

**FCC REPORT TO CONGRESS
AS REQUIRED BY THE ORBIT ACT
TENTH REPORT**

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This report is submitted in accordance with Section 646 of the Open-Market Reorganization for the Betterment of International Telecommunications Act (the “ORBIT Act”).¹

Section 646 states:

(a) ANNUAL REPORTS - The President and the Commission shall report to the Committees on Commerce and International Relations of the House of Representatives and the Committees on Commerce, Science, and Transportation and Foreign Relations of the Senate within 90 calendar days of the enactment of this title, and not less than annually thereafter, on the progress made to achieve the objectives and carry out the purposes and provisions of this title. Such reports shall be made available immediately to the public.

(b) CONTENTS OF REPORTS - The reports submitted pursuant to subsection (a) shall include the following:

- (1) Progress with respect to each objective since the most recent preceding report.
- (2) Views of the Parties with respect to privatization.
- (3) Views of the industry and consumers on privatization.
- (4) Impact privatization has had on United States industry, United States jobs, and United States industry’s access to the global marketplace.

I. Progress as to Objectives and Purposes

The purpose of the ORBIT Act is “to promote a fully competitive global market for satellite communication services for the benefit of consumers and providers of satellite services and equipment by fully privatizing the intergovernmental satellite organizations, INTELSAT and Inmarsat.”²

The ORBIT Act, as originally passed in 2000: (1) mandates the privatization of INTELSAT and Inmarsat; (2) establishes criteria to ensure a pro-competitive privatization; (3) requires the Commission to determine whether INTELSAT, Inmarsat, and the INTELSAT spin-off New Skies Satellites N.V. (“New Skies”), have been privatized in a manner that will harm competition in the United States; (4) requires the Commission to use the privatization criteria specified in the ORBIT

¹ 47 U.S.C. § 765e (2000).

² 47 U.S.C. § 761 NOTE.

Act as a basis for making its competition determination; and (5) directs the Commission to “limit through conditions or deny” applications or requests to provide “non-core” services to, from, or within the United States if it finds that competition will be harmed.³ The Act provides for certain exceptions to limitations on non-core services in the event of such a determination. The Act also prohibits the Commission from authorizing certain “additional” services pending privatization consistent with the criteria in the Act.⁴ In addition, the Act directs the Commission to undertake a rulemaking proceeding to assure users in the United States the opportunity for direct access to the INTELSAT system. In October 2004, Congress amended the ORBIT Act, adding Sections 621(5)(F) and (G), to provide a certification process as an alternative to the initial public offering (“IPO”) requirements under Sections 621(5)(A) and (B). Additionally, in July 2005, Congress further amended the ORBIT Act, striking certain privatization criteria for Intelsat separated entities, removing certain restrictions on separated entities and successor to Intelsat and for other purposes.⁵

The Commission made its first report to Congress on its actions to implement the ORBIT Act on June 15, 2000, following enactment of the Act on March 17, 2000.⁶ The Commission made its second report on June 15, 2001;⁷ its third report on June 14, 2002;⁸ its fourth report on June 11, 2003;⁹ its fifth report on June 15, 2004;¹⁰ its sixth report on June 15, 2005;¹¹ its seventh report on June 15, 2006;¹² its eighth report on June 15, 2007;¹³ and its ninth report on June 13,

³ The Act defines “non-core” services as “services other than public-switched network voice telephony and occasional-use television” with respect to INTELSAT, and as “services other than global maritime distress and safety services or other existing maritime or aeronautical services for which there are not alternative providers” with respect to Inmarsat. 47 U.S.C. § 769(a)(11).

⁴ The Act defines “additional” services as “direct-to-home” (“DTH”) or direct broadcast satellite (“DBS”) video services, or services in the Ka or V bands” for INTELSAT and as “those non-maritime or non-aeronautical mobile services in the 1.5 and 1.6 GHz band on planned satellites or the 2 GHz band” for Inmarsat. 47 U.S.C. § 769(a)(12).

⁵ Open-Market Reorganization for the Betterment of International Telecommunications Act, Pub. L. No. 106-180, 114 Stat. 48 (2000), *as amended*, Pub. L. No. 107-233, 116 Stat. 1480 (2002), *as amended*, Pub. L. No. 108-228, 118 Stat. 644 (2004), *as amended*, Pub. L. No. 108-371, 118 Stat. 1752 (October 25, 2004), *as amended*, Pub. L. No. 109-34, 119 Stat. 377 (July 12, 2005). In the July 2005 amendment to the ORBIT Act, Congress added a requirement that the Commission submit to Congress a separate annual report that analyzes the competitive market conditions with respect to domestic and international satellite communications services. The first Annual Report was released on March 26, 2007. *FCC Annual Report and Analysis of Competitive Market Conditions with Respect to Domestic and International Satellite Communications Services*, FCC 07-34, IB Docket No. 06-67 (“*Satellite Competition Report*”).

⁶ *FCC Report to Congress as Required by the ORBIT Act*, 15 FCC Rcd 11288 (2000).

⁷ *FCC Report to Congress as Required by the ORBIT Act*, 16 FCC Rcd 12810 (2001).

⁸ *FCC Report to Congress as Required by the ORBIT Act*, 17 FCC Rcd 11458 (2002).

⁹ *FCC Report to Congress as Required by the ORBIT Act*, 18 FCC Rcd 12525 (2003).

¹⁰ *FCC Report to Congress as Required by the ORBIT Act*, 19 FCC Rcd 10891 (2004).

¹¹ *FCC Report to Congress as Required by the ORBIT Act*, 20 FCC Rcd 11382 (2005).

2008.¹⁴ In anticipation of this tenth report, the Commission issued a Public Notice on April 1, 2009 inviting public comment.¹⁵ Comments were filed by Intelsat LLC (“Intelsat”).¹⁶ Reply comments were filed by Inmarsat PLC.¹⁷

A. Commission Actions and Activities

The Commission has undertaken a number of actions required by the ORBIT Act, or related to its objectives and purposes. The Commission has taken the actions described below to ensure that INTELSAT, Inmarsat, and New Skies have been privatized in a procompetitive manner, consistent with the privatization criteria of the ORBIT Act.¹⁸ The Commission has also taken actions to implement certain deregulatory measures in the ORBIT Act.¹⁹

INTELSAT

- In August 2000, the Commission granted conditional licensing authority to Intelsat LLC, (“Intelsat”), a separate, privately held U.S. corporation, created by INTELSAT to hold U.S. satellite authorizations and associated space segment assets.²⁰ Under this licensing authority, the Commission permitted Intelsat’s licenses to become effective upon “privatization,” meaning the transfer of INTELSAT’s satellites and associated assets to Intelsat and the transfer of its International Telecommunications Union (“ITU”) network filings to the U.S. registry. Intelsat received conditional U.S. authorizations for INTELSAT’s existing satellites, planned satellites, and planned system modifications associated with INTELSAT’s frequency assignments in the fixed satellite services (“FSS”) C- and Ku- bands existing as of privatization.²¹

¹² *FCC Report to Congress as Required by the ORBIT Act*, 21 FCC Rcd 6740 (2006).

¹³ *FCC Report to Congress as Required by the Orbit Act*, 22 FCC Rcd 11347 (2007).

¹⁴ *FCC Report to Congress as Required by the Orbit Act*, June 13, 2008, available online at http://fjallfoss.fcc.gov/edocs_public/attachmatch/FCC-08-152A1.pdf.

¹⁵ Public Notice, Report No. SPB-230, DA 09-742, April 1, 2009.

¹⁶ Comments of Intelsat LLC, filed on April 22, 2009 (“Intelsat Comments”).

¹⁷ Reply Comments of Inmarsat PLC, filed on April 29, 2008 (“Inmarsat Reply Comments”);

¹⁸ 47 U.S.C. §§ 761, 763, 763a, 763b, 763c, and 765g.

¹⁹ 47 U.S.C. §§ 765 and 765d(1).

²⁰ Application 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, Order and Authorization*, 15 FCC Rcd 15460, *recon. denied*, 15 FCC Rcd 25234 (2000), *further proceedings*, 16 FCC Rcd 12280 (2001) (“*Intelsat Licensing Order*”).

²¹ *Intelsat Licensing Order*, 15 FCC Rcd 15460. The conventional C-band refers to the 3700-4200/5925-6425 MHz frequency bands. Intelsat is also authorized to operate in the extended C-band frequencies

- Later in 2000, INTELSAT adopted plans to distribute shares in Intelsat to its Signatories on July 18, 2001.²² In May 2001, the Commission found that, although the IPO required under the privatization requirements of the ORBIT Act had not yet been completed, INTELSAT would privatize in a manner consistent with the non-IPO privatization provisions of the ORBIT Act, upon completion of its plans to distribute Intelsat shares to its Signatories.²³ INTELSAT later distributed shares to its Signatories, as it had planned.
- On July 28, 2003, Loral Satellite Inc. (“Debtor-in-Possession” or “DIP”), and Loral SpaceCom Corporation (DIP), and Intelsat North America, LLC filed an application seeking authority to assign five non-common carrier space station licenses to Intelsat North America. On February 11, 2004, the Commission granted authority to assign those licenses subject to certain conditions and limitations.²⁴ Loral was providing services, such as Direct-to-Home (“DTH”), that are “additional services” as defined in the ORBIT Act. Intelsat was granted authority to provide additional services to the then-existing Loral customers.²⁵
- Intelsat was originally required by the ORBIT Act to conduct an IPO by October 1, 2001, in order to “substantially dilute” ownership by former INTELSAT

3625-3700/5850-5925/6425-6650 MHz on certain satellites at certain orbital locations. In addition, Intelsat is authorized to operate in the extended C-band frequencies 3420-3625 MHz on the Intelsat-805 satellite at 55.5° W.L. for service to non-US locations. The 3420-3600 MHz portion of this frequency band is not a satellite band in the United States and is operated by Intelsat outside the United States subject to potential interference from worldwide shipborne United States military radar operations. The conventional Ku-band refers to the 11.7-12.2/14.0-14.5 GHz frequency bands. Intelsat is also authorized to operate in the extended Ku-frequency bands 10.95-11.2/11.45-11.7/12.5-12.75/13.75-14.0 GHz on certain satellites at certain orbital locations.

