



PUBLIC NOTICE

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DA 14-9
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**DOMESTIC 214 APPLICATION GRANTED FOR THE ACQUISITION OF ASSETS OF
START WIRELESS GROUP, INC. D/B/A PAGE PLUS CELLULAR
BY TRACFONE WIRELESS, INC.**

WC Docket No. 13-138

On May 23, 2013, Start Wireless Group, Inc. d/b/a Page Plus Cellular (Page Plus) and TracFone Wireless, Inc. (TracFone) (together, Applicants) filed an application pursuant to section 63.03 of the Commission's rules¹ to transfer assets of Page Plus to TracFone.² Page Plus provides interstate telecommunications services on a nationwide basis throughout the United States. Its principal business is the sale of prepaid cellular phones and wireless telecommunications services through the sale of prepaid airtime cards. It holds blanket domestic section 214 authority. TracFone and its affiliates resell domestic prepaid wireless services on a nationwide basis throughout the United States.

On May 30, 2013, the Wireline Competition Bureau (Bureau) released a Public Notice requesting comment on this application.³ On June 13, 2013, the Department of Justice, including the Federal Bureau of Investigation, with the concurrence of the Department of Homeland Security (collectively, the Executive Branch Agencies), filed a letter requesting that the Commission defer action on this application while they reviewed potential national security, law enforcement, and public safety issues.⁴ We deferred action on the application in response to the Executive Branch Agencies' request.⁵

On January 3, 2014, the Executive Branch Agencies submitted a Petition to Adopt Conditions to

¹ 47 C.F.R § 63.03; *see* 47 U.S.C. § 214.

² *Application of Start Wireless Group, Inc. d/b/a Page Plus Cellular and TracFone Wireless, Inc. for Consent to Assignment of Customer Base and Related Assets of an Authorized Domestic Section 214 Carrier*, WC Docket No. 13-138 (filed May 23, 2013).

³ *Domestic Section 214 Application Filed for the Acquisition of Assets of Start Wireless Group, Inc. d/b/a Page Plus Cellular by TracFone Wireless, Inc.*, WC Docket No. 13-138, Public Notice, 28 FCC Rcd 8028 (Wireline Comp. Bur. 2013).

⁴ *See* Letter from Mark. G. McConnell, U.S. Department of Justice, to George Li, FCC, WC Docket No. 13-138 (filed June 13, 2013).

⁵ *Notice of Removal of Domestic Section 214 Application from Streamlined Treatment*, WC Docket No. 13-138, Public Notice, 28 FCC Rcd 8933 (Wireline Comp. Bur. 2013)

Authorizations and Licenses (Petition).⁶ In the Petition, the Executive Branch Agencies advise the Commission that they have no objection to the Commission granting its consent in this proceeding, provided the Commission conditions the grant on the assurance of TracFone to abide by the commitments and undertakings set forth in the December 2013 Agreement between TracFone and the Department of Justice (Agreement).⁷ The Executive Branch Agencies filed the Agreement in WC Docket No. 13-138 on January 3, 2014.⁸

The Bureau finds, upon consideration of the record, that grant of the application, subject to compliance with the Agreement, 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 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 the transaction is dominant with respect to any domestic service.

Consistent with Commission precedent, the Bureau accords the appropriate level of deference to the Executive Branch Agencies' expertise on national security and law enforcement issues.⁹ Therefore, pursuant to section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and section 0.291 of the Commission's rules, 47 C.F.R. § 0.291, the Bureau hereby grants the application discussed in this Public Notice subject to compliance with the Agreement described above.

Pursuant to section 1.103 of the Commission's rules, 47 C.F.R. § 1.103, the grant is effective upon release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

For further information, please contact Jodie May, Wireline Competition Bureau, Competition Policy Division, (202) 418-0913.

⁶ Petition to Adopt Conditions to Authorizations and Licenses, WC Docket No. 13-138 and File No. ITC-ASG-20130522-00143 (filed Jan. 3, 2014).

⁷ *Id.* at 1-2.

⁸ Letter to John Carlin, Acting Assistant Attorney General, National Security Division, U.S. Department of Justice, from F.J. Pollak, President and Chief Executive Officer, TracFone Wireless, Inc., WC Docket No. 13-138, File No. ITC-ASG-20130522-00143 (filed Jan. 3, 2014).

⁹ 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*, IB Docket No. 97-142, Market Entry and Regulation of Foreign Affiliated Entities, IB Docket No. 95-22, 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.