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March 28, 2005

VIA HAND DELIVERY

RECEIVED

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20054

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Federal Communications Commission Office of Secretary

Re: The Boeing Company

Authority for Use of the 1990-2025/2165-2200 MHz and Associated Frequency Bands for a Mobile-Satellite System FCC File Nos. 79-SAT-P/LA-97(16), 90-SAT-AMEND-98(20), IBFS Nos. SAT-LOA-19970926-00149, SAT-AMD-19980318-00021,

SAT-AMD-20001103-00159, SAT-MOD-20020726-00113, SAT-MOD-20030711-00128, SAT-AMD-20030827-00241,

and SAT-AMD-20040713-00132

Notice of Surrender of License and Withdrawal of Application

Dear Ms. Dortch:

The Boeing Company ("Boeing"), through its attorneys, hereby surrenders the above-referenced 2 GHz Mobile-Satellite Service ("MSS") license. Boeing hereby also withdraws its pending application as amended to modify its 2 GHz MSS license, FCC file numbers SAT-MOD-20030711-00128, SAT-AMD-20030827-00241 and SAT-AMD-20040713-00132.

Boeing's decision to surrender its license comes at a critical time for the MSS industry and should not be construed as indicating a lack of confidence by Boeing in the growing potential of MSS networks.

As a result of the Commission's foresight and leadership, consumers will soon be able to benefit from MSS networks that employ an ancillary terrestrial component ("ATC"). The Commission's February 25, 2005 order that provides for ATC authorization during the developmental phase of an MSS/ATC network is the key to financing the next generation

satellites that will provide handheld mobile communications services on a transparent, integrated and cost-effective basis.<sup>1</sup>

MSS networks have already greatly extended the reach of mobile communications services, making them available in rural and remote locations, including inhospitable and oceanic regions that will likely remain beyond the reach of terrestrial networks. Next generation ATC-enabled wireless satellite networks will begin to satisfy current expectations of the mass markets for full, ubiquitous coverage and vastly improved quality of service. Complementary MSS/ATC services will provide reliable communications in dense urban centers that are difficult to penetrate using a satellite-only platform. The inclusion of ATC will also enable MSS networks to provide increased user capacity in congested locations, such as at the site of disaster relief efforts. Integrated MSS/ATC networks will also be able to provide services at much lower prices using the economies of scale that are available to mass market consumer devices.

Following the Commission's decision two years ago to authorize MSS licensees to employ ATC services, Boeing has worked diligently to design, finance and construct an MSS satellite that incorporates the significant technical benefits of ATC. Boeing, however, has concluded that it cannot reasonably expect to complete this process prior to the final milestone deadline that was included in the July 17, 2001 order authorizing Boeing's 2 GHz MSS system.

Although Boeing is surrendering its 2 GHz MSS license, Boeing still hopes to participate in the development of integrated MSS/ATC networks as a leading manufacturer of MSS spacecraft. In this regard, Boeing urges the Commission to afford other 2 GHz MSS licensees adequate time to develop and construct ATC-enhanced MSS networks within a reasonable milestone framework. Boeing will also continue its leadership in making available satellite-based aeronautical and other mobile communications services through its Connexion by Boeing TM service.

<sup>&</sup>lt;sup>1</sup> See Flexibility for Delivery of Communications by Mobile Satellite Service Providers in the 2 GHz Band, the L-Band, and the 1.6/2.4 GHz Bands, Memorandum Opinion and Order and Second Order on Reconsideration, FCC 05-30, ¶ 89 (Feb. 25, 2005) (permitting 2 GHz MSS licensees to secure ATC authorization prior to launching MSS networks based on a demonstration that they will comply with their ATC gating requirements prior to providing ATC services).

Secretary Dortch Page 3 March 28, 2005

Boeing thanks the Commission and its staff for their many years of support for the MSS industry and for developing a regulatory environment that accommodates ATC-enhanced MSS networks. Please let us know if you have any questions.

Sincerely,

Joseph P. Markoski Bruce A. Olcott

Counsel for The Boeing Company