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Telecommunications Law

Steptoe's internationally recognized Telecommunications Group, based in the firm's Washington and London offices, advises on a broad range of telecommunications-related commercial, transactional, regulatory, and infrastructure matters, particularly those with an international dimension:

- Regulation
- Transactions
- Disputes
- Equipment Suppliers
- Service Providers
- Government and Public Telecom Operators
- Privatization

Our telecommunications lawyers have an in-depth understanding of the commercial and technological aspects of the telecommunications industry and continually monitor market developments in North America and Europe. We offer our clients pragmatic and sector-specific legal advice in order to successfully meet the challenges of today's rapidly developing international telecommunications industry.

The attorneys at Steptoe & Johnson LLP provide a full spectrum of telecommunications advice, regarding regulation, transactions, and disputes in a variety of sectors, including wireline and broadband, wireless, satellite, and Internet and e-commerce, as well as information technology. Our clients include service providers, equipment suppliers, electric utilities, and governments.

The full capabilities of our firm—with more than 500 attorneys and other professionals in nine offices worldwide—are available to support our telecommunications clients. Our attorneys focus on other aspects of technology law, including intellectual property litigation, patent and technology protection, copyright and content protection, trademark and identity protection, unfair competition, and life sciences. Our attorneys also provide the traditional legal support often needed by telecom companies: corporate, litigation, employment, tax, antitrust, international trade, and property.

Regulation

The Telecommunications Group maintains close contacts with regulators world-wide, including:

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- US federal and state regulators, including the Federal Communications Commission (FCC) and the National Telecommunications and Information Administration (NTIA);
- The European Commission and European national regulators, including OFTEL (UK), ART (France), RegTP(Germany), AGCOM (Italy), CMT (Spain), OFCOM (Switzerland), ODTR (Ireland), and OPTA (Netherlands); and
- International regulators, including the International Telecommunication Union (ITU) and the World Trade Organization (WTO).

Transactions

Our Telecommunications Group advises on a variety of telecommunications transactional matters, involving a full range of corporate, tax, securities, intellectual property, antitrust, and related issues. We advise on mergers, acquisitions, and joint ventures of telecommunications companies, and on service agreements, equipment contracts, and other commercial contracts essential to the ordinary course of telecommunications business. Having established successful relationships with various investment banks and venture capital funds, we are also able to provide introductions to sources of financing, strategic partners, and content providers.

Disputes

In recent years, lawyers of our Telecommunications Group have represented telecommunications companies in major disputes before US and UK courts and regulators, as well as international tribunals. We also handle telecommunications arbitrations and other forms of alternative dispute resolution, and advise clients on strategies for avoiding litigation.

Our representative clients include major US and European telecommunications companies.

Equipment Suppliers

We represent equipment suppliers on a wide range of commercial and regulatory matters, including:

- Agreements for sale, lease, and sharing of switches and other equipment
- Distribution agreements
- Joint ventures and consortia with operators
- Vendor financing

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- Security interests in equipment
- Equipment certification standards as mandated by the Federal Communications Commission
- Energy efficiency standards, such as Energy Star, as mandated by the US Department of Energy and US Environmental Protection Agency

Service Providers

We advise both established and start-up service providers, including carriers, co-location providers, and other service providers, on a wide range of matters. Services commonly provided include:

- Obtaining individual licenses, blanket or class licenses, indirect access, and numbering allocations in North America, Europe, and other regions
- Acting in acquisitions or disposals of other telecom operators
- Drafting commercial service agreements
- Negotiating interconnection agreements
- Advising providers of voice telephony over packet switched networks
- Negotiating submarine cable capacity purchase agreements

Our London office has particular experience advising US carriers and other service providers on pan-European expansion.

Government and Public Telecommunications Operators

We advise governments, public telecommunications operators (PTOs), and others on various aspects of privatizations and public offerings. Our experience includes:

- Drafting appropriate regulatory legislation and concession agreements;
- Restructuring PTOs for privatization;
- Drafting prospectuses and information memoranda;
- Advising on commercial implications of licensing and regulatory regimes;
- Structuring consortia to bid for strategic stakes;

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- Performing due diligence; and
- Making financing and security arrangements.

Privatization

Step toe advises clients investing in or purchasing government-owned telecommunications companies throughout the world on a broad range of corporate, tax, regulatory, securities, intellectual property, antitrust, and related issues that arise from such matters. We pride ourselves on our in-depth understanding of the commercial and technological aspects of the telecommunications industry. Our privatization team includes lawyers who collectively speak English, Spanish, Portuguese, French, German, Italian, Norwegian, Persian, and Russian.

