



International Section 214 Application  
Attachment 2

Merger of  
AT&T Inc.  
and  
Centennial Communications Corp.

**Description of Transaction,  
Public Interest Showing and  
Related Demonstrations**

Filed with the Federal Communications Commission  
November 21, 2008

International Section 214 Application  
Attachment 2

Wi-Fi and GPS navigation, mobile video and broadband, and other next generation services. In addition, AT&T's wireless customers will benefit from a network with expanded scope. This will eliminate the need for roaming in some areas and result in better reception and signal quality, fewer dropped calls, and improved data speeds and feature performance.

The transaction also has significant benefits for wireline customers in Puerto Rico. AT&T currently lacks a wireline network presence in Puerto Rico (other than a node and submarine cable assets) and must rely on third parties for on-island connectivity. This transaction will combine Centennial's extensive wireline broadband infrastructure in Puerto Rico with AT&T's global network and advanced service offerings, and allow for end-to-end service over a single network. Upgrading the communications network in this way will enhance Puerto Rico's competitiveness and help to make Puerto Rico a more attractive location for multinational businesses.

Disaster preparedness will be improved as a result of this transaction. Centennial has extensive experience in responding to hurricanes and other natural disasters, and combining this experience with AT&T's resources will enhance response capabilities. In addition, emergency personnel will benefit from the upgraded network that will result from the transaction.

Cost savings from the transaction will be substantial. Internalization of roaming expenses alone will save tens of millions of dollars each year. There also will be savings from more efficient billing functions, optimizing network facilities and elimination of general and administrative costs.

These public interest benefits can be achieved without any harm to competition. The wireless market is, and will remain, intensely competitive. New spectrum bands, such as AWS-1, 700 MHz and BRS/EBS, are being put into use. After the transaction, the merged firm will

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remain below the applicable spectrum aggregation screen everywhere within Centennial's footprint, with only de minimis exceptions. Additional competitors, such as Clearwire and Cox, are entering the marketplace, and existing competitors, such as Leap and MetroPCS, are expanding their service territories. Innovative devices continue to be introduced. New and differentiated pricing plans are being offered, and churn remains substantial. This transaction will only heighten this competition by allowing the combined company to offer an even more robust service than AT&T and Centennial do now. This transaction also will enhance wireline competition in Puerto Rico, where the combined company will become a more formidable competitor to the much larger incumbent carrier, other competitive carriers and global services providers.

The merger of AT&T and Centennial will deliver numerous public interest benefits, especially for consumers in rural areas and small cities, without any harm to competition, and the Commission should act quickly to approve it.



The Domestic 214 application, which was attached here, can be found at tab 1.

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
CENTENNIAL COMMUNICATIONS CORP.,	)	WT Docket No. 08-
Transferor	)	
	)	
and	)	
	)	
AT&T INC.,	)	File No. [ ]
Transferee	)	
	)	
Application To Transfer Control of Cable Landing	)	
License Holder Centennial Puerto Rico License Corp.	)	
Under the Cable Landing License Act and	)	
Section 1.767 of the Commission's Rules	)	

**APPLICATION UNDER THE CABLE LANDING LICENSE ACT**

Pursuant to the provisions of the Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39, and Section 1.767 of the rules of the Federal Communications Commission ("FCC" or "Commission"), 47 C.F.R. § 1.767, Centennial Communications Corp. ("Centennial" or "Transferor") (FRN 0009631136), and AT&T Inc. ("AT&T" or "Transferee") (FRN 0005193701) (collectively, "the Parties"), hereby request consent to the transfer of control to AT&T of the cable landing license held by Centennial Puerto Rico License Corp. ("Licensee" or "CPRLC") (FRN 0004941977), a wholly owned subsidiary of Centennial.

**The Proposed Transaction.** At closing, a wholly owned subsidiary of AT&T, Independence Merger Sub Inc., will be merged with and into Centennial, with Centennial being the surviving entity. Each share of Centennial common stock will be converted into the right to

receive \$8.50. Centennial will thus become a wholly owned subsidiary of AT&T. A narrative description of the transaction is included as part of Description of the Transaction, Public Interest Showing and Related Demonstrations ("Public Interest Statement") for the transfer of control of Centennial and its subsidiaries to AT&T. The full Public Interest Statement and its attachments may be found in this docket in the FCC's Electronic Comment Filing System and also in the FCC's Universal Licensing System, under the transfer of control application filed for Bauce Communications of Beaumont, Inc., File No. 0003652447 (lead call sign KNKA454). The full Public Interest Statement and its attachments are incorporated herein by reference.

