

**STATEMENT OF
CHAIRMAN MICHAEL K. POWELL**

*Re: Amendment of the Commission's Space Station Licensing Rules and Policies; IB
Docket No. 02-34*

The growth of the satellite industry and demand for satellite services – like all spectrum-based services – have placed an increasing strain on the Commission's satellite licensing policies. Today we take a regulatory leap forward to meet this challenge. By this Order, we adopt a flexible framework that accelerates licensing, increasing access to satellite spectrum for existing providers and new entrants alike.

The imperatives of the broadband marketplace require that innovative services and applications blossom quickly or lose out to more robust competitors. Unfortunately under the existing licensing regime, the bloom of satellite innovation too often has been lost to the frost of delay. The current satellite space station licensing process often takes years to complete, as applicants become tangled up in technological challenges, international coordination, and wrangling with competitors over the terms of spectrum sharing. For example, in our recent 2 GHz processing round, it took some licensees ten years from the moment they walked through our doors with an idea to the date they received a license. Advancing the twin pillars of competition and broadband through satellite platforms requires greater expedition. Our regulatory regime must provide for prompt licensing, so that entrepreneurs can test their ideas in the marketplace. Commercial satellite ventures should live or die on Wall Street, not 12th Street. Today's action moves our policies in that direction.

Our decision is expected to reduce the sometimes decade-long wait for a license to a period of six months. This change should translate to more efficient spectrum use overall and more rapid deployment of services for all Americans. One of my core priorities as chairman has been to modernize the agency – to make the FCC smarter and faster. Today we re-tool our satellite space station licensing processes for the 21st century and continue America's satellite leadership.

The satellite industry is a vital partner in the digital migration. The fundamental changes we have made today will enhance the ability of the market to encourage competition both within the satellite industry and across technologies with other types of facilities-based providers. Today satellites provide the key facilities-based competitor to cable television. Increasingly satellite services are also playing a key role in voice and data applications. This role has been highlighted by recent events in Iraq, where satellite communications were critical to the military effort as well as the humanitarian efforts now underway. However, satellites are not only useful in remote areas of the globe. As the events of 9/11 illustrated, homeland security requires that vital communications have redundant and diverse paths. Satellite capacity is an essential component of that equation as well. Today's licensing changes should speed the deployment of these valuable technologies – and move us closer to a more secure homeland.

