



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
445 TWELFTH STREET, S.W.
WASHINGTON, D.C. 20554

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DA 04-1873
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**COMSAT GENERAL CORPORATION, LOCKHEED MARTIN GLOBAL
TELECOMMUNICATIONS LLC, COMSAT NEW SERVICES, INC.,
INTELSAT LLC, AND INTELSAT MTC LLC,
SEEK FCC CONSENT TO ASSIGN LICENSES AND AUTHORIZATIONS
AND A DECLARATORY RULING ON FOREIGN OWNERSHIP**

**PLEADING CYCLE ESTABLISHED
IB Docket No. 04-235**

Petitions Due: July 26, 2004
Oppositions Due: August 5, 2004
Replies Due: August 10, 2004

I. INTRODUCTION

COMSAT General Corporation (“COMSAT General”), Lockheed Martin Global Telecommunications, LLC (“LMGT”), and COMSAT New Services, Inc. (“CNSI”) (collectively, “COMSAT General Businesses” or “Assignors”) and Intelsat LLC and Intelsat MTC LLC (together, “Assignees,” and collectively with COMSAT General Business, the “Applicants”) have filed a series of applications pursuant to sections 214, 308, and 310(d) of the Communications Act of 1934, as amended (the “Act”)¹ and a petition for declaratory ruling under section 310(b)(4) of the Act.² In the applications, the Applicants seek Commission approval for assignment of various licenses and authorizations from the COMSAT General Businesses to Intelsat LLC and Intelsat MTC LLC, which result from an Asset Purchase Agreement entered into by and among the Applicants. These applications pertain to special temporary authority and licenses for earth stations, a geostationary satellite space station, a private land mobile radio license, and an international section 214 authorization. Intelsat LLC and Intelsat MTC LLC also request a declaratory ruling that their indirect foreign investment is consistent with the public interest.

¹ 47 U.S.C. §§ 214, 308, 310(d).

² 47 U.S.C. § 310(b)(4).

II. THE PARTIES

COMSAT General and LMGT are wholly-owned subsidiaries of Lockheed Martin Corporation. CNSI is a wholly-owned subsidiary of COMSAT Corporation, which is a wholly-owned subsidiary of LMGT.

The COMSAT General Businesses sell integrated service packages, combining resale of satellite capacity with value-added services such as bandwidth management and host nation agreement management. They purchase satellite capacity from Intelsat and other satellite operators. Their customers include commercial and government users.

Intelsat LLC and Intelsat MTC LLC are both indirect wholly-owned subsidiaries of Intelsat (Bermuda), Ltd., which is in turn wholly-owned by Intelsat, Ltd.

Intelsat is a global provider of satellite communications services, supplying voice, video and data communications. It owns and operates a global system that provides space segment capacity used for a wide array of communications services, including voice, video, data, and Internet connections. Intelsat's fleet of satellites offers service in more than 200 countries, serving customers that range from large telecommunications carriers and broadcasters to corporate networks and Internet service providers.

III. DESCRIPTION OF TRANSACTION

Intelsat LLC and Intelsat MTC LLC seek authority to acquire certain assets from the COMSAT General Businesses pursuant to an Asset Purchase Agreement entered into by the Applicants on May 11, 2004. Under the proposed assignment, Intelsat LLC will purchase a private land mobile radio license, a geostationary satellite space station license, and six satellite earth station licenses. Intelsat MTC LLC will purchase authorizations and licenses for earth stations and an international section 214 authorization.

IV. PUBLIC INTEREST SHOWING

The Applicants state that the approval of the assignments will serve the public interest. They state specifically that the proposed transaction will enhance Intelsat's ability to provide end-to-end satellite communications to its customers. According to the application, incorporating the COMSAT General Businesses' assets, customer base and expertise into Intelsat's businesses will allow them to offer their customers a greater range of end-to-end solutions to meet their international communications needs. In addition, the combination will yield economies of scale and scope, enhancing Intelsat's ability to provide quality innovative service. The Applicants further state that because the proposed assignments will allow Intelsat to better provide the end-to-end, integrated services that its rivals currently offer to their customers, the assignments will further U.S. policy under the ORBIT Act.³

³ Open-Market Reorganization Act for the Betterment of International Telecommunications Act, Pub. L. No. 106-180, 114 Stat. 48 (*Orbit Act*).