**The Public Interest.** The grant of this application will serve the public interest. The Executive Summary of the Public Interest Statement supporting the grant of FCC consent to this transaction is included as Attachment 1 to this Application. (See above for the location of the full Public Interest Statement and its attachments.)

**I. INFORMATION REQUIRED UNDER SECTION 1.767**

Pursuant to Section 1.767 of the Commission's rules, 47 C.F.R. § 1.767, the Parties submit the following information:

*(1-3) The names, addresses, and telephone numbers of the applicants, the Government, State, or Territory under the laws of which each corporate or partnership applicant is organized, and contact points for correspondence:*

(1) The transferor is Centennial Communications Corp., and the licensee is Centennial Puerto Rico License Corp. Their addresses and telephone numbers are:

Centennial Communications Corp.  
Attn: Tony L. Wolk  
Senior Vice President, General Counsel & Secretary  
3349 Route 138, Building A  
Wall, NJ 07719  
Tel: (732) 556-2200  
Fax: (732) 556-2242

Centennial Puerto Rico License Corp.  
Attn: Tony L. Wolk

Senior Vice President, General Counsel & Secretary  
3349 Route 138, Building A  
Wall, NJ 07719  
Tel: (732) 556-2200  
Fax: (732) 556-2242

with a copy to

Jonathan V. Cohen  
Wilkinson Barker Knauer, LLP  
2300 N Street, N.W., Suite 700  
Washington, D.C. 20037  
Tel: (202) 783-4141  
Fax: (202) 783-5851  
Joncohen@wbklaw.com

The transferee is AT&T Inc. Its address and telephone number are:

AT&T Inc.  
c/o William R. Drexel  
1010 N. St. Mary's, Room 14T  
San Antonio, TX 78215  
Tel: (210) 351-5360  
Fax: (210) 246-8905  
william.drexel@att.com

with a copy to

Peter J. Schildkraut  
Arnold & Porter LLP  
555 12<sup>th</sup> Street, N.W.  
Washington, D.C. 20004  
Tel: (202) 942-5634  
Fax: (202) 942-5999  
peter\_schildkraut@aporter.com

(2) Centennial is a corporation organized and existing under the laws of the state of Delaware. AT&T is a corporation organized and existing under the laws of the state of Delaware.

(3) Correspondence concerning this application should be addressed to the following:

For Centennial and CPRLC:

Centennial Communications Corp.  
Attn: Tony L. Wolk

Senior Vice President, General Counsel & Secretary  
3349 Route 138, Building A  
Wall, NJ 07719  
Tel: (732) 556-2200  
Fax: (732) 556-2242

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Joncohen@wbkllaw.com

For AT&T:

AT&T Inc.  
c/o William R. Drexel  
1010 N. St. Mary's, Room 14T  
San Antonio, TX 78215  
Tel: (210) 351-5360  
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Washington, D.C. 20004  
Tel: (202) 942-5634  
Fax: (202) 942-5999  
peter\_schildkraut@aporter.com

(4-5) The Licensee holds the authority for the following submarine cable landing license:

Entity Name	Authorization Number	Description of Activity Authorized
Centennial Puerto Rico License Corp.	SCL-LIC-19980101-00036	Authorization for authority to land and operate a digital submarine cable system to be called the AMERICAS-II Cable System, 13 FCC Rcd. 22540 (Telecomms. Div., IB 1998)

The architecture and capacity of this cable system are a matter of record and will not change as a result of the proposed transaction.

(6) This application does not seek to change the regulatory classification of the cable system.

(7) This application does not seek to change the voting or ownership interests of the cable system or landing stations or the allocation of capacity on the cable system, which are set forth below.

**Centennial Ownership Interest in Cable System Being Transferred to AT&T**

Cable Name	Voting Interest	Segment	Ownership Interest	Available Capacity	Connection Path or Landing Points
AMERICAS-II	2%	Miami-PR and Miami-Fortaleza, Brazil	2%	Miami-PR: 1 STM-1, 18 E-1s Miami-Fortaleza, Brazil: 10 E-1s	Unchanged: Hollywood, Florida; Miramar, Puerto Rico; and St. Croix, USVI.