²² Upon privatization, former INTELSAT Signatories and non-Signatory investing entities were issued shares in Intelsat Ltd. according to their March 2001 investment shares in INTELSAT.

²³ Application 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, Order and Authorization*, 16 FCC Rcd 12313, 12290 (para. 71) (2001) (“*Intelsat LLC ORBIT Act Compliance Order*”).

²⁴ Loral Satellite, Inc. (Debtor-in-Possession) and Loral SpaceCom Corporation (Debtor-in-Possession), and Intelsat North America, LLC, 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, *Authorization and Order*, 19 FCC Rcd 2404 (Int’l Bur., 2004) (“*Loral/Intelsat Order*”). On March 4, 2004, the Commission adopted a Supplemental Order clarifying the date the Special Temporary Authority was to commence. Loral Satellite, Inc. (Debtor-in-Possession) and Loral SpaceCom Corporation (Debtor-in-Possession), and Intelsat North America, LLC, 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, *Supplemental Order*, 19 FCC Rcd 4029 (Int’l Bur., 2004).

²⁵ *Loral/Intelsat Order*, 19 FCC Rcd at 2429 (para. 65).

Signatories.²⁶ Subsequently, Congress amended the ORBIT Act several times to extend the deadline for Intelsat to conduct its IPO.²⁷ Ultimately, in May 2004, Congress amended the ORBIT Act, extending Intelsat's IPO deadline to June 30, 2005.²⁸ However, in October 2004, Congress added Sections 621(5)(F) and (G) to the ORBIT Act, to provide a certification process as an alternative to the IPO requirements under Sections 621(5)(A) and (B).²⁹

- On December 22, 2004, the Commission authorized the transfer of control of Intelsat's licenses and authorizations to Zeus Holdings Limited ("Zeus"),³⁰ a private equity group, organized under the law of Bermuda, which would acquire 100 percent of the equity and voting interests of Intelsat ("Zeus/Intelsat Transaction").³¹
- On April 8, 2005, the Commission determined that (a) Intelsat was in compliance with the alternative certification process under Sections 621(5)(F) and 621(5)(G) of the ORBIT Act; (b) that Intelsat can forgo the requirement for an IPO and the public

²⁶ Pub. L. No. 106-180, 114 Stat. 48 (2000). (Congress also gave the Commission discretion to extend the IPO deadline to no later than December 31, 2002). INTELSAT LLC, Request for Extension of Time Under Section 621(5) of the ORBIT Act, *Order*, 16 FCC Rcd. 18185 (2001).

²⁷ Pub. L. No. 107-233, 116 Stat. 1480 (2002) (In October 2002, Congress amended the ORBIT Act to extend Intelsat's IPO deadline to December 31, 2003, and gave the Commission the discretionary authority to further extend the deadline to no later than June 30, 2004). INTELSAT LLC, Request for Extension of Time Under Section 621(5) of the ORBIT Act, *Order*, 18 FCC Rcd. 26290 (2003).

²⁸ Public Law No. 108-228, 118 Stat. 644 (2004). (In May 2004, Congress amended the ORBIT Act to extend Intelsat's IPO deadline to June 30, 2005 and gave the Commission the discretionary authority to further extend the IPO deadline to December 31, 2005).

²⁹ Public Law No. 108-371, 118 Stat. 1752 (October 25, 2004).

³⁰ Zeus Holdings Limited subsequently changed its name to Intelsat Holdings, Ltd. See footnote 31 below.

³¹ *Intelsat, Ltd., Transferor, and Zeus Holdings Limited, Transferee, Consolidated Application for Consent to Transfers of Control of Holders of Title II and Title III Authorizations and Petition for Declaratory Ruling Under Section 310 of the Communications Act of 1934, As Amended*, IB Docket No. 04-366, Order and Authorization, DA 04-4034, 19 FCC Rcd 24820 (Int'l Bur., WTB and OET 2004) ("*Intelsat-Zeus Order*"). In early 2005, the Commission granted authority to interpose Intelsat Subsidiary Holding Company Ltd. into the chain of ownership and modified its foreign ownership ruling to include new Bermuda-based intermediate parent Intelsat Subsidiary Holding Company Ltd. *Intelsat, Ltd.*, File No. ISP-PDR-20050203-00004, Grant of Authority, Public Notice, Report No. TEL-00884, DA 05-479, 20 FCC Rcd 4052, 4053 (Int'l Bur., 2005); *Intelsat North America LLC*, File No. SAT-T/C-20050203-00022, and *Intelsat LLC*, File No. SAT-T/C-20050203-00023, Grant of Authority, Public Notice, Report No. SAT-00276, DA 05-594 (Int'l Bur., March 4, 2005), at 1-2; *Intelsat LLC*, File Nos. SES-T/C-20050203-00138, -00139 and -00140, and *Intelsat MTC LLC*, File No. SES-T/C-20050203-00141, Grant of Authority, Report No. SES-00691 (Int'l Bur., March 2, 2005), at 26-27; *Intelsat USA License Corp.*, File No. ITC-T/C-20050418-00279, *Intelsat General Corporation*, File No. ITC-T/C-20050418-00280, and *Intelsat MTC LLC*, File No. ITC-T/C-20050418-0281, Grant of Authority, Public Notice, Report No. TEL-00931, DA 05-2192 (Int'l Bur., 2005), at 3-4. During 2005, Zeus Holdings Limited changed its name to Intelsat Holdings, Ltd. See, e.g., *Intelsat USA License Corp.*, Report No. TEL-00931, at 3.

listing of securities; and that (c) Intelsat was no longer subject to the provisions of Section 602 that prohibited Intelsat from providing “additional services.”³²

- On May 24, 2005, the Commission granted Intelsat’s request for approval of the *pro forma* assignments of space station authorizations and related Tracking, Telemetry and Control (“TT&C”) earth station licenses, from Intelsat to Intelsat North America LLC.³³
- On June 19, 2006, the Commission approved the merger of Intelsat Holdings, Ltd. with PanAmSat Holding Corporation (“PanAmSat”).³⁴ The FCC action approving the transaction granted applications for the transfer of control, to Intelsat, of Commission-issued licenses and authorizations held by PanAmSat and its subsidiaries. Upon consummation of the transaction on July 3, 2006, PanAmSat became a wholly-owned subsidiary of Intelsat continuing operation as a separate corporate entity.
- On December 19, 2007, the Commission granted a series of applications filed by Intelsat Holdings, Ltd. and Serafina Holdings Limited (“Serafina”) seeking consent to transfer of control of Intelsat Holdings, Ltd., and its six subsidiary licensees from Intelsat’s existing control group of four private equity firms to Serafina, a then newly-formed Bermuda company indirectly controlled by BC Partners Holdings Limited, a U.K.-based investment firm organized under the laws of Guernsey, a British Crown Dependency.³⁵ Serafina and Intelsat subsequently consummated the proposed transaction.
- On February 21, 2008, the Commission released an order³⁶ modifying certain space station licenses held by Intelsat North America to include two conditions requested

³² Intelsat, Ltd. Petition for Declaratory Ruling that Intelsat, Ltd. Complies With Section 621(5)(F) of the ORBIT Act, *Memorandum Opinion and Order*, FCC 05-86, IB Docket No. 05-18, 20 FCC Rcd 8604 (“*Intelsat Certification Order*”).

³³ Intelsat LLC, Assignor, and Intelsat North America LLC, Assignee, Applications for Consent to Pro Forma Assignment of Space Station Authorizations and Related TT&C Earth Station Licenses, File Nos., SAT-ASG-20050418-00084, SAT-ASG-20050418-00085, SES-ASG-20050502-00519, SES-ASG-20050502-00520, SES-ASG-20050502-00562, DA-05-1545, Public Notice, Report No. SAT-00294, March 27, 2005.

³⁴ Constellation, LLC, Carlyle PanAmSat I, LLC, Carlyle PanAmSat II, LLC, PEP PAS, LLC, PEOP PAS, LLC, Transferors, Intelsat Holdings, LTD, Transferee, Consolidated Application for Authority to Transfer Control of PanAmSat Licensee Corp. and PanAmSat H-2 Licensee Corp., *Memorandum Opinion and Order*, 21 FCC Rcd 7368 (2006) (“*Intelsat-PanAmSat Order*”).

³⁵ Intelsat Holdings, Ltd., Transferor, and Serafina Holdings Limited, Transferee, Consolidated Application for Consent to Transfer Control of Holders of Title II and Title III Authorizations, IB Docket No. 07-181, *Memorandum Opinion and Order*, 22 FCC Rcd 22151 (2007).