Applicants state that the proposed assignments will have no adverse effect on competition. They state that Intelsat faces competition for both commercial and government customers from a number of other global providers of satellite capacity, and that there is strong competition in the earth station market. The Applicants conclude that the proposed assignments will not give Intelsat any power to foreclose or otherwise harm the international telecommunications market.

V. PETITION FOR DECLATORY RULING UNDER SECTION 310(b)(4)

The Assignees request a declaratory ruling that their indirect foreign investment is consistent with the public interest standard under section 310(b)(4) of the Act⁴ (File Number ISP-PDR-20040528-00005). Intelsat LLC and Intelsat MTC LLC are both indirect wholly-owned subsidiaries of Intelsat (Bermuda), Ltd., and in turn Intelsat, Ltd., both of which are incorporated under the laws of Bermuda. Bermuda is a World Trade Organization (“WTO”) member country.

In 2000, the Commission reviewed and approved the indirect foreign ownership of Intelsat LLC, in the *Intelsat LLC Licensing Order*.⁵ The Commission has also approved indirect foreign ownership in other Intelsat subsidiaries on several occasions. Most recently, the International Bureau granted Intelsat North America, LLC, a wholly-owned subsidiary of Intelsat LLC, a section 310(b)(4) ruling.⁶

According to the petition, Intelsat MTC LLC was specifically created for the purpose of holding various assets, licenses, and authorizations to be acquired through the proposed assignments. The Assignees state that there have been no significant changes to the foreign ownership of Intelsat, Ltd. since the *Intelsat/Loral Order*. They state that Lockheed Martin Corporation, a U.S. company, is Intelsat’s largest minority shareholder with more than 20 percent of the total Intelsat, Ltd. shares. The remaining ownership interests in Intelsat, Ltd. remain widely dispersed among more than 220 entities, representing more than 145 nations. They further state that entities from WTO member countries hold approximately 94 percent of Intelsat shares, and that indirect foreign government ownership is approximately 30 percent.

⁴ 47 U.S.C. § 310(b)(4).

⁵ *Applications of Intelsat LLC for Authority to Operate, and to Further Construct, Launch, and Operate C-band and Ku-band Satellites that Form a Global Communications System in Geostationary Orbit*, Memorandum Opinion and Order, 15 FCC Rcd 15460, 15483, paras. 44-55 (*Intelsat LLC Licensing Order*).

⁶ *Loral Satellite, Inc. (Debtor-in-Possession) and Loral SpaceCom Corporation (Debtor-in-Possession), Assignors and Intelsat North America, LLC, Assignee, Applications for Consent to Assignments of Space Station Authorizations and Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Order and Authorization, 19 FCC Rcd 2404, 2415 (IB 2004) (*Intelsat/Loral Order*).

VI. SECTION 310 APPLICATIONS

A. Part 25 – Satellite Communications

The following file numbers have been assigned to the earth and space station applications:

<u>File Number</u>	<u>Assignor</u>	<u>Assignee</u>	<u>Call Sign</u>
SES-ASG-20040528-00744	Lockheed Martin Global Telecommunications, LLC	Intelsat MTC LLC	E960186 E960187
SES-ASG-20040528-00750	Comsat General Corp.	Intelsat LLC	E970053
SES-ASG-20040528-00751	Comsat General Corp.	Intelsat LLC	E980015 E980016 E980019 E980217 E990303
SAT-ASG-20040528-00109	Comsat General Corp	Intelsat LLC	MARISAT F2

B. Part 90 --Private Land Mobile License

The following file number has been assigned to the Private Land Mobile Radio Service assignment application:

<u>File Number</u>	<u>Assignor</u>	<u>Assignee</u>	<u>Call Sign</u>
0001743676	COMSAT General Corporation	Intelsat LLC	WPYJ473

V. INTERNATIONAL SECTION 214 AUTHORIZATION

The following file number has been assigned to the international section 214 authorization application:

<u>File Number</u>	<u>Assignor</u>	<u>Assignee</u>	<u>Authorization Number</u>
ITC-ASG-20040528-00235	Lockheed Martin Global Telecommunications, LLC	Intelsat MTC LLC	ITC-214-19961230-00657

VI. GENERAL INFORMATION

The assignment applications filed by the Applicant have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the

Commission's rules or policies. Final action on these applications will not be taken earlier than thirty-one days following the date of this Public Notice.⁷

Interested parties must file petitions to deny no later than **July 26, 2004**. Oppositions to such pleadings must be filed no later than **August 5, 2004**. Replies to such pleadings must be filed no later than **August 10, 2004**. All filings concerning matters referenced in this Public Notice should refer to **IB Docket No. 04-235**, as well as the specific file numbers of the individual applications or other matters to which the filings pertain.