(8) As required by Section 1.767(a)(8) of the Commission's rules, 47 C.F.R. § 1.767(a)(8), the Transferee submits the following relevant certifications required by Section 63.18(h) through (k) of the Commission's rules, 47 C.F.R. § 63.18(h)-(k):

- (h) AT&T and Centennial are both publicly traded corporations whose stock is widely held by the public. Based on holdings as of September 30, 2008, no person or entity holds a ten percent or greater ownership interest in AT&T or will do so in the combined company after the proposed transaction is consummated.

<sup>1</sup> *De minimis* non-ownership interests (less than five percent) in landing stations are not included.

AT&T Inc. has interlocking directorates with Teléfonos de México, S.A.B. de C.V. ("Telmex"), which is a carrier or controls carriers in Mexico and the United States; with Telmex International, which is a carrier or controls carriers in Argentina, Brazil, Chile, Colombia, Peru, and Uruguay; with América Móvil, S.A.B. de C.V. ("América Móvil"), which is a carrier or controls carriers in Argentina, Brazil, Chile, Colombia, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Paraguay, Peru, the United States, and Uruguay; AT&T Global Network Services International, Inc., which is a carrier in Israel, New Zealand, and Pakistan; AT&T Global Network Services Norge LLC, which is a carrier in Norway; AT&T Global Network Services Venezuela LLC, which is a carrier in Venezuela; and BellSouth Long Distance, Inc., which is a carrier in Canada. Jaime Chico Pardo, a director of AT&T Inc., is Co-Chairman of the boards of directors of both Telmex and Telmex International and a director of América Móvil. Rayford Wilkins, Jr., Group President of AT&T Inc., is a director of both Telmex International and América Móvil while John J. Stephens, Senior Vice President and Controller of AT&T Inc., is a director of both Telmex and América Móvil. Charles P. Allen, Assistant Treasurer of AT&T Inc., is a director and Treasurer of AT&T Global Network Services International, Inc.; AT&T Global Network Services Norge LLC; and AT&T Global Network Services Venezuela LLC. Mr. Allen is also Treasurer of BellSouth Long Distance, Inc.

- (i) AT&T and its subsidiaries are presently affiliated with numerous foreign carriers authorized to provide telecommunications services to the public. Upon consummation of this transaction, Centennial and Centennial Puerto Rico License Corp. also will be affiliated with those foreign carriers, which are listed below:

<u>Foreign Carrier</u>	<u>Country</u>
AT&T Communications Services Argentina S.R.L.	Argentina
AT&T Global Network Services Australia Pty. Ltd.	Australia
AT&T Global Network Services Austria GmbH	Austria
AT&T Global Network Services Belgium Luxembourg S.P.R.L.	Belgium
AT&T Global Network Services Brazil Ltda.	Brazil
AT&T Global Network Services Bulgaria Ltd.	Bulgaria
AT&T Global Services Canada Co.	Canada
AT&T Enterprises Canada Co.	Canada
BellSouth Long Distance, Inc.	Canada
AT&T Chile SA	Chile
AT&T Global Network Services Colombia (Ltda.)	Colombia
AT&T Global Network Services Hrvatska d.o.o.	Croatia
AT&T Global Network Services Ltd.	Cyprus
AT&T Global Network Services Czech Republic s.r.o.	Czech Republic
AT&T Global Network Services Denmark ApS	Denmark
AT&T Global Network Services Ecuador Cia. Ltda.	Ecuador
AT&T Global Network Services Estonia Ou	Estonia

