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Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE
July 19, 2001

NEWS MEDIA CONTACT:
Maureen Peratino
202-418-0506

INTELSAT PRIVATIZES ITS COMMERCIAL OPERATIONS **New Company An FCC Licensee**

Washington, D.C. – INTELSAT has completed privatization of its commercial operations. This historic action on July 18 will promote greater competition in satellite communications bringing benefits to consumers around the globe. The new company will continue to operate at its Washington, D.C. location.

Privatization of the intergovernmental organization that pioneered global satellite communications over thirty years ago reflects the changing communications market and the trend toward liberalization. Yesterday's action represents the culmination of several years of international negotiations by the United States and its global partners. A primary policy objective for the United States in these negotiations has been pro-competitive privatization of INTELSAT consistent with the Open-Market Reorganization for the Betterment of International Telecommunications Act (the ORBIT Act) of 2000. On May 29, 2001, the Commission found INTELSAT's planned privatization to be consistent with the ORBIT Act.

INTELSAT was created as a result of initiatives undertaken by the United States under the Communications Satellite Act of 1962 and by other countries. INTELSAT owns and operates a global satellite system that transmits a significant portion of the world's international telephone, video, data, Internet and other communications. The United States relies on INTELSAT to satisfy much of its commercial and government satellite communications needs. In August, 2000, the Commission conditionally authorized INTELSAT to: (1) operate 17 existing C-band and Ku-band satellites; (2) construct, launch and operate 10 satellites planned for operation in these bands; and (3) relocate certain currently operating satellites to different orbital locations upon launch of planned satellites. The licenses become effective upon privatization.

For further information, contact James Ball, Associate Chief, International Bureau at (202)418-0427 or Alexandra Field, Satellite and Radiocommunications Division, International Bureau at (202)418-2064.

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