³⁶ Petition of the International Telecommunications Satellite Organization under Section 316 of the Communications Act, as Amended, IB Docket No. 06-137, *Order of Modification*, DA 08-444, 23 FCC Rcd 2764 (Int’l Bur., 2008). The modification implemented a Commission order, pursuant to Section 316

jointly by Intelsat and the International Telecommunications Satellite Organization (ITSO).³⁷ The conditions were two of three conditions initially proposed by ITSO.³⁸ The adoption of the two conditions was supported by the State Department, after consultations with NTIA.³⁹

- Since the June 13, 2008 Ninth Annual Report, Intelsat has filed a number of requests for license modifications. The Commission has reviewed these requests and acted on them consistent with the U.S. licensing process.⁴⁰

of the Communications Act of 1934, as amended, to impose the two conditions. *See* Petition of the International Telecommunications Satellite Organization under Section 316 of the Communications Act, as Amended, IB Docket No. 06-137, *Order Proposing Modification*, DA 07-4715, 22 FCC Rcd 20093 (Int'l Bur., 2007). Intelsat North America, while stating that it did not object to the proposed conditions in principle, filed a Limited Protest to Seek Clarification as to the circumstances in which the conditions would apply. Intelsat North America Limited Protest to Seek Clarification, IB Docket No. 06-137 (filed January 10, 2008) at 1-2. The request for clarification was granted in part, and denied in part, in the February 2008 modification order.

³⁷ ITSO is the residual, post-privatization intergovernmental organization, governed by international agreement ("ITSO Agreement") that oversees the Intelsat public service obligations established as part of the 2001 privatization. *See* Agreement Relating to the International Telecommunications Satellite Organization (ITSO Agreement) (November 17, 2000), Art. III(a) ("... the main purpose of ITSO is to ensure, through the Public Services Agreement, that the Company provides, on a commercial basis, international public telecommunications services, in order to ensure performance of the Core Principles."), available at <http://www.itso.int>. The United States is a party to the ITSO Agreement, with the State Department serving as the U.S. representative. *See Intelsat-PanAmSat Order*, 21 FCC Rcd at 7395, ¶ 53. The two conditions (1) explicitly obligate Intelsat to remain a signatory to the Public Services Agreement between Intelsat and ITSO approved by the ITSO Twenty-fifth Assembly of Parties and (2) provide, for licensing purposes, that no entity can be considered a successor-in-interest to Intelsat under the ITSO Agreement unless the entity has undertaken to perform the obligations of the Public Services Agreement.

³⁸ Petition of the International Telecommunications Satellite Organization (ITSO), IB Docket No. 06-137 (filed July 10, 2006) ("Petition").

³⁹ Letter from Ambassador David A. Gross, United States Coordinator, International Communications and Information Policy, U.S. Department of State, to The Honorable Kevin J. Martin, Chairman, Federal Communications Commission, IB Docket No. 06-137 (dated March 15, 2007) at 1, 3-4. *See also*, Letter from Steven W. Lett, Deputy United States Coordinator, International Communications and Information Policy, U.S. Department of State to Helen Domenici, Chief, International Bureau, Federal Communications Commission, IB Docket No. 06-137 (filed February 1, 2008).

⁴⁰ Intelsat North America, LLC, Modification Application, Request for modification to operate Intelsat 702, File No. SAT-MOD-20081217-00233, DA 09-815 (grant stamp on April 7, 2009, with conditions); Intelsat North America, LLC, Modification Application, Request for modification to operate Intelsat 706, File No. SAT-MOD-20081124-00218, DA 09-815 (grant stamp on March 20, 2009, with conditions); Intelsat North America, LLC, STA Application, Request for Special Temporary Authority for Intelsat 706, File No. SAT-STA-20090305-00032, DA 09-815 (dismissed as moot by grant stamp on March 20, 2009); Intelsat North America, LLC, STA Application, Request for Special Temporary Authority for Galaxy 26, File No. SAT-STA-20090303-00030, DA 09-651 (grant stamp on March 16, 2009, with conditions); Intelsat North America, LLC, STA Application, Request for Special Temporary Authority for Intelsat 702, File No. SAT-STA-20090206-00017, DA 09-583 (grant stamp by on March 6, 2009, with conditions);

Inmarsat

- Inmarsat privatized on April 15, 1999, prior to enactment of the ORBIT Act. The ORBIT Act specified a number of criteria for determining whether Inmarsat's privatization is pro-competitive. On October 9, 2001, the Commission released an Order in which it concluded that Inmarsat had privatized in a manner consistent with the non-IPO requirements of Sections 621 and 624 of the ORBIT Act.⁴¹

Intelsat North America, LLC, STA Application, Request for Amendment of Special Temporary Authority for Galaxy 26, File No. SAT-STA-20090220-00028, DA 09-522 (grant stamp on February 20, 2009, with conditions); Intelsat North America, LLC, STA Application, Request for Special Temporary Authority for Galaxy 26, File No. SAT-STA-20090212-00022 (grant stamp on February 19, 2009, with conditions); Intelsat North America, LLC, PPL Application, Request for Transfer of Control of Permitted List Satellite Galaxy 23, File No. SAT-PPL-20080213-00038, DA 09-201 (grant stamp on February 6, 2009); Intelsat North America, LLC, STA Application, Request for Special Temporary Authority for Intelsat 605, File No. SAT-STA-20081216-00232, DA 09-46 (grant stamp on January 14, 2009, with conditions); Intelsat New Dawn Company, Ltd., Request for Launch of Authority for New Dawn satellite, File No. SAT-LOA-20080509-00101, DA 09-46 (grant stamp on January 9, 2009, with conditions); Intelsat New Dawn Company, Ltd., Amendment Application, Request for Amendment to Launch and Operation for Galaxy 11, File No. SAT-AMD-20081205-00223, DA 09-46 (grant stamp on January 1, 2009, with conditions); Intelsat North America, LLC, STA Application, Request for Special Temporary Authority for Galaxy 25, File No. SAT-STA-20081111-00214, DA 08-2547 (grant stamp on November 20, 2008, with conditions); Intelsat North America, LLC, Modification Application, Request for modification of its license for Galaxy 25, File No. SAT-MOD-20080825-00159, DA 08-2547 (grant stamp on November 20, 2008, with conditions); Intelsat North America, LLC, STA Applications, Request for Special Temporary Authority for MARISAT-F2, File No. SAT-STA-20081021-00207, DA 08-2440 (grant stamp on October 29, 2008, with conditions); Intelsat North America, LLC, STA Application, Request for Special Temporary Authority for Galaxy 19, File No. SAT-STA-20080724-00148, DA 08-2157 (grant stamp on September 24, 2008, with conditions); Intelsat North America, LLC, STA Application, Request for Special Temporary Authority for Intelsat 602, File No. SAT-STA-20080722-00145 (grant stamp denial on August 4, 2008); Intelsat North America, LLC, Modification Application, Request for Modification to Relocate Intelsat 602, File No. SAT-MOD-20080512-00102, DA 08-1873 (grant stamp on August 4, 2008, with conditions).

Additionally, Intelsat North America LLC has filed four applications to operate in the 17/24 GHz BSS band. In January 2008, Intelsat North America LLC filed subsequent amendments to its pending applications. Intelsat North America LLC, Application for Authority to Construct, Launch and Operate a Direct Broadcast Satellite system comprised of four satellites in the 17 GHz and 25 GHz Bands, File Nos. SAT-LOA-20050210-00028, SAT-AMD-20051118-00241, SAT-AMD-20080114-00011 (Call Sign: S2659); SAT-LOA-20050210-00029, SAT-AMD-20051118-00240, SAT-AMD-20080114-00012 (Call Sign: S2660); SAT-LOA-20050210-00030, SAT-AMD-20051118-00239, SAT-AMD-20080114-00009 (Call Sign: S2661); and SAT-LOA-20050210-00031, SAT-AMD-20051118-00238, SAT-AMD-20080114-00008 (Call Sign: S2662). On May 26, 2009, the International Bureau granted Intelsat North America LLC authority to construct, launch, and operate a 17/24 GHz BSS satellite at the 95.15° W.L. orbital location. *See* Intelsat North America LLC, *Order and Authorization*, DA 09-1132 (Int'l Bur. rel. May 26, 2009).

⁴¹ Comsat Corporation et. al., *Memorandum Opinion, Order and Authorization*, 16 FCC Rcd 21661 (2001) ("Inmarsat ORBIT Act Compliance Order").

- In its decision, having found that Inmarsat had privatized in a manner consistent with the non-IPO requirements of the Act,⁴² the Commission granted Comsat Corporation; Stratos Mobile Networks, LLC; SITA Information Computing Canada, Inc.; Honeywell, Inc.; Marisat Communications Network, Inc.; and Deere & Company regular earth station authority to use certain Inmarsat satellites for communications services to, from, or within the United States.
- The ORBIT Act originally required Inmarsat to conduct an IPO no later than October 1, 2000.⁴³ Subsequently, Congress amended the ORBIT Act several times to extend the deadline for Inmarsat to conduct an IPO.⁴⁴ Ultimately, in October 2004, Congress amended the ORBIT Act, extending the IPO deadline until June 30, 2005 and adding Sections 621(5)(F) and (G) to provide a certification process as an alternative to the IPO requirements under Sections 621(5)(A) and (B).⁴⁵
- On June 14, 2005, the Commission determined that Inmarsat was in compliance with the alternative certification process under Sections 621(5)(F) and 621(5)(G) of the ORBIT Act, that Inmarsat could forgo the requirement for an IPO and the public listing of securities, and that Inmarsat was no longer subject to the provisions of Section 602 that prohibited Inmarsat from providing additional services.⁴⁶
- Beginning in 2005, resellers of Inmarsat satellite services filed applications to continue or, in some cases, to commence operations of mobile earth terminals (“METs”) and gateway land earth stations (“LEs”) in the United States via various Inmarsat satellites not covered by existing coordination agreements for the L-band over North America, including Inmarsat’s fourth generation (“I-4”) satellites.⁴⁷

⁴² 47 U.S.C. § 761(a), which precludes Commission authorization of additional services by Inmarsat until Inmarsat has privatized in accordance with the Act.