AT&T Global Network Services Finland Oy	Finland
AT&T Global Network Services France SAS	France
AT&T Global Network Services Deutschland GmbH	Germany
AT&T Global Network Services (Hellas) E.P.E. (Limited)	Greece
AT&T Servicios de Comunicaciones de Guatemala SA	Guatemala
AT&T Global Network Services Hong Kong Limited	Hong Kong
AT&T Global Network Services Hungary Kft	Hungary
AT&T Global Network Services Private Limited	India
AT&T Global Network Services Ireland Limited	Ireland
AT&T Global Network Services International Inc.	Israel
AT&T Global Network Services Italia S.p.A.	Italy
AT&T Japan Ltd.	Japan
AT&T Global Services KK	Japan
AT&T Communications Services (Japan) Ltd.	Japan
AT&T GNS Korea Limited (Yuhan Hoesa)	Korea
AT&T Global Network Services Latvia SIA	Latvia
UAB AT&T Lietuva (Lithuania)	Lithuania
AT&T Global Network Services Belgium Luxembourg S.P.R.L. (Branch Office)	Luxembourg
Alestra, S. de R.L. de C.V.	Mexico
AT&T Global Network Services Morocco sarl au	Morocco
AT&T Global Network Services Nederland B.V.	Netherlands
AT&T Global Network Services International Inc.	New Zealand
AT&T Global Network Services Norge LLC	Norway
AT&T Global Network Services International Inc.	Pakistan
AT&T Communications Services de Panama S. de R.L.	Panama
AT&T Global Network Services del Peru S.R.L.	Peru
AT&T Global Network Services Polska Sp. z.o.o.	Poland
AT&T Serviços de Telecomunicações, Sociedade Unipessoal, Lda.	Portugal
AT&T Global Network Services Romania S.R.L.	Romania
AT&T Global Network Services OOO	Russia
AT&T Worldwide Telecommunications Services Singapore Pte Ltd.	Singapore
AT&T Global Network Services Slovakia s.r.o.	Slovak Republic
AT&T Globalne Omrezne Storitve d.o.o.	Slovenia
AT&T Global Network Services Espana, S.L.	Spain
AT&T Global Network Services Sweden AB	Sweden
AT&T Global Network Services Switzerland GmbH	Switzerland
AT&T Global Network Services Taiwan Ltd.	Taiwan
AT&T Global Iletism Servisleri Limited Sirteki Ltd. STI	Turkey
AT&T Global Network Services (UK) B.V.	United Kingdom
AT&T Global Network Services Venezuela, LLC	Venezuela

AT&T is not affiliated with any entity that owns or controls a foreign cable landing station in any of the destination markets covered by CPRLC's cable landing license.

- (j) The Transferee hereby certifies that it is not a foreign carrier but that it holds controlling interests in certain foreign carriers in destination countries where its subsidiaries provide international service. The carriers and the countries where they provide service are described above in subsection (i).
- (k) AT&T hereby certifies that all of the countries listed in its response to Subsection (i) are WTO Member countries, with the exception of Russia.<sup>2</sup> AT&T certifies that its foreign carrier affiliate in Russia, AT&T Global Network Services, owns no facilities in that destination market and, therefore, lacks market power in Russia, satisfying the criteria of Section 63.18(k)(2).

(9) The Transferee certifies that it accepts and abides by the routine conditions specified in Section 1.767(g), 47 C.F.R. § 1.767(g).

## **II. REQUIRED ANTI-DRUG ABUSE ACT CERTIFICATION**

The Parties hereby certify that no party to this Application, as defined in 47 C.F.R. § 1.2002(b), is subject to denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

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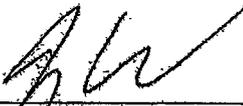
<sup>2</sup> See WTO Members and Observers List, at [http://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/org6\\_e.htm](http://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm) (last visited November 19, 2008).

**CONCLUSION**

Accordingly, the Parties respectfully request that the Commission grant authority for consummation of the transaction described herein.

Respectfully submitted,

Centennial Communications Corp.

By: 

Tony L. Volk  
Sr. Vice President, General Counsel  
& Secretary  
Centennial Communications Corp.  
3349 Route 138, Building A  
Wall, NJ 07719  
(732) 556-2219 (phone)  
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AT&T Inc.

By: 

William R. Drexel  
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Assistant General Counsel  
AT&T Inc.  
175 East Houston  
San Antonio, TX 78205  
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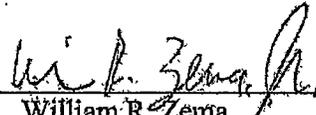
**CERTIFICATE OF SERVICE**

The undersigned does hereby certify that a complete copy of the foregoing application was delivered by hand or by first-class United States Mail, postage pre-paid, to the following, on this 21<sup>st</sup> day of November, 2008:

U.S. Coordinator, EB/GIP  
U.S. Department of State  
2201 C Street, N.W.  
Washington, D.C. 20520-5818

Office of the Chief Counsel/NTIA  
U.S. Department of Commerce  
14<sup>th</sup> Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

Defense Information Systems Agency  
Code RGC  
701 S. Courthouse Road  
Arlington, VA 22204

By:   
\_\_\_\_\_  
William R. Zerna  
Senior Legal Assistant II

Merger of  
AT&T Inc.  
and  
Centennial Communications Corp.