Our experience in representing government regulators on privatization matters allows us to better serve our clients' interests. We have advised foreign governments and private entities on over 20 privatization matters in emerging markets in the past several years across the globe: Argentina, Chile, Colombia, the Dominican Republic, Mexico, Peru, Venezuela, Canada, Kenya, Tanzania, Zimbabwe, Australia, Hong Kong, Thailand, Russia, Kazakhstan, Latvia, and Poland.

Representative Matters

The following are examples of our experience by telecommunications sector:

Wireline and Broadband

- Obtaining the first international reseller license in the United Kingdom and more international facilities licenses in the first tranche of applications in the United Kingdom than any other firm;
- Representing a major telecommunications company on federal and state regulatory aspects of its proposed \$129 billion merger with another major telecommunications company;
- Representing a Midwestern telecommunications provider on regulatory aspects of its \$3 billion merger with IXC Communications;
- Representing a European telecommunications company in becoming the first foreign carrier to enter the US market for international services on a facilities-basis, and subsequently obtaining similar authorizations for numerous other foreign carriers;

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- Drafting regulatory legislation and concession agreements for public telecommunications operator (PTO) privatizations in Tanzania, Bolivia, Republic of Georgia, Czech Republic, and Gabon;
- Advising numerous clients on competition issues in US and European proceedings on telecommunications mergers and joint ventures;
- Obtaining individual licenses, indirect access, and numbering allocations throughout the European Union, Asia, and the Pacific;
- Representing a major telecommunications company on federal and state antitrust and regulatory aspects of proposed multi-billion-dollar mergers with other major telecommunications companies;
- Regulatory counsel for a major aircraft manufacturer for its new aeronautical and maritime broadband service venture;
- Advising clients on local competition issues under the Telecommunications Act of 1996, including interconnection, local loop unbundling, and broadband services;
- Advising clients on FCC proceedings concerning access charges, customer proprietary network information, universal funding mechanisms, and reasonableness of rates;
- Representing several major carriers in the FCC settlement rate and foreign carrier entry rulemakings;
- Advising clients in obtaining US cable landing licenses for providing undersea fiber optic broadband services; and
- Advising clients on class licenses and other services permitted by the European Union or local telecommunications legislation.

Wireless

- Representing bidders in US broadband fixed and mobile wireless auctions;
- Advising telecommunications manufacturers, carriers, and software companies regarding their compliance with the Americans with Disabilities Act;
- Counseling numerous wireless telecommunications companies and trade associations regarding the Communications Assistance for Law Enforcement Act;

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- Advising clients on and developing compliance programs for EU and US restrictions on processing and transferring personal data, including the Data Protection Act of 1998 and the Telecommunications Data Protection Directive, CLI/billing issues, and customer lists;
- Representing a leading PCS handset manufacturer on health issues, leading to a negotiated solution with the FCC;
- Representing wireless licensees before the FCC on spectrum-related matters, including allocating new spectrum and preserving existing spectrum allocations; and
- Obtaining experimental licenses for new technologies on behalf of various wireless equipment manufacturers.

Satellite

- Representing a global communications and electronic systems company for over a decade on all of its satellite regulatory matters, including obtaining the satellite system license and various other licenses for the Iridium system, counseling on global broadband satellite services (including numerous geostationary and non-geostationary space system applications), and advising in the negotiations of the WTO's Basic Telecom Services Agreement;
- Representing one of the two major satellite television companies in the United States for over a decade on numerous issues regarding Direct Broadcast Satellite (DBS) services and multi-channel programming, including matters relating to its satellite authorizations, spectrum auctions, program access, copyright licensing and broadcast retransmission, and service into the United States from Mexico and Canada;
- Representing a large US manufacturer of airplanes and satellites on obtaining authorizations for a new global broadband aeronautical and maritime mobile satellite service;
- Representing major telecommunications companies in obtaining direct access to the INTELSAT system through FCC, judicial, and legislative proceedings;
- Obtaining authorizations for a Brazilian telecommunications company to serve the United States via foreign-licensed satellites;

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- Obtaining numerous US service licenses for several broadband service providers;
- Advising on satellite licenses permitted by the European Union and local telecommunications legislation; and
- Representing clients on satellite issues before the International Telecommunication Union (ITU), including serving as US delegates to several recent ITU World Radio Conferences and to the first ITU First World Telecom Policy Forum.

