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August 28, 2006

VIA HAND DELIVERY

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Foreign Ownership of Thrane & Thrane Airtime Ltd.
File No. ISP-PDR-20060522-00007

Dear Ms. Dortch:

Pursuant to the recent request of Susan O'Connell of the Commission's International Bureau, what follows is supplemental and updated information relating to the above-captioned request by Thrane & Thrane Airtime Ltd. ("T&T Airtime") for a declaratory ruling that the public interest would not be served by prohibiting T&T Airtime's indirect foreign ownership in excess of the 25 percent benchmark set forth in Section 310(b)(4) of the Communications Act of 1934, as amended, 47 U.S.C. § 310(b)(4). This request for a declaratory ruling was filed in conjunction with the application of T&T Airtime for a blanket license to operate mobile earth station terminals communicating with Inmarsat to provide Broadband Global Area Network Services. File No. SES-LFS-20060522-00852

Supplemental and Updated Information. Applicant Thrane & Thrane Airtime Ltd. ("T&T Airtime") is wholly owned by Thrane & Thrane US Holdings Ltd. ("T&T US Holdings"), a Delaware corporation located at 509 Viking Drive, Suites K, L & M, Virginia Beach, Virginia 23452. T&T US Holdings, in turn, is a wholly owned subsidiary of Thrane & Thrane Airtime A/S, a Danish company, located at Lundtoftegardsvej 93 D, DK-2800 Kgs. Lyngby, Denmark. Thrane & Thrane Airtime A/S, in turn, is a wholly owned subsidiary of Thrane & Thrane A/S ("Thrane & Thrane"), a Danish company located at Lundtoftegardsvej 93 D, DK-2800 Kgs. Lyngby, Denmark.

The officers and directors of T&T Airtime A/S, all of whom are Danish citizens, are:

Henrik Lunde, Director
Svend Age Lundgaard Jensen, Director and CEO

Lars Thrane, Director and President

Thrane & Thrane is one of the world's leading manufacturers of terminals and land earth stations for global mobile satellite communication. Since its incorporation in 1981, the company has established through its carrier subsidiaries a strong position within global mobile satellite services based on the Inmarsat system, and today it provides equipment for land-based, maritime and aeronautical use. Further information about Thrane & Thrane can be found at: www.tt.dk.

Thrane & Thrane is a publicly traded corporation organized under the laws of the Kingdom of Denmark. The company's shares are listed on the Copenhagen Stock Exchange, and no shares confer any special rights upon any shareholder. Thrane & Thrane presently has over 1800 shareholders, but only four (4) shareholders hold more than 5% of the company's stock. These four shareholders are: Lars Thrane, a founder of the company (26.55%); Lonmodtagernes Dyrtdsfond ("LD"), a Danish investment retirement fund (8.89%); Pensionskassernes Administration ("PKA"), Denmark's oldest pension fund (6.59%); and Danske Capital, a large asset management company (6.23%), organized under the laws of the Kingdom of Denmark. Mr. Thrane is a citizen of the Kingdom of Denmark, and is the CEO of Thrane & Thrane and a member of the company's Board of Directors. LD Equity, PKA and Danske Capital are all companies organized under the laws of the Kingdom of Denmark. The addresses of the shareholders of Thrane & Thrane holding 5% or greater of the company's stock are:

Lars Thrane
Lundtoftegardsvej 93 D, DK-2800 Kgs.
Lyngby, Denmark

Lonmodtagernes Dyrtdsfond
Vendersgade 28, DK-1363
Copenhagen K
Denmark

Pensionskassernes Administration
Tuborg Boulevard 3, 2900
Hellerup, Denmark

Danske Capital
Strødamvej 46
DK-2100 Copenhagen Ø
Denmark

The next six largest shareholders of Thrane & Thrane collectively hold less than 15% of the company's stock. They are: Wanger Investment, a U.S. company (3.46%); Laererstandens Brandforsik, a Danish company (3.06%), Erland Thrane, a Danish citizen (2.34%); J.P. Morgan, a U.K. company (1.93%); Industriens Pensionsforsi, a Danish company (1.88%), and Topdanmark, a Danish company (1.59%).

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Collectively, at least 75% of the capital stock of Thrane & Thrane is held by Danish companies and individuals.

The corporate officers and directors of Thrane & Thrane, all of whom are Danish citizens, are:

Lars Thrane, Director, President
Waldemar Schmidt, Director
Morten-Eldrup Jorgensen, Director
Morten Christensen, Director
Gert H. Jensen, Director
Henrik Lunde, CEO
Svend Age Lundgaard Jensen, CFO

Denmark, the country where Thrane & Thrane is organized and headquartered, is a WTO Member country.

The majority of the tangible property, including production, transmission, billing, information and control facilities, of Thrane & Thrane is located in Denmark.