⁴³ Pub. L. No. 106-180, 114 Stat. 48 (2000).

⁴⁴ On June 30, 2003, Congress extended Inmarsat’s IPO deadline to June 30, 2004, and gave the Commission discretion to further extend this deadline to no later than December 31, 2004. ORBIT Technical Corrections Act of 2003, Pub. L. No. 108-39, § 763, 117 Stat. 835 (2003). Inmarsat Ventures Limited Request for Extension of Time under Section 621(5) of the Communications Satellite Act of 1962, as amended by the Open-Market Reorganization for the Betterment of International Telecommunications Act, *Order*, 19 FCC Rcd 11387 (2004).

⁴⁵ Public Law No. 108-371, 118 Stat. 1752 (October 25, 2004).

⁴⁶ Inmarsat Group Holdings Limited Petition for Declaratory Ruling that Intelsat, Ltd. Complies With Section 621(5)(F) of the ORBIT Act, *Memorandum Opinion and Order*, IB Docket 04-439, FCC 05-126 (2005) (“*Inmarsat Certification*”). Section 681(2) of the ORBIT Act defines “additional services” for Inmarsat as the non-maritime and non-aeronautical services in the 1.5 and 1.6 GHz band on planned satellites in the 2 GHz band. See Pub. L. 106-180 § 602(a) (precluding Commission authorization of additional services by Inmarsat until Inmarsat has privatized in accordance with the Act).

⁴⁷ The first two satellites of Inmarsat’s I-4s were launched in 2005. See Inmarsat website, “About Inmarsat: Our Satellites”, available online at http://www.inmarsat.com/About/Our_satellites/default.aspx. The third I-4 satellite was launched on August 18, 2008. Press Release, “Successful Launch for Third Inmarsat-4

These applications were opposed by Mobile Satellite Ventures Subsidiary LLC (“MSV”), the U.S.-licensed Mobile Satellite Service (“MSS”) operator in the L-band.⁴⁸ In order to permit continuity of service to existing Inmarsat customers⁴⁹ and to allow use of new Broadband Global Area Network (“BGAN”)⁵⁰ services in support of emergency operations, the Commission granted limited authority to resellers to operate via an I-4 satellite, the I-4F2, while their applications for permanent authorization were under consideration.⁵¹

- On December 21, 2007, Inmarsat and MSV signed a “Spectrum Coordination and Cooperation Agreement” that resolved outstanding differences between the parties regarding use of the L-band.⁵² According to the parties, the agreement addresses operations in the L-band in North America, including re-banding of spectrum, coordination of next generation Inmarsat and MSV satellites, resolution of pending regulatory issues in the U.S. and Canada, and greater system technical flexibility.
- On March 26, 2008, the Commission reached government-to-government satellite coordination agreements with the United Kingdom and Canada, based upon the “Spectrum Coordination and Cooperation Agreement” of Inmarsat and MSV. In light of these developments, on March 27, 2008, the Commission granted nearly all pending applications for regular authority to continue existing services via Inmarsat satellites.⁵³ The Commission also granted one reseller’s applications for regular

Satellite,” dated August 18, 2009, available online at http://www.inmarsat.com/About/Investors/Press_releases/.

⁴⁸ MSV subsequently changed its name to SkyTerra Communications. See Press Release, “Mobile Satellite Ventures Changes Name to SkyTerra,” dated December 8, 2008, available online at <http://www.skyterra.com/media/press-releases.cfm>.

⁴⁹ The Commission had previously authorized the requested operations via the third generation Inmarsat 3F4 satellite.

⁵⁰ The BGAN service is a mobile or portable application that supports both Internet protocol (“IP”) packet-switched data and circuit-switched applications. Inmarsat indicates that the BGAN data transmission rates will allow customers to access to e-mail, local area networks, the Internet, intranet/extranet, video conferencing services, video-on-demand, and voice communications (including Voice over IP) from almost anywhere in the world.

⁵¹ See Actions Taken, Satellite Communications Services Information, *Public Notice*, Report No. SES-00788 (rel. January 25, 2006); Actions Taken, Satellite Communications Services Information, *Public Notice*, Report No. SES-00821 (rel. May 17, 2006); Actions Taken, Satellite Communications Services Information, *Public Notice*, Report No. SES-00835 (rel. July 5, 2006); Actions Taken, Satellite Communications Services Information, *Public Notice*, Report No. SES-00990 (rel. December 19, 2007).

⁵² Press Release, “SkyTerra, Mobile Satellite Ventures and Inmarsat Sign Spectrum Coordination and Cooperation Agreement,” December 21, 2007, available online at <http://www.msvlp.com/media/press-releases-view.cfm?id=158&yr=2007>.

⁵³ Actions Taken, Satellite Communications Services Information, *Public Notice*, Report No. SES-01021 (rel. April 2, 2008).

authority to provide new BGAN services via the I-4F2 satellite on April 1, 2008.⁵⁴ An additional reseller's application for regular authority to provide BGAN services via the I-4F2 was granted in January 2009.⁵⁵

- In June 2008, Inmarsat filed an application seeking approval of the indirect transfer of control of Stratos Global Corporation and its wholly-owned subsidiaries from an irrevocable trust to Inmarsat. In January 2009, the Bureau granted this application for transfer of control.⁵⁶ On February 17, 2009, Vizada filed an Application for Review, which is currently under consideration.
- On October 21, 2008, the Commission released an Order making administrative changes in the way by which the Commission specifies authorized points of communication in licenses for L-band MSS user terminals using Inmarsat space stations.⁵⁷ Specifically, the Commission established a list of Inmarsat satellites approved to serve the U.S. in the L-band (the "ISAT List"). The list includes all Inmarsat satellites that have been found to meet the Commission's legal, technical, and policy requirements to access the U.S. market. As a result, earth station licensees and applicants may seek authority to communicate with all Inmarsat satellites on the ISAT List by listing "ISAT" as the point of communication, rather than having to seek authorization to communicate with Inmarsat satellites on a satellite-by-satellite and orbital-location-by-orbital-location basis.
- Four Inmarsat satellites were included in the original ISAT List.⁵⁸ Since the creation of the ISAT List, two Inmarsat satellites have been added to the ISAT List,⁵⁹ and the orbital location of one satellite on the ISAT List has been changed to a different location.⁶⁰ At the time of this report, an application is pending to add an additional

⁵⁴ *Id.*

⁵⁵ Actions Taken, Satellite Communications Services Information, *Public Notice*, Report No. SES-01103 (rel. January 14, 2009) (granting authority to provide BGAN services via Inmarsat 4F2 to MVS Fed, LLC)

⁵⁶ Application of Robert M. Franklin (transferor) and Inmarsat plc (transferee) Consolidated Application for Consent to Transfer of Control of Stratos Global Corporation and Its Subsidiaries from an Irrevocable Trust to Inmarsat, plc., DA 09-117, *Memorandum Opinion and Order and Declaratory Ruling*, 24 FCC Rcd 449 (Int'l Bur., rel. January 16, 2009), *application for review pending*.

⁵⁷ Inmarsat, Inc., *Order*, 23 FCC Rcd 15268 (Int'l Bur., 2008).

⁵⁸ The Inmarsat satellites included in the original ISAT List were the I-3F2 at 15.5° W.L., the I-3F3 at 178° E.L., the I-3F4 at 142° W.L., and the I-4F2 satellite at 52.75° W.L. *See id.*

⁵⁹ Inmarsat, Inc., *Public Notice: Satellite Communications Services Information Re: Actions Taken*, Report No. SES-01097 (Int'l Bur., rel. December 24, 2008) (adding Inmarsat 4F1 at 143.5° E.L. and Inmarsat 4F3 at 97.65° W.L. to ISAT List).

⁶⁰ Inmarsat plc, *Petition for Declaratory Ruling to Modify ISAT List to Reflect Resumed Operations of I-3F4 at 54° W.L.*, File No. SAT-PPL-20090107-00003; SAT-APL-20090115-00005 (grant stamp on April 6, 2009, with conditions).

Inmarsat satellite to the ISAT List.⁶¹ In addition, Inmarsat has an application pending for authority to operate METs with satellites on the ISAT List.⁶²

- In April 2009, Inmarsat's prior distribution arrangements expired and Inmarsat entered into new arrangements with its distributors. Inmarsat also completed the acquisition of the shares of Stratos Global Corporation.
- In August 2008, SkyTerra Communications, Inc. and Harbinger Capital Partners Funds filed a series of applications seeking approval of a transfer of control of SkyTerra Subsidiary LLC from SkyTerra Communications to Harbinger. Harbinger holds approximately 29 percent of the issued and outstanding voting shares of Inmarsat plc and holds convertible bonds in Inmarsat plc. Subsequent amendments and ownership updates were filed. The Commission issued a public notice on May 1, 2009, establishing a pleading cycle.⁶³
- In addition, Harbinger Capital Partners Funds has filed applications seeking transfer of control of Inmarsat Hawaii, Inc. and Inmarsat Inc. to Harbinger. Inmarsat is not part of the applications.
- Since the June 13, 2009 Ninth Annual Report, the Commission has granted several earth station applications to communicate with Inmarsat's satellites as a point of communication.⁶⁴

⁶¹ Inmarsat plc, Petition for Declaratory Ruling to Add I2F1 to the ISAT List at 142° W.L., File No. SAT-PPL-20081219-00235.

⁶² Inmarsat Hawaii Inc., Application for Inmarsat Hawaii Blanket MET License, File No. SES-LIC-20090217-00184.