Transactions

Step toe & Johnson LLP has an exceptionally broad range of transactional experience in virtually all areas of telecommunications:

Wireline and Broadband

- Acting for a major energy company on all aspects of the \$155 million acquisition of pan-European telecom operator Iaxis from its administrators, including advising on insolvency, commercial, and regulatory issues in Spain, Germany, Italy, Switzerland, France, Netherlands, Norway, the United Kingdom, and the United States;
- Representing a global communications service and solutions provider in acquiring the assets of a Shell Oil telecommunications subsidiary;
- Representing a major European airline in a proposed acquisition of a significant minority interest in a US telecommunications company;
- Representing a European telecommunications company in the privatization of the Russian Svyazinvest telecommunications holding company;
- Overseeing corporate restructuring of PTOs for privatization;
- Drafting prospectuses and information memoranda for PTO privatization and structuring of consortia to bid for strategic stakes in privatized PTO;
- Negotiating submarine cable capacity purchase agreements and interconnection agreements; and
- Advising investors and investment bankers on potential acquisitions and debt offerings of telecommunications companies.

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Wireless

- Representing non-US companies on investments in wireless licensees, including those subject to designated entity restrictions;
- Counseling the lead lender in developing a \$200 million bankruptcy remote, structured financing program for financing service providers' acquisition of telecommunications equipment around the world;
- Counseling the lead lender regarding a \$195 million secured credit facility for a paging infrastructure owner, operator, and service provider;
- Representing a global communications service and solutions provider in its acquisition of another company's wireless, satellite, and CLEC assets;
- Representing broadband fixed wireless carrier on preserving its spectrum rights to MMDS and ITFS bands;
- Advising telecommunications carriers and local utilities on antenna-lease agreements; and
- Representing equipment suppliers on a range of commercial matters including agreements for distribution, joint ventures with operators, switch-sharing and switch purchase, agencies, and services.

Satellite

- Representing a major satellite television company in connection with a proposed \$1.1 billion acquisition of substantially all of the assets of a direct broadcast satellite joint venture;
- Representing a global communications and electronic systems company on various transactional matters in connection with the \$5 billion Iridium satellite telecommunications joint venture;
- Representing a global communications service and solutions provider in a series of acquisitions, including several maritime and VSAT satellite business units;
- Representing a Brazilian telecommunications company and its majority shareholder in a \$250 million satellite joint venture with another telecommunications company;

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- Counseling a Canadian satellite company regarding a \$85 million secured credit facility for acquisition and working capital financing;
- Representing a global communications service and solutions provider (as an Inmarsat Signatory) in Inmarsat's privatization; and
- Counseling borrowers, lessors, and lessees regarding financing and leasing satellite capacity and transponders.

Disputes

Step toe & Johnson LLP has a strong background in telecommunications dispute representation:

Wireline and Broadband

- Representing clients in FCC enforcement proceedings involving compliance with the Federal Communications Act;
- Advising a major international carrier on expropriation matters in Eastern Europe, leading to the disputed assets' successful disposition;
- Representing a global communications service and solutions provider in government bid protest litigation regarding a mobile satellite services contract; and
- Representing a major telecommunications company in several class action suits regarding payphone service to prisoners.

Wireless

- Representing a prepaid wireless carrier in FCC complaint proceedings against an incumbent local exchange carrier; and
- Advising equipment manufacturers on interference considerations relating to Ultra Wide Band technologies.

Satellite

- Representing a global communications service and solutions provider in federal court and FCC proceedings challenging its right to obtain competitive access to the Inmarsat system; and
- Participating in various appellate proceedings defending FCC actions favorable to a global communications and electronic systems company.

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Privatization

Examples of privatization work that we have undertaken follow:

- Advising a European telecommunications company and its consortium in the proposed privatization of two telecommunications companies;
- Representing a European telecommunications company in a Russian telecommunications holding company's privatization;
- Advising a telecommunications agency during the privatization of Venezuela's telecommunications industry, particularly with respect to creating its regulatory system;
- Advising the Australian regulatory authorities on reforming telecom laws in anticipation of privatization efforts;
- Heading the Companies Law team on analyzing and recommending modernization of Tanzanian Companies Ordinance and bankruptcy law in anticipation of its privatization program;
- Counseling an Eastern European government in connection with creating its national privatization program;
- Counseling developers in connection with privatizing electric power generation in Colombia;
- Drafting prospectuses and information memoranda for consortia to bid for strategic investments in privatized PTO;
- Representing an international financing agency in connection with its project financing and investment fund lending activities in over 25 countries, including telecom projects in Poland (fiber optic and cable television) and other projects in Latin America; and
- Representing a global communications service and solutions provider in Inmarsat's privatization.

Noteworthy

- Ranked, *Chambers USA 2008-2010, America's Leading Business Lawyers*; Telecom, Broadcast & Satellite: Regulatory
- Recommended, *Legal 500 US 2007, 2009, 2010*; Telecoms and Broadcast: Regulatory