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July 12, 2000

**ORIGINAL**

**BY COURIER VIA OFFICE OF THE SECRETARY**

Charles J. Iseman  
Chief, Spectrum Policy Branch  
Office of Engineering and Technology  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

**RECEIVED**

**JUL 12 2000**

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Re: Maritime Telecommunications Network, Inc.  
Application for Renewal of Experimental Authorization  
Station KI2XEE  
File No. 0100-EX-RR-1999

Dear Mr. Iseman:

On behalf of Maritime Telecommunications Network, Inc. ("MTN"), we submit this response to your recent verbal request for information, wherein you asked (1) whether MTN's earth stations aboard vessels ("ESVs") operating pursuant to experimental authorization KI2XEE are different from the ESVs operating pursuant to special temporary authority and (2) for MTN to provide the number of ships operating under each flag nation.

MTN is currently operating 33 ESVs pursuant to its experimental authorization from the FCC. This includes 27 earth stations on board commercial ships with foreign flags that occasionally visit United States ports and 6 earth stations on board United States Navy ships. The 6 Navy ships do not visit Naval ports within the territorial waters of the United States. The ESVs operating pursuant to experimental authority are different from the ESVs operating pursuant to STA in that the 40 earth stations currently operating pursuant to STA are on board ships that regularly visit the 17 ports where operations are authorized by the STA.

Listed below are the flag nations of the 33 ships that have on board earth stations owned by MTN and operating pursuant to MTN's experimental authorization:

Flag Nation	Number of Ships	Type of Ship
United States	6	Naval
Bahamas	5	Commercial
Liberia	10	Commercial
Netherlands	3	Commercial
Norway	2	Commercial
Panama	7	Commercial

For the 27 earth stations operating on board foreign-flagged ships, there are a number of reasons why it is appropriate that the earth stations are operating pursuant to the Commission's experimental authorization.

First, the earth stations do not belong to the owners of the ships. The earth stations are owned by MTN, which is a U.S. company. In other words, the ship owners are customers of MTN's service. As a result, it is MTN, and not the ship owners, which requires an authorization. From a conceptual point of view, this is similar to a VSAT/hub configuration. The citizenship of the customer (ship) is irrelevant to the provision of the service -- it is the location of the operator that conveys the jurisdiction. In essence, the situation is akin to someone bringing a mobile (or an INMARSAT) phone on board a ship. The phone belongs to the user rather than the ship, and neither the ship nor the user is providing the service. The service provider is the provider of the service with whom the user has the contract. In the case of MTN, it is MTN, via its hub in Holmdel, New Jersey that controls the service. Significantly, MTN can always shut off the service from the Holmdel hub instantly, without regard to instructions from the ship or its owners.

Second, the Commission's rules expressly recognize that shipboard earth stations may be owned by and licensed to operators distinct from ship owners. *See, e.g.*, Sections 80.1185 and 80.1189, of the mobile-satellite service rules. These rules specifically contemplate the license being issued to the owner of the earth station, with the owner of the earth station providing services on board the ship with the permission of the ship. It should also be noted that in the case of MTN, the earth stations are not mandatory equipment, and this is not a case in which the government is requiring certain equipment to be installed as a maritime safety measure. Where the issue is the flagging of the *ship*, and part of that flagging responsibility is ensuring that certain radio equipment is installed to meet the ship flagging safety standards of the licensing country, then the radio service may be deemed as originating with the ship, and the *ship* flagging country may appropriately concern itself with authorizing the radio equipment. Here, however, the ship owner merely elects to become a customer of a U.S.-based service, agreeing to all the terms and conditions of such service, including control and monitoring from the Holmdel hub.

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Third, the earth stations are controlled on a 24 hours per day, seven days a week basis at MTN's earth station in Holmdel, New Jersey. The system is a closed one, with the ships communicating only via the Holmdel hub earth station, with the earth stations operated on a private basis, and without a direct connection to the PSTN or other networks except through the hub.<sup>1</sup> The operator at Holmdel would be the party responsible to respond to all requests to discontinue service on a given ship for any reason,<sup>2</sup> and thus the jurisdiction in which the hub is located should be the licensing jurisdiction.<sup>3</sup> Having the Holmdel control point on an FCC license as the place of contact provides a convenient and accessible way for the FCC to order a shut-down in the event of an interference emergency, without trying to figure out how to contact the ship. In essence, the service is really provided out of Holmdel, within the United States, and the earth stations on the ships are effectively phone instruments that are used by the customers but are not owned by them.

Notwithstanding the foregoing, even if the Commission ultimately concludes that fleet licensing based on each ship's flagging nation is needed for high seas operations, it would still be appropriate for MTN to have Commission authorization for earth stations on board foreign ships for operations within United States territorial waters. Such authorization from the Commission would not be mutually exclusive with fleet licensing by the flagging authorities, as MTN would hold authorizations from both the Commission and from the flagging authorities.

Please refer any correspondence regarding this matter to the undersigned.

Very truly yours,



Helen E. Disenhaus  
Eliot J. Greenwald

cc: Service List

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<sup>1</sup> The only exception would be when a satellite hop plus private line terrestrial backhaul facilities are needed for the signal to travel from the ship to the Holmdel hub. However, in such instances, the backhaul facilities are private lines, and control functions are still handled out of Holmdel.

<sup>2</sup> Although the communications officer on board the ship can also shut down the earth station in an emergency, only MTN personnel can turn on the earth station and reestablish communications with the satellite. (In addition, the earth station shuts down automatically if the satellite link is lost.)

<sup>3</sup> We would also note that, because frequencies are shared among ships, and even commonly-owned ships may be registered in different countries, looking to the operator of the service as the responsible party is the only feasible approach.

**CERTIFICATE OF SERVICE**

I, Penny Jackson, hereby certify that on this 12<sup>th</sup> day of July, 2000, copies of the attached letter were sent via U.S. Mail, to the following:

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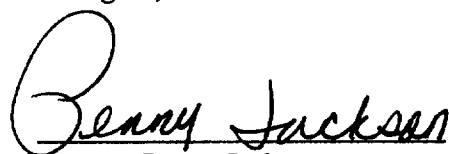
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