⁶³ Public Notice, IB Docket No. 08-184, DA 09-996, May 1, 2009.

⁶⁴ See, e.g., SkyBitz, Inc., File No. SES-MFS-20081107-01453 (granted on January 26, 2009 to access the Inmarsat 4F3 satellite at 97.65° W.L.); MVS Fed, LLC, File No. SES-LFS-20051123-01634 (granted on January 13, 2009 to access the Inmarsat 4F2 satellite at 52.75° W.L.); Inmarsat Hawaii Inc., File No. SES-MFS-20080228-00207 (granted on December 12, 2008 to access the Inmarsat 4F3 at 97.65° W.L. and 4F1 at 143° E.L. satellites); Honeywell International Inc., File No. SES-MFS-20080303-01499 (granted on November 19, 2008 to access the Inmarsat 4F2 satellite at 52.75° W.L.); Stratos Communications, Inc., File No. SES-MFS-20051122-01615 (granted on October 27, 2008 to access the Inmarsat 4F2 satellite at 52.75° W.L.); Horizon Mobile Communications, Inc., File No. SES-LFS-20070109-00042 (granted on October 21, 2008 to access Inmarsat 4F2 at 52.75° W.L.); Amtech Systems LLC, File No. SES-MFS-20080303-01358 (granted on October 21, 2008 to access the Inmarsat 4F2 at 52.75° and Inmarsat 3F4 at 142° W.L.); LXE Inc. File No. SES-MFS-20080303-01360 (granted on October 21, 2008 to access the Inmarsat 4F2 satellite at 52.75° W.L.); SkyWave Mobile Communications, Corp., File No. SES-MFS-20080303-01362 (granted on October 21, 2008 to access the Inmarsat 4F2 at 52.75° and Inmarsat 3F4 at 142° W.L. satellites); Vizada, Inc., File No. SES-MFS-20080303-01367 (granted on October 21, 2008 to access Inmarsat 4F2 at 52.75° W.L.); and Deere & Company, File No. SES-MFS-20080303-01421 (granted on October 21, 2008 to access the Inmarsat 3F4 satellite at 142° W.L.).

New Skies Satellites

- New Skies is the Netherlands-based INTELSAT spin-off, created in 1998 as INTELSAT's first step toward privatization. On March 29, 2001, the Satellite Division added four satellites operated by New Skies to the Commission's Permitted Space Station List⁶⁵ ("Permitted List") with conditions to remove secondary status requirements for certain New Skies' satellites.⁶⁶ This action enabled New Skies to provide satellite services to, from, and within the U.S. on a full-term basis.⁶⁷
- On June 25, 2004, the Commission granted an application to transfer control of Commission licenses and authorizations held by New Skies Satellites N.V. and New Skies Networks, Inc. to New Skies Satellites B.V.⁶⁸
- On March 29, 2006, the Commission approved the transfer of control from New Skies Networks, Inc. ("NSN") to SES GLOBAL S.A. of licenses for six non-common carrier earth stations for communication with non-U.S. licensed satellites that have been added to the Commission's Permitted List.⁶⁹ The Commission also approved the transfer of control of three non-U.S. satellites operated by New Skies that the Commission has authorized to provide service to the U.S. pursuant to the Permitted List.⁷⁰ The merger was consummated on March 30, 2006.

⁶⁵ The Permitted List denotes all satellites and services with which U.S. earth stations with "routinely" authorized technical parameters operating in the conventional C- and Ku-bands ("ALSAT" earth stations) are permitted to communicate, without additional Commission action, provided that those communications fall within the same technical parameters and conditions established in the earth stations' licenses. Amendment of the Commission's Regulatory Policies to Allow Non-U.S.-Licensed Space Stations to Provide Domestic International Satellite Service in the United States, *First Order on Reconsideration*, 15 FCC Rcd 7207 (1999).

⁶⁶ New Skies Satellites, N.V., DA 01-513, *Order*, 16 FCC Rcd 7482 (Int'l Bur., Sat. and Rad. Div., rel. March 29, 2001).

⁶⁷ New Skies Satellites, N.V., Petition for Declaratory Ruling, *Order*, 16 FCC Rcd 6740 (Sat. and Radio Div., 2001).

⁶⁸ Application of New Skies Satellites N.V. (Transferor) and New Skies Satellites B.V. (Transferee) Transfer Control of FCC Licenses and Authorizations Held by New Skies Satellites N.V. and New Skies Networks, Inc., 19 FCC Rcd 21232 (2004).

⁶⁹ Permitted List, available online at <http://www.fcc.gov/ib/sd/se/permitted.html>.

⁷⁰ New Skies Satellites Holdings LTD, Transferor, and SES Global S.A., Transferee, Applications to Transfer Control of Authorizations Held By New Skies Networks, Inc. and Notification of Change to Permitted Space Station List, DA 06-699, IB Docket No. 06-23, 21 FCC Rcd 3194, *Public Notice* (Int'l Bur., approved the transfer of control with conditions) (2006).

- On February 10, 2009, the Commission granted the request of New Skies to add the NSS-9 satellite to the Commission's Permitted List at the 177° W.L. orbital location.⁷¹
- Since privatization, the Commission also granted several requests from earth station operators to add New Skies satellites as a point of communication.⁷²
- In 2008, earth station operators with ALSAT authority continued to have authority to access New Skies Satellites on the Commission's Permitted List.⁷³ Further, the Commission granted one earth station specific authority to communicate with a New Skies satellite.⁷⁴

Status of Comsat

- The ORBIT Act terminated the Communications Satellite Act of 1962's ownership restrictions on COMSAT Corporation ("Comsat"). As a result, Lockheed Martin and Comsat jointly filed an application with the Commission for transfer of control of

⁷¹ New Skies Satellites, B.V., File No. SAT-PPL-20080811-00152, SAT-APL-20081212-00230 (grant stamp on February 10, 2009, with conditions). A request for modification of this authorization is pending. *See* New Skies Satellites B.V., File No. SAT-MPL-20090331-00040, filed March 31, 2009. The NSS-9 replaces the NSS-5 satellite, which has been relocated to 183° E.L. *See* SES New Skies Satellite Fleet, available online at <http://www.newskies.com/nss5.htm>.

⁷² The applications granted during the past year that list New Skies satellites as a point of communication are as follows: Intelsat North America LLC, File Nos. SES-RWL-20090129-00088, -00089, -00090, -00091, -00092, -00093, -00094, & -00095, granted February 2, 2009 (including New Skies 806 at 319.5° E.L. as a point of communication); Intelsat North America LLC, File Nos. SES-RWL-20090129-00096, & -00097, granted February 2, 2009 (including New Skies 513 at 183° E.L. as a point of communication); Pacific Satellite Connection, Inc., File No. SES-RWL-20081029-01426, granted October 31, 2008 (including New Skies K at 338.5° E.L. as a point of communication); PetroCom License Corp., File No. SES-RWL-20080929-01260, granted October 1, 2008 (including New Skies 806 at 319.5° E.L. as a point of communication).

We note those earth stations that meet the Commission's two-degree spacing technical requirements and operate in the conventional C- or Ku frequency bands can obtain ALSAT authority which allows the earth station to communicate with any satellite on the Commission's Permitted List. *See* note 65 above. Currently, New Skies Satellites has three space stations on the Permitted List (NSS-806 @ 40.5° W.L., NSS-7 @ 22° W.L. and NSS-9 @ 177° W.L.). Therefore, of the more than 8360 earth stations that have ALSAT authority, any one of these earth stations can communicate with these New Skies satellites, in the conventional C-or Ku- frequency bands, without any further authorization.

⁷³ *See* note 65 above.

⁷⁴ An earth station must seek specific authority to communicate with a space station if the earth station does not meet the technical requirements for an ALSAT designation and/or if the earth station seeks to communicate with a satellite in frequency bands other than the conventional C and Ku-frequency bands. One example of an authorization granting specific access to a New Skies' Space Station is: Newcom International, Inc., SES-MOD-20070223-00275, authority granted on April 10, 2007 to communicate with the NSS-7 satellite at 22° W.L. orbital location. *See also* note 65 above.

Comsat's various licenses and authorizations. On July 31, 2000, the Commission found that Lockheed Martin's purchase of Comsat was in the public interest and authorized Comsat to assign its FCC licenses and authorizations to a wholly-owned subsidiary of Lockheed Martin Corporation.⁷⁵

- On December 18, 2001, the Commission granted Lockheed Martin Global Telecommunications, COMSAT Corporation, and COMSAT General Corporation, together with Telenor Satellite Services Holdings, Inc., Telenor Satellite, Inc., and Telenor Broadband Services AS's request to assign certain Title II common carrier authorizations and Title III radio licenses held by COMSAT to Telenor.⁷⁶ The assignment was in connection with Telenor's acquisition of Comsat Mobile Communications ("CMC"), a business unit of COMSAT Corporation. On January 11, 2002, Telenor completed its purchase of substantially all of the assets of CMC, and all of CMC's licenses and authorizations were transferred to Telenor pursuant to Commission authorization.⁷⁷
- On October 25, 2002, the Commission granted Comsat and Lockheed Martin's jointly filed applications to assign four non-common carrier earth station licenses and an Experimental License to Intelsat.⁷⁸
- On October 29, 2004, Intelsat, Ltd completed the acquisition of the COMSAT General businesses from COMSAT General Corporation, COMSAT New Services, Inc., and Lockheed Martin.⁷⁹ The Commission approved the acquisition subject to compliance by Intelsat subsidiaries with the terms of the Intelsat Commitment letter

⁷⁵ Lockheed Martin Corporation, Comsat Government Systems, LLC, and Comsat Corporation, Applications for Transfer of Control of Comsat Corporation and Its Subsidiaries, Licensees of Various Satellite, Earth Station Private Land Mobile Radio and Experimental Licenses, and Holders of International Section 214 Authorizations, *Order and Authorization*, 15 FCC Rcd 22910 (2000), *erratum*, 15 FCC Rcd 23506 (2000); *recon. denied*, 17 FCC Rcd 13160 (2002).