Under the Commission's current procedures for the submission of filings and other documents,⁸ submissions in this matter may be filed electronically (*i.e.*, through ECFS) or by hand delivery to the Commission's Massachusetts Avenue location.

- **If filed by ECFS,**⁹ comments shall be sent as an electronic file via the Internet to <http://www.fcc.gov/e-file/ecfs.html>. In completing the transmittal screen, commenters should include their full name, Postal Service mailing address, and the applicable docket number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply.
- **If filed by paper,** the original and four copies of each filing must be filed by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, S.W., Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

⁷ See 47 U.S.C. § 309(b).

⁸ See Implementation of Interim Electronic Filing Procedures for Certain Commission Filings, *Order*, 16 FCC Rcd. 21,483 (2001); see also FCC Announces a New Filing Location for Paper Documents and a New Fax Number for General Correspondence, *Public Notice*, 16 FCC Rcd. 22,165 (2001); Reminder: Filing Locations for Paper Documents and Instructions for Mailing Electronic Media, *Public Notice*, 18 FCC Rcd. 16,705 (2003).

⁹ See Electronic Filing of Documents in Rulemaking Proceedings, GC Docket No. 97-113, *Report and Order*, 13 FCC Rcd. 11,322 (1998).

One copy of each pleading must be delivered electronically, by e-mail or facsimile, or if delivered as paper copy, by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (according to the procedures set forth above for paper filings), to:

(1) the Commission's duplicating contractor, Best Copy and Printing, Inc., at fcc@bcpiweb.com or (202) 488-5563 (facsimile);

(2) JoAnn Lucanik, Satellite Division, International Bureau, at JoAnn.Lucanik@fcc.gov, or (202) 418-0748 (facsimile);

(3) Jeanette Spriggs, Satellite Division, International Bureau, at Jeanette.Spriggs@fcc.gov, or (202) 418-0748 (facsimile);

(4) Kathleen Campbell, Satellite Division, International Bureau, at Kathleen.Campbell@fcc.gov, or (202) 418-0748 (facsimile);

(5) David Krech, Policy Division, International Bureau, at David.Krech@fcc.gov or (202) 418-1460 (facsimile);

(6) Jennifer Gorny, Policy Division, International Bureau, at Jennifer.Gorny@fcc.gov or (202) 418-1460 (facsimile);

(7) Jeff Tobias, Public Safety and Critical Infrastructure Division, Wireless Telecommunications Bureau, at Jeff.Tobias@fcc.gov, or (202) 418-2643 (facsimile); and,

(8) Neil Dellar, Transaction, Team, Office of General Counsel, at Neil.Dellar@fcc.gov, or (202) 418-1234 (facsimile).

Copies of the applications and any subsequently-filed documents in this matter may be obtained from Best Copy and Printing, Inc., in person at 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, via telephone at (202) 488-5300, via facsimile at (202) 488-5563, or via e-mail at fcc@bcpiweb.com. The applications and any associated documents are also available for public inspection and copying during normal reference room hours at the following Commission office: FCC Reference Information Center, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. The applications are also available electronically through the Commission's ECFS, which may be accessed on the Commission's Internet website at <http://www.fcc.gov>. Alternate formats of this public notice (computer diskette, large print, audio recording, and Braille) are available to persons with disabilities by contacting Brian Millin at (202) 418-7426 (voice), (202) 418-7365 (TTY), or send an e-mail to access@fcc.gov.

For further information, contact JoAnn Lucanik, Satellite Division, International Bureau, at (202) 418-0719 or David Krech, Policy Division, International Bureau, at (202) 418-1460.

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