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March 5, 2003

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

BY HAND

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

**Re: Northrop Grumman Space Technology & Mission Systems Corp.
(a unit of Northrop Grumman Corporation) Second Round Ka-
band GSO FSS System (FCC File No. SAT-AMD-19971222-
00229)**

Dear Ms. Dortch:

In an order released August 3, 2001 (see *TRW Inc.*, 16 FCC Rcd 14407 (Int'l. Bur. 2001)), the Commission granted TRW Inc. an authorization to construct, launch and operate a four-satellite Ka-band GSO FSS system. On September 3, 2002, in accordance with Section 25.161(a) of the Commission's Rules, TRW Inc. ("TRW") certified to the Commission that it had met its initial system implementation milestone for its 116.5° E.L. satellite. Following a Commission-authorized transfer of control and subsequent name change, effected in December 2002, TRW is now known as Northrop Grumman Space Technology & Mission Systems Corp. ("NGST").

On December 18, 2002, pursuant to a second follow-on inquiry from the Commission relating to the September 2002 milestone certification TRW made regarding its 116.5° E.L. satellite, TRW requested additional time to prepare a response to the Commission's latest inquiry. It informed the Commission that the delay was necessitated by the ongoing process of integrating operations and planning activities of the former TRW into the new structure of Northrop Grumman Corporation pursuant to the companies' December 11, 2002 merger.

Part of that process has now been completed. In view of the rapidly approaching implementation deadlines established in the Radio Regulations of the International Telecommunication Union, the completion by NGST of a comprehensive evaluation of the short-term business prospects of its proposed system, and the anticipated dramatic reductions in the length of the period between application for and licensing of space stations that are promised by the Commission's proposed revisions to its space station licensing rules in the rulemaking proceeding in IB Docket No. 02-34, NGST has now determined to surrender its licenses for the four-satellite Ka-band GSO system.



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NGST emphasizes that it is taking this action only to address the immediate-term prospects it sees for its authorized broadband satellite system at Ka-band. First as TRW, and now as part of Northrop Grumman, NGST has been committed to the scientific and commercial aspects of space for more than 40 years. During this time, it has produced, integrated, and tested more than 130 communications payloads and subsystems; developed more than 200 advanced space instruments; and integrated more than 550 experiments into their host spacecraft. It has no intention of deviating from its historical commitment now. In this regard, NGST intends to continue to play an active role in the development and advancement of Commission and U.S. satellite, advanced technology, and spectrum policies. Specifically, NGST intends to continue to prosecute its pending applications for a 40/50 GHz satellite system comprised of geostationary and non-geostationary orbit satellites (File Nos. SAT-LOA-19970904-00080 through -00084), as well as its pending application for a Ka-band non-geostationary orbit satellite system (File No. SAT-AMD-19971222-00219). NGST also emphasizes that a return to Ka-band geostationary licensure, either through the filing of a new application or through the resubmission of an amendment to its pending 40/50 GHz application, remains a strong possibility. This possibility would be significantly abetted by a Commission decision to replace the current filing-round-based space station licensing process with a reformed procedure that better accommodates applications that are driven by actual customer demand.

The decision to surrender its licenses at Ka-band is not one NGST makes lightly. NGST thanks the Commission in general, and the International Bureau in particular, for the support it has received during the long application phase of the Ka-band Second Round licensing proceeding. NGST looks forward to the continuation of its good relationship in the years to come.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Stephen D. Baruch', written over a horizontal line.

Stephen D. Baruch
*Attorney for Northrop Grumman Space
Technology & Mission Systems Corp.*

cc (by e-mail): Donald Abelson
Tom Tycz
Jennifer Gilsenan
Fern Jarmulnek