⁷⁶ Lockheed Martin Global Telecommunications, Comsat Corporation, and Comsat General Corporation, Assignor and Telenor Satellite Mobile Services, Inc. and Telenor Satellite, Inc., Assignee, Applications for Assignment of Section 214 Authorizations, Private Land Mobile Radio Licenses, Experimental Licenses, and Earth Station Licenses and Petition for Declaratory Ruling Pursuant to Section 310(b)(4) of the Communications Act, *Order and Authorization*, 16 FCC Rcd 22897 (2001), *erratum*, 17 FCC Rcd 2147 (2002).

⁷⁷ Comments Invited on Telenor Satellite Services Holdings, Inc. Petition for Declaratory Ruling on Inapplicability of Cost Accounting Requirements, *Public Notice*, 17 FCC Rcd 2444 (2002).

⁷⁸ Lockheed Martin Corporation, COMSAT Corporation, and COMSAT Digital Teleport, Inc., Assignors, and Intelsat, Ltd., Intelsat (Bermuda), Ltd., Intelsat LLC and Intelsat USA License Corp., Application for Assignment of Earth Station and Wireless Licenses and Section 214 Authorizations and Petition for Declaratory Ruling, IB Docket No. 02-87, *Order and Authorization*, DA 02-2254, 17 FCC Rcd 27732, (Int'l Bur. & Wireless Tel. Bur., 2002) ("*Lockheed/Comsat/Intelsat Order*").

⁷⁹ *Intelsat, Ltd. Form 20-F, Annual Report Pursuant to Section 13 or 15(d) of the Securities and Exchange Act of 1934 for the fiscal year ended December 31, 2004*, at 94.

with the Criminal Division of the U.S. Department of Justice, the U.S. Department of Homeland Security, and the Federal Bureau of Investigation.⁸⁰

Direct Access

- Section 641(a) of the ORBIT Act requires that users and service providers be permitted to obtain Level 3 direct access to INTELSAT capacity.⁸¹ Previously, the Commission decided in a rulemaking proceeding, that Level 3 direct access is in the public interest.⁸² The concept of direct access became moot with INTELSAT privatization on July 18, 2001, because Intelsat, as a private company, does not have Signatories.
- Prior to INTELSAT's privatization, the Commission implemented the requirement in Section 641(b) of the ORBIT Act that the Commission complete a rulemaking "to determine if users or providers of telecommunications services have sufficient opportunity to access INTELSAT space segment directly from INTELSAT to meet their service or capacity requirements."⁸³ In September 2000, the Commission released a Report and Order requiring Comsat and direct access customers to negotiate commercial solutions if possible to ensure that sufficient opportunity is available for parties to negotiate commercial solutions.⁸⁴
- On March 13, 2001, Comsat submitted a report detailing the results of its negotiations and maintaining that direct access opportunities are increasing for those who want them. For example, the negotiations resulted in a commercial agreement between Comsat and WorldCom. The Commission placed Comsat's report on public notice, including Comsat's request to terminate the proceeding.⁸⁵ With INTELSAT's privatization and Intelsat Ltd.'s purchase of Comsat,⁸⁶ on November 21, 2002, the Commission released an Order that concluded that the underlying basis for Section

⁸⁰ Applications of Comsat General Corporation, Lockheed Martin Global Telecommunications LLC, Comsat New Services, Inc., Intelsat LLC, and Intelsat MTC LLC to Assign Licenses and Authorizations and Request for a Declaratory Ruling on Foreign Ownership, Authorizations Granted, *Public Notice*, IB Docket No. 04-235, 19 FCC Rcd 21216 (2004).

⁸¹ 47 U.S.C. § 765(a).

⁸² Direct Access to the INTELSAT System, *Report and Order*, IB Docket No. 98-192, 15 FCC Rcd 15703 (1999). Level 3 direct access permits non-signatory users and service providers to enter into contractual agreements with INTELSAT for space segment capacity at the same rates that INTELSAT charges its Signatories without having to use a Signatory as a middleman.

⁸³ 47 U.S.C. § 765(b).

⁸⁴ Availability of INTELSAT Space Segment Capacity to Users and Service Providers Seeking to Access INTELSAT Directly, *Report and Order*, IB Docket No. 00-91, 15 FCC Rcd 19160 (2000).

⁸⁵ Public Notice, Report No. SPB-166, April 6, 2001.

⁸⁶ On October 25, 2002, the Commission approved the assignment of various earth station licenses, private land mobile radio licenses and international 214 applications from Comsat Corporation to Intelsat, Ltd.

641(b) no longer existed, and terminated the proceeding.⁸⁷ In terminating the proceeding, the Commission noted that the termination does not imply any abdication of the Commission's appropriate oversight of Intelsat Ltd., and that as a U.S. licensee, Intelsat Ltd., will be subject to the same Commission oversight as any similarly-situated company authorized to provide services in the U.S.

Regulatory Fees

- The ORBIT Act authorizes the Commission “to impose similar regulatory fees on the United States signatory which it imposes on other entities providing similar services.”⁸⁸ On July 10, 2000, the Commission released an Order concluding that Comsat should pay a proportionate share of the fees applicable to holders of Title III authorizations to launch and operate geosynchronous space stations.⁸⁹ Consistent with past decisions, the Commission stated that the costs attributable to space station oversight include costs directly related to INTELSAT signatory activities and are distinct from those recovered by other fees that Comsat pays, such as application fees, fees applicable to international bearer circuits, fees covering Comsat's non-Intelsat satellites, and earth station fees.⁹⁰ In 2002, the Circuit Court of Appeals for the District of Columbia held that the Commission's actions to impose regulatory fees on Comsat were justified on the basis that the underlying policy of Section 9 of the Communications Act of 1934, as amended, favoring recovery of regulatory costs gave the Commission good reason to require Comsat to bear its proportionate share of space station fees.⁹¹
- Post-privatization, Intelsat, as a U.S. licensee, has paid the required regulatory fees mandated by Section 9 of the Communications Act 1934.

B. Status of INTELSAT Privatization

Intelsat privatized and became a U.S. licensee, as of July 18, 2001, transferring its assets to a commercial corporation. Pursuant to international agreement, an intergovernmental organization known as the International Telecommunications Satellite Organization (“ITSO”) remained. ITSO, through a “Public Services Agreement” with Intelsat, monitors the performance of the company's public service obligations to maintain global connectivity and global coverage, provide non-discriminatory access to the system, and honor the lifeline connectivity obligation to

⁸⁷ Availability of INTELSAT Space Segment Capacity to Users and Service Providers Seeking to Access INTELSAT Directly, *Order*, IB Docket No. 00-91, 17 FCC Rcd 24242 (2002).

⁸⁸ 47 U.S.C. § 765a(c). A 1999 decision of the United States Court of Appeals for the District of Columbia Circuit in *PanAmSat Corp. v. FCC*, 198 F.3d 890 (D.C. Cir. 1999), set aside and remanded the Commission's 1998 fee order, which did not assess a fee against Comsat.

⁸⁹ *In re Assessment and Collection of Regulatory Fees for Fiscal Year 2000*, MD Docket No. 00-58, 15 FCC Rcd 6533 (para. 17) (2000).

⁹⁰ *Id.*

⁹¹ See *Comsat Corporation vs. FCC and PanAmSat Corp.*, 283 F.3d 344 (D.C. Cir. 2002).

certain customers, specifically, those customers in poor or underserved countries that have a high degree of dependence on Intelsat.⁹² Under these commitments, the privatized Intelsat has made capacity available to lifeline users at fixed pre-privatization costs for approximately 12 years. ITSO has no operational or commercial role.

Upon privatization, substantially all of INTELSAT's operational assets and liabilities were transferred to several companies within an affiliated group with a holding company structure. The companies have created fiduciary Boards of Directors and, based on the record before us, the selection procedure for members of the Board of Directors of Intelsat, Ltd. has resulted in a board that is compliant with the ORBIT Act. In addition, our review of the record before us supports our finding that privileges and immunities enjoyed by the pre-privatized INTELSAT had been terminated consistent with the requirements of the ORBIT Act. The licensed companies have licenses through notifying Administrations in countries (the United States and the United Kingdom) that have effective competition laws and have commitments under the WTO Agreement that include non-discriminatory access to their satellite markets.⁹³ These companies are subject to U.S. or U.K. licensing authorities and conduct satellite coordinations according to ITU procedures under the auspices of these authorities.

Additionally, as detailed above, at the end of 2004 the Commission authorized the transfer of control of Intelsat's licenses and authorizations to Zeus, and the transaction was consummated in 2005.⁹⁴ Also in 2005, the Commission determined that Intelsat's certification complied with the ORBIT Act and it could forgo an IPO and listing of securities.⁹⁵ Thus, the Commission concluded that the provisions relating to additional services under Section 602 of the ORBIT Act were no longer applicable to Intelsat.⁹⁶

II. Views of INTELSAT Parties on Privatization

The Commission, in response to the Public Notice for this Report, has not received any views directly from the INTELSAT Parties⁹⁷ regarding privatization.

