

06-113



**DOCKET FILE COPY ORIGINAL**  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

November 13, 2006

*Via First Class Mail and Facsimile*

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**Re: Request for Information Concerning Applications for Consent to the Transfer of Control of Licenses and Authorizations Held by Telecomunicaciones de Puerto Rico, Inc., an Indirect Subsidiary of Verizon Communications, Inc., to América Móvil, S.A. de C.V., and Request for A Declaratory Ruling on Foreign Ownership, WT Docket No. 06-113 (File Nos. 0002597508 and ITC-T/C-20060510-00269)**

Dear Counsel:

On May 9, 2006, the Commission received the above-captioned applications filed pursuant to sections 214 and 310(d) of the Communications Act of 1934, as amended (the "Act"), and a petition for declaratory ruling on foreign ownership under section 310(b)(4) of the Act.<sup>1</sup> In order for the Commission to complete its review of the applications and make the necessary public interest findings under section 310(d) of the Act,<sup>2</sup> we require additional information and clarification of certain matters discussed in the applications and subsequent pleadings. If necessary, we will follow up with additional requests for information.

<sup>1</sup> 47 U.S.C. §§ 214, 310(d), and 310(b)(4).

<sup>2</sup> This information request letter does not address the applications filed pursuant to section 214, nor does it address the applicants' Petition for Declaratory Ruling on foreign ownership filed pursuant to section 310(b)(4).

Accordingly, pursuant to section 308(b) of the Act,<sup>3</sup> we request that you provide written responses and supporting documentation if necessary for each request set forth in the Attachment. Where appropriate, please also amend the lead application to reflect your responses. Each response or document should clearly indicate the specific question or request to which it responds. We would appreciate receiving your response to each inquiry no later than November 27, 2006.

Your response should be filed with Marlene H. Dortch, Secretary, Federal Communications Commission, referencing the File Number of the lead application. In addition, the Public Notice in this proceeding requires the submission of multiple copies of all *ex parte* and other filings submitted in this proceeding.<sup>4</sup> The Wireless Telecommunications Bureau (the "Bureau") also should receive, at a minimum, two copies of all paper filings. For any electronic filings made using the Commission's Electronic Comment Filing System ("ECFS"), parties also should serve the documents via e-mail to Erin McGrath, erin.mcgrath@fcc.gov, and Kathy Harris, kathy.harris@fcc.gov.

If you have any questions regarding this matter, please contact Erin McGrath at (202) 418-2042.

Sincerely,



Katherine M. Harris  
Deputy Chief, Mobility Division  
Wireless Telecommunications Bureau

Attachment

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<sup>3</sup> 47 U.S.C. § 308(b).

<sup>4</sup> See *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*, WT Docket No. 06-113, *Public Notice*, DA 06-1245 (rel. June 14, 2006).

**Information Request  
November 13, 2006**

I. Definitions

1. The term “América Móvil” means América Móvil, S.A. de C.V.
2. The term “Verizon” means Verizon Communications Inc.
3. The term “TELPRI” means Telecomunicaciones de Puerto Rico, Inc.
4. The term “PRT” means Puerto Rico Telephone Company, Inc., a wholly-owned operating subsidiary of TELPRI.
5. The term “Applicants” means América Móvil and Verizon.
6. The term “Application” specifically includes the Public Interest Statement attached to the Application for consent to the transfer of control of TELPRI to América Móvil, File No. 0002597508.
7. The term “Opposition” means the pleading submitted jointly by the Applicants on July 24, 2006, titled “América Móvil’s and Verizon’s Opposition to Petitions to Deny.”
8. The term “Subsequent Pleadings” means all filings made in WT Docket No. 06-113 filed at the Commission after the Public Notice in that docket was released on June 14, 2006.

II. Information Request Regarding Statements Made in the Application and Subsequent Pleadings.

1. On page 7 of the Public Interest Statement in the Application, Applicants state that TELPRI has “extensive” wireless and wireline operations in Puerto Rico.
  - i. Please describe with specificity the types of wireless services that TELPRI offers in Puerto Rico, including for example, prepaid and postpaid services and all voice, data and advanced services.
  - ii. Please identify all of the network technologies (*e.g.*, CDMA, W-CDMA, EDGE, TDMA, GSM, GPRS) TELPRI uses to support each of the wireless services it provides in Puerto Rico.

2. On page 4 of the Public Interest Statement, Applicants state that América Móvil is committed to “providing consumers with state-of-the-art service” and to “assuring 3G service for its wireless subscribers in Puerto Rico . . . .” On page 3 of the Opposition, Applicants state that América Móvil is committed to “pursuing the best means of achieving this upgrade [to 3G] . . . after an opportunity to analyze the matter.”
  - i. Please provide an expected timeline for the deployment of 3G service throughout Puerto Rico.
  - ii. How does América Móvil plan to upgrade its network and deploy 3G service in Puerto Rico?
  - iii. Will this upgrade result in other wireless technologies (*e.g.*, CDMA, W-CDMA, TDMA, EDGE, GSM, GPRS) currently deployed in Puerto Rico being discontinued? If so, please provide a timeline for the discontinuance as well as a transition plan for customers.
3. How much does América Móvil plan to invest in maintaining and improving the existing wireless technologies used in Puerto Rico for each of the next three years?
4. Please describe with specificity the plans that América Móvil has to “expand both the coverage of telecommunications services and the service options available to consumers” in Puerto Rico, as set forth at page 6 of the Public Interest Statement.
5. On page 3 of the Public Interest Statement, Applicants state that América Móvil focuses on developing a “fully integrated telecommunications services provider” when it enters a new market.
  - i. Please describe with specificity América Móvil’s plans to integrate wireline and wireless services in Puerto Rico.
  - ii. When does América Móvil expect that this integration will be largely complete? How long has similar integration taken to achieve in other countries where América Móvil has integrated wireline and wireless networks?
  - iii. Provide specific examples of the benefits that consumers will experience once this integration is complete.
6. América Móvil credits its ability to compete successfully on factors such as its customer service, marketing, and the ability to anticipate and respond to various competitive factors affecting the telecommunications industry. *See*

Public Interest Statement at page 3.

- i. Over the past three years, how much has América Móvil increased wireless penetration in each of the countries where it offers wireless service?
  - iii. What is the percentage increase of customers who have access to 3G wireless service over the last three years in each country where América Móvil provides such service?
7. Applicants refer to the “advantages of scale and scope” that América Móvil will bring to Puerto Rico. *See* Public Interest Statement at page 5, Opposition at page 3.
  - i. Please specify in detail the benefits that will result from the advantages of scale and scope possessed by América Móvil. In particular, please discuss those advantages that are in addition to the ability to make bulk handset purchases.
  - ii. In what ways is América Móvil better able than the current telecommunications provider, TELPRI (both with and without its indirect owner Verizon), to realize advantages of scale and scope?
  - iii. Provide estimates of the benefits and/or the cost savings due to the improved economies of scale and scope caused by the transaction. If cost savings are anticipated, how much does América Móvil expect to pass on to consumers?
  - iv. Provide an estimate of the time it will take to realize the benefits and/or cost savings identified above.
8. Applicants cite to a press release stating that Verizon plans to divest its ownership interest in TELPRI. *See* Opposition at page 7. If the transaction with América Móvil regarding TELPRI were not consummated for any reason, does Verizon plan to retain its interest in TELPRI or sell it to another purchaser? If possible, cite to public documents that discuss Verizon’s intention to leave the Puerto Rico market.