Thrane & Thrane derives its greatest sales and revenues from its operations from the United States and the United Kingdom.

Thrane & Thrane is also the parent company of Thrane & Thrane, Inc., a Delaware corporation which holds authority under Section 214 of the Communications Act of 1934, as amended, to serve as an Inmarsat Point of Service Activation for the United States and provide airtime to all International Points on a reseller basis in accordance with Section 63.18(e)(3) of the rules. See File No. ITC-214-20030424-00203. Thrane & Thrane Inc. is regulated as a non-dominant carrier, and in 2003, in connection with its acquisition of LandSea Systems, its predecessor-in-interest, voluntarily accepted conditions to its authorization requested by Executive Branch agencies to address national security, law enforcement and public safety issues.

Henrik Lunde, a director of Thrane & Thrane Airtime Ltd., is also a director of Thrane & Thrane and Thrane & Thrane Airtime A/S (both non-carriers), and of Thrane & Thrane, Inc.

Legal Framework.

The Commission considers the indirect foreign ownership of common carrier Title III license applicants pursuant to its public interest analysis under Section 310(b)(4) of the Act and

the Commission's foreign ownership policies adopted in its *Foreign Participation Order*.¹ As part of that analysis, the Commission considers any national security, law enforcement, foreign policy or trade policy concerns raised by the indirect foreign investment.²

Section 310(b)(4) of the Act establishes a 25% benchmark for investment by foreign individuals, corporations and governments in entities that control U.S. common carrier radio licensees. The section also grants the Commission discretion to allow higher levels of foreign ownership if it determines that such ownership is not inconsistent with the public interest. Thus, as the Commission has noted, "a foreign government, individual, or corporation may own, directly or indirectly, up to 100 percent of the stock of a U.S. holding company that holds a controlling interest in a common carrier or aeronautical radio licensee provided the Commission does not find the foreign ownership to be inconsistent with the public interest."³

In the Foreign Participation Order, the Commission unanimously concluded that the public interest would be served by permitting greater investment by individuals and entities from WTO Member countries in U.S. common carrier and aeronautical radio licenses. Accordingly, it afforded a rebuttable presumption by which the Commission presumes that foreign investment from WTO Member countries does not pose competitive concerns in the U.S. market.

Analysis.

In the instant case, Applicant respectfully submits that, pursuant to the above legal framework, the Commission should determine that the public interest would not be served by prohibiting the indirect foreign ownership of Applicant in excess of the 25% benchmark.⁴ As noted above, all foreign equity and voting interests are held by an entity headquartered, and has its principal place of business in Denmark, a WTO Member country. Accordingly, Applicant is entitled to a rebuttable presumption that its indirect foreign ownership would not pose a risk to competition in the US market, and there is no evidence to rebut this presumption. As noted also, Applicant's affiliate, Thrane & Thrane, Inc., has operated as a non-dominant common carrier, pursuant to Section 214 authorization, since 2003, and has voluntarily accepted conditions to its authorization requested by Executive Branch agencies to address national security, law enforcement and public safety issues. Against this background, consistent with

¹ *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market*, Report and Order and Order on Reconsideration, FCC 97-398, 12 FCC Rcd 23891 (1997) ("*Foreign Participation Order*"), Order on Reconsideration, FCC 00-339, 15 FCC Rcd 18158 (2000).

² See, e.g., *Petition of TelCove, Inc. for a Declaratory Ruling Pursuant to Section 310(b)(4) of the Communications Act of 1934, as amended*, DA 06-860, released April 14, 2006 ("*TelCove*").

³ "Foreign Ownership Guidelines For FCC Common Carrier and Aeronautical Radio Licenses," DA 04-3610 (International Bureau, November 17, 2004), p. 10.

⁴ In the instant case, the indirect foreign ownership of Applicant would exceed the 25% benchmark for both equity and voting interests, since Thrane & Thrane Airtime A/S, a Danish company, owns 100% of Applicant's US holding company parent Thrane & Thrane US Holdings Ltd., and controls all voting interests of Thrane & Thrane US Holdings Ltd.

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applicable Commission precedent, Applicant respectfully submits that it would not serve the public interest to prohibit the indirect foreign ownership described herein.⁵

Should the Commission have any further questions regarding the foreign ownership of the aforementioned companies, please feel free to contact the undersigned counsel directly.

Sincerely,



Eric Fishman

Counsel to Thrane & Thrane Airtime Ltd.

cc: Susan O'Connell
Howard Griboff
George Li
James Ball
Karl Kensinger
Scott Kotler

⁵ See, e.g., *TelCove, supra*; *Vodafone Americas Asia Inc.*, DA 02-1557, released July 1, 2002; *Intelsat, Ltd.*, DA 04-0434, released December 22, 2004.