⁹² *INTELSAT Assembly of Parties Record of Decisions of the Twenty-Fifth (Extraordinary) Meeting*, AP-25-3E FINAL W/11/00, paras. 6-8 (November 27, 2000) ("2000 Assembly Decision").

⁹³ *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*, Intelsat LLC Supplemental Information, at 3 (August 17, 2001).

⁹⁴ See page 6 above.

⁹⁵ See page 7 above.

⁹⁶ *Id.*

⁹⁷ The INTELSAT Parties are nations for which the INTELSAT agreement has entered into force. 47 U.S.C. § 769(a)(4)(A). Following privatization, the ITSO Agreement defines "Party" to mean a State for which the ITSO Agreement has entered into force or has been provisionally applied. See Agreement Relating to the International Telecommunications Satellite Organization, As Amended by the Twenty-Fifth (Extraordinary) Assembly of Parties in Washington, D.C. (November 17, 2000), at Art. I(p).

III. Views of Industry and Consumers on Privatization

Intelsat filed comments and Inmarsat filed reply comments in response to the Commission's April 1, 2009 public notice inviting comments related to the development of this Report to Congress.⁹⁸ The Commission did not receive any comments from other industry members or consumers regarding privatization.

Intelsat Privatization Comments

Intelsat contends that demand for satellite services remains strong and that, in the past year, several new satellite service providers have launched new satellites or have plans to launch new satellites. Intelsat notes that in April 2008, Vietnam Posts and Telecommunications Corporation launched its first satellite, serving South East Asia, part of China, India, Korea, Japan, Australia and Hawaii, and in October 2008, the Government of Venezuela launched a commercial satellite serving portions of South America and the Caribbean.⁹⁹ Intelsat also describes a partnership between SES Astra and satellite operator Al Yah Satellite Communications Company to offer DTH television capacity and services in the Middle East, North Africa, and South West Asia with a launch scheduled for the end of 2010.¹⁰⁰ In addition, Intelsat describes a planned launch in 2009 by Avanti Communications¹⁰¹ to provide broadband and corporate data network services in Europe, and a planned launch in early 2011 by Asia Broadcast Satellite for a replacement and expansion satellite.¹⁰²

Intelsat also notes that, since privatization, it has faced and responded to competition from terrestrial sources, including fiber-optic cable, broadband-enabled IP applications and terrestrial wireless platforms.¹⁰³

Inmarsat Privatization Comments

Inmarsat notes that in June 2005, the Commission found that Inmarsat had satisfied the requirement to effectuate a substantial dilution of former Signatory financial interests. Inmarsat further states that, shortly thereafter, Inmarsat completed a successful IPO. Inmarsat's shares trade on the London Stock Exchange. According to Inmarsat, no former Inmarsat Signatory owns five percent or more of the company, and the aggregate ownership of foreign governments is nominal.¹⁰⁴

Inmarsat outlines its recent investments in new technologies, including its investment in the deployment of the Inmarsat 4 ("I-4") satellite network. In 2008, Inmarsat launched its third I-

⁹⁸ See footnotes 16-17 above. Copies of these comments and reply comments are enclosed in this Report.

⁹⁹ Intelsat Comments at 1-2. We note that the Vietnamese satellite referenced by Intelsat is not authorized to serve the U.S. market.

¹⁰⁰ Intelsat Comments at 2.

¹⁰¹ Avanti Communications currently leases Intelsat capacity.

¹⁰² Intelsat Comments at 2.

¹⁰³ Intelsat Comments at 3.

¹⁰⁴ Inmarsat Reply Comments at 1-2.

4 satellite, and now has world-wide coverage with broadband capabilities, including BGAN. After the launch, Inmarsat undertook a fleet repositioning process to provide more efficient coverage.¹⁰⁵ Inmarsat reports it also completed construction and was granted authorization for a Satellite Access Station in Hawaii to connect user terminal traffic to the public switched network and the Internet.¹⁰⁶ Inmarsat also notes that BGAN service uses portable antennas that are one-third the size, weight, and price of traditional Inmarsat terminals. In 2007, Inmarsat launched companion BGAN services for aeronautical and maritime customers. Inmarsat plans to introduce a world-wide Global Satellite Phone Service using the I-4 satellite network and a modernized handset. Inmarsat anticipates that the new handset will be available in the United States in 2010.¹⁰⁷ Inmarsat also describes the introduction of a land BGAN service that broadcasters can use for mobile streaming video among its new services.

Inmarsat further notes that on April 14, 2009, with the expiration of Inmarsat's prior distribution arrangements, Inmarsat entered into new, long-term arrangements with all its distributors. According to Inmarsat, these new arrangements will allow all distributors to compete on an even footing. Moreover, Inmarsat points out that it has completed the acquisition of the shares of Stratos Global Corporation, thereby providing Inmarsat with the same type of retail distribution arm enjoyed by other satellite operators.¹⁰⁸

IV. Impact of Privatization

Section 646 requires that the Commission report on the impact of privatization on U.S. industry, jobs, and industry access to the global market.

INTELSAT's privatization from an intergovernmental organization to a fully commercial operation has enabled it to more effectively compete to provide services to U.S. commercial and governmental customers. Privatization has enabled Intelsat to compete freely for U.S. satellite business opportunities, thereby increasing competition in the U.S. market and encouraging the development of service offerings to U.S. customers.

Inmarsat's privatization also appears to have had a positive impact on the domestic market.¹⁰⁹ With privatization, Inmarsat has continued to invest in new technologies for mobile satellite service customers. On August 18, 2008, Inmarsat launched its third satellite in the I-4

¹⁰⁵ *Id.* at 2.

¹⁰⁶ *Id.* at 2. Parts of Inmarsat's request for authorization of its Hawaii earth stations regarding use of the 3945-3955 and 6338-6342 MHz bands for telemetry, tracking & control ("TT&C") functions were dismissed without prejudice to re-filing. See DA 08-2730, dated December 18, 2008. Inmarsat subsequently filed amendments regarding this aspect of its request, which are pending before the Commission. See File No. SES-AMD-20090116-00052 & SES-AMD-20090116-00053, filed January 16, 2009.

¹⁰⁷ Inmarsat Reply Comments at 2-3.

¹⁰⁸ *Id.* at 3. The International Bureau granted the transfer of control of Stratos Global Corporation to Inmarsat in January 2009. See footnote 56 above, and accompanying text.

¹⁰⁹ *Id.*

satellite network. The third satellite completes worldwide coverage for Inmarsat's I-4 network, which provides broadband service, including BGAN.

Pursuant to the U.S.' obligations as the Notifying Administration to the ITU for Intelsat's fixed satellite service C-and Ku-band frequency assignments transferred at privatization, the Commission has participated in a number of international satellite coordination negotiations as Intelsat's licensing Administration. Since the 2008 Orbit Act Report to Congress, the Commission has participated in coordination meetings with Japan, the Russian Federation and Uruguay on behalf of Intelsat and a number of other U.S. licensees. Over the past reporting period, satellite coordination agreements have been concluded via correspondence with the Russian Federation.

The U.S. has a coordination process whereby U.S. operators may reach operational arrangements with operators of other Administrations. These operational arrangements are then submitted to the operators' respective Administrations for approval. Once approved by both Administrations, the operational arrangements become, or form the basis for, a coordination agreement between the Administrations under the ITU procedures. Since the 2008 Orbit Act Report to Congress, Intelsat has concluded operational arrangements by correspondence with the U.K. In due course, this process will lead to coordination agreements between the U.S. and the foreign Administration.

Finally, both Inmarsat's and INTELSAT's privatization appears to have had a positive impact on the global marketplace for communications services by ensuring increased competition and increased access. Inmarsat and Intelsat have placed a priority on continued provision of service to all portions of the globe. Additionally, Inmarsat remains committed to its support of global maritime distress and safety services ("GMDSS").¹¹⁰ Intelsat remains committed to ensuring continued global connectivity and service to countries dependent on Intelsat's satellite services. The Commission has taken action to assure this enduring commitment by Intelsat. The Commission conditioned Intelsat's licenses to require that Intelsat remain a signatory to the Public Services Agreement between Intelsat and ITSO that was approved by the ITSO Twenty-fifth Assembly of Parties.¹¹¹ The Commission also conditioned Intelsat's licenses to provide that no entity can be considered a successor-in-interest to Intelsat under the ITSO Agreement unless the entity has undertaken to perform the obligations of the Public Services Agreement.

V. Summary

The Commission has undertaken a number of proceedings required by or related to the ORBIT Act. The Commission will continue to implement and enforce the requirements of the ORBIT Act. On the whole, we believe that U.S. policy goals regarding the promotion of a fully

¹¹⁰ See *Inmarsat plc. Annual Report and Accounts 2008* at 8, available online at http://www.inmarsat.com/Downloads/English/Investors/Inmarsat_Annual_Report_2008.pdf?language=EN&textonly=False.

¹¹¹ Petition of the International Telecommunications Satellite Organization under Section 316 of the Communications Act, as Amended, *Order of Modification*, 23 FCC Rcd 2764, 2770 (Int'l Bur., 2008).

competitive global market for satellite communications services are being met in accordance with the ORBIT Act. The Commission will continue to inform Congress of the actions it takes to implement the requirements of the ORBIT Act and the impact of those actions in its next annual report.