**Description of Transaction,  
Public Interest Showing and  
Related Demonstrations**

Filed with the Federal Communications Commission  
November 21, 2008

### EXECUTIVE SUMMARY

The Commission should swiftly approve the transfer of control of the authorizations and spectrum leases held by Centennial Communications Corp. ("Centennial") to AT&T Inc. ("AT&T"). This transaction will advance the public interest by enhancing telecommunications services in the rural areas and small cities that make up most of Centennial's service area. These include parts of six states in the Midwest and South, plus the U.S. Virgin Islands, where Centennial provides wireless service, and Puerto Rico, where Centennial provides both wireless and wireline broadband service. By becoming a part of AT&T, Centennial will gain access to expertise and resources, which will allow it to serve these communities even better than it does now. The transaction also will enhance disaster preparedness and result in significant cost savings. These advances for consumers in rural areas and small cities and the other public interest benefits that will flow from this transaction can be achieved without raising any competitive concerns.

The transaction will give Centennial's wireless customers access to the full range of capabilities available on AT&T's network, which covers more than 290 million people in 13,000 communities in the United States. Centennial's wireless customers thus will enjoy: a wider variety of rate plans; a more robust set of data services; an expanded scope for mobile-to-mobile calling without using monthly minutes; rollover minutes; additional prepaid offerings; expanded choice of handsets with advanced services capabilities; an open applications policy; enhanced international roaming; opportunities to obtain discounts for wireless/wireline bundles; and, for customers with dual-mode phones, free access to Wi-Fi hotspots at more than 17,000 locations across the country. The transaction also will enable a broader deployment of 3G and 4G networks in Centennial's service area, which will allow for dual-mode phones with integrated

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Attachment I

Wi-Fi and GPS navigation, mobile video and broadband, and other next generation services. In addition, AT&T's wireless customers will benefit from a network with expanded scope. This will eliminate the need for roaming in some areas and result in better reception and signal quality, fewer dropped calls, and improved data speeds and feature performance.

The transaction also has significant benefits for wireline customers in Puerto Rico. AT&T currently lacks a wireline network presence in Puerto Rico (other than a node and submarine cable assets) and must rely on third parties for on-island connectivity. This transaction will combine Centennial's extensive wireline broadband infrastructure in Puerto Rico with AT&T's global network and advanced service offerings, and allow for end-to-end service over a single network. Upgrading the communications network in this way will enhance Puerto Rico's competitiveness and help to make Puerto Rico a more attractive location for multinational businesses.

Disaster preparedness will be improved as a result of this transaction. Centennial has extensive experience in responding to hurricanes and other natural disasters, and combining this experience with AT&T's resources will enhance response capabilities. In addition, emergency personnel will benefit from the upgraded network that will result from the transaction.

Cost savings from the transaction will be substantial. Internalization of roaming expenses alone will save tens of millions of dollars each year. There also will be savings from more efficient billing functions, optimizing network facilities and elimination of general and administrative costs.

These public interest benefits can be achieved without any harm to competition. The wireless market is, and will remain, intensely competitive. New spectrum bands, such as AWS-1, 700 MHz and BRS/EBS, are being put into use. After the transaction, the merged firm will

Cable Landing License Application  
*Attachment 1*

remain below the applicable spectrum aggregation screen everywhere within Centennial's footprint, with only de minimis exceptions. Additional competitors, such as Clearwire and Cox, are entering the marketplace, and existing competitors, such as Leap and MetroPCS, are expanding their service territories. Innovative devices continue to be introduced. New and differentiated pricing plans are being offered, and churn remains substantial. This transaction will only heighten this competition by allowing the combined company to offer an even more robust service than AT&T and Centennial do now. This transaction also will enhance wireline competition in Puerto Rico, where the combined company will become a more formidable competitor to the much larger incumbent carrier, other competitive carriers and global services providers.

The merger of AT&T and Centennial will deliver numerous public interest benefits, especially for consumers in rural areas and small cities, without any harm to competition, and the Commission should act quickly to approve it.