gov

Susan Singer
Federal Communications Commission
Spectrum and Competition Policy Division, Wireless Telecommunications
Bureau
susan.singer@fcc.gov

David Krech
Susan O’Connell
Federal Communications Commission
Policy Division, International Bureau
david.krech@fcc.gov
susan.oconnell@fcc.gov

Gail Cohen
Jodie May
Federal Communications Commission
Competition Policy Division, Wireline Competition Bureau
gail.cohen@fcc.gov
jodie.may@fcc.gov

Neil Dellar
Federal Communications Commission
Office of General Counsel
neil.dellar@fcc.gov

Best Copy and Printing, Inc.
fcc@bcpiweb.com

Veronica M. Ahern
Leslie Paul Machado
Nixon Peabody LLP
401 Ninth Street, N.W. Suite 900
Washington, DC 20004
vahern@nixonpeabody.com
lmachado@nixonpeabody.com
Counsel for the Telecommunications Regulatory Board

Christopher W. Savage
Cole, Raywid & Braverman, L.L.P.
1919 Pennsylvania Avenue, N.W. Suite 200
Washington, DC 20006
csavage@crblaw.com
Counsel for Centennial Communications Corp.

James N. Moskowitz
Fleischman and Walsch, L.L.P.
1919 Pennsylvania Avenue, N.W. Suite 600
Washington, D.C. 20006
jmoskowitz@fw-law.com
Counsel for WorldNet Telecommunications, Inc.

Richard Rubin
Angela R. Thompson
LeBoeuf, Lamb, Greene & MacRae LLP
1875 Connecticut Avenue, N.W., Suite 1200
Washington, D.C. 20009
rrubin@llgm.com
arthompso@llgm.com
Counsel for Telefónica Larga Distancia De Puerto Rico, Inc.

Angel J. Vargas-Carcaña
Kevin Miguel Rivera-Medina
Office of Legal Advisers &
Federal Affairs for the President of the Senate
P.O. Box 9023431
San Juan Puerto Rico 00902
avargas@senadopr.us
kmrivera@senadopr.us
Counsel for Puerto Rico Senators

Vonya B. McCann
David A. Nall
Sprint Nextel Corporation
401 9th Street, NW
Suite 400
Washington, D.C. 20004
vonya.b.mccann@sprint.com
david.a.nall@sprint.com
Counsel for Sprint Nextel Corporation

Sigal P. Mandelker*
Deputy Assistant Attorney General
United States Department of Justice
Criminal Division
935 Pennsylvania Avenue, N.W.
Washington, D.C. 20535

*via overnight delivery