Attachments:

Comments, April 22, 2009

Comments of Intelsat LLC

Reply Comments, April 29, 2009

Reply Comments of Inmarsat PLC

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In re:)
)
Report to Congress Regarding the) IB Docket No. 09-48
Orbit Act)

COMMENTS OF INTELSAT

Intelsat LLC and its affiliated entities (collectively “Intelsat”) hereby respond to the Federal Communications Commission’s (“FCC” or “Commission”) request for comments in the above referenced proceeding.¹ The Commission seeks comments in order to compile its tenth report to Congress pursuant to Section 646 of the Open-Market Reorganization for the Betterment of International Telecommunications Act (“ORBIT Act”).²

The global demand for satellite services remains strong. Indeed, since Intelsat last filed comments in April 2008, several new satellite service providers have entered—or are poised to enter—the already competitive market for communications services. For example, the Vietnam Posts and Telecommunications Corporation (“VNPT”) launched its first satellite to 132° E.L. in April 2008.³ This satellite, known as Vinasat-1, serves South East Asia, part of China, India, Korea, Japan, Australia and Hawaii. Similarly, in October 2008, the Government of Venezuela

¹ *Int’l Bureau Information: Report to Congress Regarding the ORBIT Act*, Report No. SPB-230, DA 09-742 (Apr. 01, 2009) (Public Notice).

² Open-Market Reorganization for the Betterment of Int’l Telecomms. Act, 47 U.S.C. § 646, Pub. L. 106-180, 114 Stat. 48 (2000), *as amended*, Pub. L. No. 107-233, 116 Stat. 1480 (2002), *as amended*, Pub. L. No. 108-228, 118 Stat. 644 (2004), *as amended*, Pub. L. No. 108-371, 118 Stat. 1752 (2004).

³ See http://www.spacemart.com/reports/Vietnam_First_Satellite_Launched_After_13_Year_Preparation_999.html (last visited Apr. 21, 2009).

launched the Venesat-1 satellite, a commercial C-, Ku- and Ka-band satellite serving most of the regions of South America and the Caribbean from the nominal 78° E.L. orbital location.⁴ In addition, SES Astra has partnered with the Arabic satellite operator Al Yah Satellite Communications Company (“Yahsat”) to offer Direct-to-Home (“DTH”) television capacity and services to more than two dozen countries in the Middle East, North Africa and South West Asia using the Yahsat 1A Ku-band spacecraft to be launched in the fourth quarter of 2010 to 52.5° E.L.⁵ Another operator, Avanti Communications (“Avanti”), which currently leases capacity on the Intelsat 903 satellite, plans to launch its own satellite in 2009.⁶ Avanti’s satellite, known as HYLAS, will deliver broadband and corporate data network services across Europe. Finally, Asia Broadcast Satellite operates the ABS-1 satellite at the 75° E.L. orbital location in the Indian Ocean Region and plans to launch ABS-2, a replacement and expansion satellite, in the same location in the first quarter of 2011.⁷ Under applicable US domestic procedure, and subject to the ultimate authority of the Commission to make notifications to the ITU, Intelsat has engaged in network coordination discussions with some of these new satellite systems with a view to permitting them to compete fairly without limiting Intelsat’s global connectivity or ability to provide service to lifeline users.

⁴ *Simon Bolivar Satellite Launched by China for Venezuela*, Satnews Daily, Oct. 30, 2008.

⁵ See http://www.ses.com/ses/siteSections/mediaroom/Latest_News/index.php?pressRelease=/pressReleases/pressReleaseList/09-04-20/index.php (last visited Apr. 21, 2009).

⁶ See <http://www.avantiplc.com/satellite.htm> (last visited Apr. 21, 2009).

⁷ See <http://www.absatellite.net/about/index.html> (last visited Apr. 21, 2009).

Intelsat also remains subject to intense competition in the market for communications services from terrestrial sources, such as fiber optic cable, broadband-enabled IP applications and terrestrial wireless platforms. Since privatization, Intelsat has responded, and will continue to respond, to these competitive market forces.

Respectfully submitted,

Intelsat LLC

By: /s/ Jennifer D. Hindin

Bert W. Rein
Jennifer D. Hindin
Wiley Rein LLP
1776 K Street, N.W.
Washington, DC 20006-2304
202.719.7000

Its Attorneys

April 22, 2009

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the matter of)
)
Report to Congress Regarding) IB Docket No. 09-48
the ORBIT Act)

REPLY COMMENTS OF INMARSAT PLC

Inmarsat plc (“Inmarsat”) submits these Reply Comments in response to the Public Notice inviting input to be reflected in the Commission’s progress report to Congress on implementing the Open-Market Reorganization for the Betterment of International Telecommunications Act (the “ORBIT Act”).¹ The purpose of the ORBIT Act is to “promote a fully competitive global market for satellite communications services for the benefit of consumers and providers of satellite services and equipment by fully privatizing...INTELSAT and Inmarsat.”²

Inmarsat converted from an intergovernmental organization (“IGO”) to a private company in 1999 in a manner that was ORBIT Act-compliant.³ In June 2005, the Commission found that Inmarsat had satisfied the requirement to effectuate a substantial dilution of former Signatory financial interests in the company.⁴ Just days later, Inmarsat reduced former signatory and foreign government ownership even further, by completing one of the most successful equity IPOs by a satellite services company. Today, Inmarsat’s shares are traded on the London Stock

¹ Public Notice, Report No. SPB-230, DA 09-742 (rel. Apr. 1, 2009).

² *Id.* at 1; *see also* ORBIT Act, Pub. L. No. 106-180, 114 Stat 48, §2 (2000).

³ *See Comsat Corp. d/b/a Comsat Mobile Communications et.al.* 16 FCC Rcd 21661 (2001)(“Comsat”).

⁴ *Inmarsat Group Holdings Limited, Petition for Declaratory Ruling Pursuant to Section 621(5)(F) of the ORBIT Act*, 20 FCC Rcd 11366 (2005).

Exchange and no former Inmarsat Signatory owns five percent or more of the company and the aggregate ownership by foreign governments is nominal.

Inmarsat, in an effort to respond to aggressive, highly competitive market forces, has continued to invest in new technologies for the diverse customer base who utilizes satellite services. Over the last several years, Inmarsat has invested well over \$1.5 billion in the deployment of its fourth-generation, Inmarsat 4 (“I-4”) satellite network, which is today providing innovative satellite services to the United States and globally on one of the most advanced mobile commercial communications satellites now in orbit. In 2008, Inmarsat launched the third of its fourth generation satellites, the I4F3, completing world-wide coverage for our broadband capabilities, including Broadband Global Area Network (BGAN). After the successful launch of the I4F3, Inmarsat undertook a major satellite fleet repositioning process that is now providing more efficient coverage for Inmarsat users.⁵ In addition, Inmarsat completed construction of and was granted Commission authorization for a Satellite Access Station in Paumalu, Hawaii to connect user terminal traffic to the public switched network and the Internet.⁶

In order to remain competitive in the dynamic market for satellite services, Inmarsat’s I-4 fleet has been designed and adapted to support a new class of novel IP-based communications, including BGAN service. Using highly portable and easily deployed “notebook sized” antennas that are one-third the size, weight, and price of traditional Inmarsat terminals, BGAN provides voice and broadband service at speeds of almost half a megabit per second. In 2007, Inmarsat

⁵ See, Inmarsat Press Release, Inmarsat Broadband Goes Global (Feb. 26, 2009) announcing completion of global coverage for Inmarsat broadband services.

⁶ See, File No. SES-LIC-20080306-00242, Call Sign E080059 (granted Dec. 18, 2008); File No. SES-MFS-20080228-00207, Call Sign KA 25 (granted Dec. 18, 2008).

launched companion BGAN services for aeronautical and maritime customers, known as SwiftBroadband and FleetBroadband and continues to improve service for its customers. Inmarsat will soon introduce world-wide Global Satellite Phone Service (GSPS) over its I-4 geostationary fleet with a modernized handset. This device is being optimized to operate over the I-4 network and is expected to be available in the United States in 2010.

At the same time, Inmarsat continues to provide innovative and reliable services for its aeronautical, maritime and land users. In February 2009, European carrier Ryanair joined other carriers and began offering GSM mobile phone service on several of its aircraft to passengers in the cabin using Inmarsat services for the link to the ground.⁷ Also in February 2009, Inmarsat service was used to repel pirates who tried to attack a bulk carrier in the Indian Ocean by allowing the ship to alert naval units in the vicinity as well as to provide piracy warnings in order to alert ships to incidents in the area.⁸ This month, in response to demand from broadcasters, Inmarsat announced the enhancement of land BGAN service to provide access to the world's fastest mobile video streaming by satellite.⁹

Most recently, on April 14, 2009, the last vestige of Inmarsat's IGO legacy came to an end with the expiration of Inmarsat's prior distribution arrangements, which favored the businesses established by former Signatories. Inmarsat has now entered into new, long-term arrangements that will enable all distributors of its services to compete on an even footing. Moreover, Inmarsat has completed the acquisition of the shares of Stratos Global Corporation,

⁷ See, Inmarsat News, Ryanair to Relay Passenger Mobile Phone Calls via Inmarsat (Feb. 19, 2009).

⁸ See, Inmarsat News, Pirates Thwarted Thanks to Inmarsat C (Feb. 13, 2009).

⁹ See, Inmarsat News, BGAN X-Stream Delivers Fastest Video Streaming (Apr. 20, 2009) announcing launch of BGAN X-Stream service offering video streaming rates of up to 450kbps.

thereby providing Inmarsat with the same type of mature retail distribution arm that its satellite operator competitors currently enjoy.

Inmarsat respectfully submits the above information to assist the Commission in preparing its forthcoming report to Congress.

Respectfully submitted,

/s/

Diane J. Cornell
Vice President, Government Affairs
INMARSAT, INC.
1101 Connecticut Avenue, N.W.
Suite 1200
Washington, D.C. 20036
Telephone: (202) 248-5155

April 29, 2009