

## **U.S. Investors File Arbitration Claim Against Mexico To Settle Telecommunications Dispute**

SPENCER, IOWA -- 10/24/16 -- U.S. investors, Joshua Nelson, CEO of Great Lakes Communications Corp., and Jorge Blanco, telecommunications marketing expert, announced today that they have filed a Notice of Arbitration against the Government of Mexico alleging multiple breaches of Chapter Eleven of the North American Free Trade Agreement ("NAFTA"). The U.S. investors sought to enter the Mexican telecommunications by establishing a new venture, Tele Fácil México, S.A. de C.V. ("Tele Fácil"), with the aim of offering unique, low-cost services to the Mexican market.

The U.S. investors' Notice of Arbitration highlights improper actions taken by Mexico's telecommunications regulator, the Institute for Federal Communications ("IFT"), and Mexico's new specialized telecommunications courts. The IFT and Mexico's courts have unjustifiably deprived Tele Fácil and its U.S. investors previously granted interconnection rights that were critical to the venture's success in Mexico. Particularly, the IFT has misinterpreted and misapplied Mexican telecom law to allow Mexico's telecommunications monopoly, Telmex, to renege on previously agreed terms of interconnection and abuse the IFT's dispute resolution process in its favor. The actions of the IFT and the Mexican courts are not only inconsistent with the letter and spirit of Mexico's new telecommunications reforms—with potentially devastating consequences for Mexico's telecommunications sector—but they also violate Mexico's obligations under Chapter Eleven of the NAFTA to protect U.S. investment.

Mr. Nelson stated, "We came to Mexico with the hope of offering new and innovative services to the Mexican people. The IFT's gross mistreatment of Tele Fácil has destroyed our business prospects and our faith in a competitive market place in Mexico."

The U.S. investors have resorted to international arbitration under the NAFTA after settlement discussions with the Mexican government failed to resolve the dispute. The U.S. investors are requesting full compensation for their losses and for the losses to Tele Fácil. Mr. Nelson and Mr. Blanco are represented by Timothy Feighery and Lee Caplan of Arent Fox LLP and David Carter, Martin Cunniff and Ernesto Mendieta of Innovista Law PLLC.

A copy of the Notice of Arbitration can be found [here](#). Please direct all inquiries to Mr. Mendieta at (804) 729-0055.