



PUBLIC NOTICE

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JAN 11 2009

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DA 08-2804

December 24, 2008

DOMESTIC AUTHORIZATION GRANTED

Application Filed for the Transfer of Control of
Vanco Solutions, Inc. and Vanco US LLC to FLAG Telecom Group Services Limited

WC Docket No. 08-79

By the Chief, Wireline Competition Bureau:

On May 28, 2008, Vanco Solutions, Inc. (Vanco Solutions), Vanco US LLC (Vanco US, and together with Vanco Solutions, Vanco), Vanco plc (Vanco plc), and FLAG Telecom Group Services Limited (FLAG and, together with Vanco and Vanco plc, the Applicants) filed an application pursuant to section 63.03 of the Commission's rules to transfer control of Vanco from Vanco plc to FLAG.

On June 27, 2008, the Commission released a public notice accepting the application for streamlined processing.¹ On July 9, 2008, the Department of Justice, including the Federal Bureau of Investigation, with the concurrence of the Department of Homeland Security, filed a letter requesting that the Commission defer grant of this application while the Executive Branch Agencies address potential national security, law enforcement, and public safety issues.² In response to the request filed by the Executive Branch Agencies, the Wireline Competition Bureau removed the application from streamlined review.³

On December 19, 2008, the Executive Branch Agencies submitted a Petition to Adopt Conditions to Authorizations (Petition).⁴ In the Petition, the Executive Branch Agencies advised the Commission that they have no objection to the Commission granting its consent in this proceeding, provided the Commission conditions the grant on compliance by Applicants with the commitments set forth in their December 19, 2008 letter (Commitment Letter) executed by the Applicants and attached to the Petition.⁵

¹ *Domestic Section 214 Application Filed For the Transfer of Control of Vanco Solutions, Inc. and Vanco US LLC to FLAG Telecom Group Services Limited*, WC Docket No. 08-79, Public Notice, 23 FCC Rcd 10165 (WCB 2008).

² Letter from Joanne P. Ongman, Attorney, National Security Division, U.S. Department of Justice, to Marlene H. Dortch, FCC, WC Docket No. 08-79 (filed July 9, 2008).

³ *Notice of Removal of Domestic Section 214 Application From Streamlined Treatment*, WC Docket No. 08-79, Public Notice, 23 FCC Rcd 11103 (WCB 2008).

⁴ Petition to Adopt Conditions to Authorizations, WC Docket No. 08-79 and ITC-T/C-20080527-00239; ITC-T/C-20080527-00241 (filed Dec. 19, 2008).

⁵ See Petition at 1-2.

The Wireline Competition Bureau finds, upon consideration of the record, that grant of the application, subject to Applicants' compliance with the Commitment Letter, will serve the public interest, convenience, and necessity. Upon consummation of the transaction, the resulting entity will have a market share in the U.S. interstate interexchange market of less than 10 percent, and will provide competitive telephone exchange-services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier in the U.S. that is not a party to the transaction. In addition, no party to this transaction is dominant with respect to any domestic service.

Consistent with Commission precedent, the Wireline Competition Bureau accords the appropriate level of deference to the Executive Branch Agencies' expertise on national security and law enforcement issues.⁶ Therefore, pursuant to section 214 of the Communications Act of 1934, as amended,⁷ and section 0.291 of the Commission's rules,⁸ the Wireline Competition Bureau hereby grants the application discussed in this Public Notice.

Pursuant to section 1.103 of the Commission's rules, the grant is effective upon release of this Public Notice.⁹ Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules may be filed within 30 days of the date of this Public Notice.¹⁰

For further information, please contact Dennis Johnson at 202 / 418-0809, Competition Policy Division, Wireline Competition Bureau.

⁶ The Commission considers national security, law enforcement, foreign policy, and trade policy concerns when analyzing a transfer of control or assignment application in which foreign ownership is an issue. *See Amendment of the Commission's Regulatory Policies to Allow Non-U.S. Licensed Satellites Providing Domestic and International Service in the United States*, Report and Order, 12 FCC Rcd 24094, 24170-72, paras. 178-82 (1997); *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market*, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23919-21, paras. 61-66 (1997) ("*Foreign Participation Order*"), Order on Reconsideration, 15 FCC Rcd 18158 (2000). In assessing the public interest, the Commission considers the record and accords the appropriate level of deference to Executive Branch expertise on national security and law enforcement issues. *See Foreign Participation Order*, 12 FCC Rcd at 23919-21, paras. 61-66.

⁷ 47 U.S.C. § 214

⁸ 47 C.F.R. § 0.291.

⁹ 47 C.F.R. § 1.103.

¹⁰ 47 C.F.R. §§ 1.106, 1.115.