FCC APPLICATION FOR SPACE AND EARTH STATION: MOD OR AMD - MAIN FORM FCC Use Only FCC 312 MAIN FORM FOR OFFICIAL USE ONLY

#### APPLICANT INFORMATION

Enter a description of this application to identify it on the main menu:

AMC-9 DTH Amendment SATLOA2002011400008 (S2434)

1-8. Legal Name of Applicant

Name:

SES Americom, Inc.

**Phone Number:** 

609-987-4187

**DBA** 

Fax Number:

609-987-4233

Name:

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E-Mail:

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State:

NJ

Country:

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08540

-6684

Attention: Nancy J Eskenazi

international Bureau

### Attachment Conditions of Authorization June 15, 2004

Call Sign: S2434

File Nos.: SAT-LOA-20020114-00008; SAT-AMD-20021108-00212; SAT-AMD-20030722-00133 and SAT-STA-20040302-00026

- 1. SES Americom, Inc.'s application, File No. SAT-LOA-20020114-00008 as amended by File Nos. SAT-AMD-20021108-00212 and SAT-AMD-20030722-0133, Call Sign S2434, IS GRANTED and SES Americom, Inc. is authorized to operate its AMC-9 satellite at the 85° W.L. orbit location in the 3700-4200 MHz, 5925-6425 MHz, 11.7-12.2 GHz and 14.0-14.5 GHz bands in accordance with the terms, conditions, and technical specifications set forth in its application, as amended, and this Attachment.
- 2. The license term for the AMC-9 satellite, Call Sign S2434 is 15 years, starting from June 30, 2003, the date that SES Americom, Inc. commenced operations on the AMC-9 satellite at the 85° W.L. orbital location.
- 3. SES Americom's amendment, SAT-AMD-20021108-00212, Call Sign S2434, is GRANTED and SES Americom, Inc. is authorized to provide direct-to-home services over the AMC-9 satellite in accordance with SES AMERICOM, INC. Applications for Modification of Fixed-Satellite Service Space Station Licenses, *Order and Authorization*, 18 FCC Rcd 16589 (Int'l Bur. 2003).
- 4. SES Americom, Inc. shall prepare the necessary information, as may be required, for submission to the International Telecommunication Union ("ITU") to initiate and complete the advance publication, international coordination, due diligence, and notification process of this space station, in accordance with the ITU Radio Regulations. SES Americom, Inc. shall be held responsible for all cost recovery fees associated with these ITU filings. We also note that no protection from interference caused by radio stations authorized by other administrations is guaranteed unless coordination and notification procedures are timely completed or, with respect to individual administrations, by successfully completing coordination agreements. Any radio station authorization for which coordination has not been completed may be subject to additional terms and conditions as required to effect coordination of the frequency assignments of other administrations. See 47 C.F.R. § 25.111(b).
- 5. This action does not, in any way, prejudice Commission action on any pending requests by SES Americom concerning either operations at the 79° W.L. orbit location, or to relocate any of its satellites for the purposes of fleet management.
- 6. SES Americom Inc.'s request to extend its special temporary authority to continue to operate the AMC-9 satellite at 85° W.L., SAT-STA-20040302-00026, is dismissed as moot.
- 7. SES AMERICOM, Inc. is afforded thirty days from the date of adoption of this grant and authorization to decline this authorization as conditioned. Failure to respond within that period will constitute formal acceptance of the authorization as conditioned.
- 8. This grant is issued pursuant to Section 0.261 of the Commission's rules on delegated authority, 47 C.F.R. § 0.261, and is effective upon adoption. Petitions for reconsideration under

Section 1.106 or applications for review under Section 1.115 of the Commission's rules, 47 C.F.R.  $\S\S$  1.106, 1.115, may be filed within thirty days of the date of the public notice indicating that this action was taken.

9-16. Name of Contact Representative (If other than applicant)

Name:

Karis A. Hastings

**Phone Number:** 

202-637-5767

Company: Hogan & Hartson L.L.P.

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202-637-5910

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City:

Washington

State:

DC

Country:

**USA** 

Zipcode:

20004-1109

Contact

Title:

Relationship:

Legal Counsel

#### **CLASSIFICATION OF FILING**

17. Choose the button next to the classification that applies to this filing for both questions a. and b. Choose only one for 17a and only one for 17b.

- al. Earth Station
- a2. Space Station

(N/A) b1. Application for License of New Station

(N/A) b2. Application for Registration of New Domestic Receive-Only Station

- (N/A) b3. Amendment to a Pending Application
- (N/A) b4. Modification of License or Registration
- b5. Assignment of License or Registration
- b6. Transfer of Control of License or Registration
- (N/A) b7. Notification of Minor Modification

(N/A) b8. Application for License of New Receive-Only Station Using Non-U.S. Licensed Satellite

(N/A) b9. Letter of Intent to Use Non-U.S. Licensed Satellite to Provide Service in the United States

(N/A) b10. Other (Please specify)

17c. Is a fee submitted with this applicate If Yes, complete and attach FCC Form Governmental Entity Noncomme Other(please explain):	159. If No, indicate reason for fee exemption (see	ee 47 C.F.R.Section 1.1114).		
17d.  Fee Classification A CWY - Space Station Amendment (Geostationary)				
18. If this filing is in reference to an existing station, enter:	19. If this filing is an amendment to a pending application enter both fields, if this filing is a modification please enter only the file number:			
(a) Call sign of station: S2434	(a) Date pending application was filed: 01/10/2002	(b) File number: SATLOA2002011400008		

# TYPE OF SERVICE

20. NATURE OF SERVICE: This filing is for an authorization to provide	or use the following type(s) of service(s): Select all that apply:
a. Fixed Satellite b. Mobile Satellite c. Radiodetermination Satellite d. Earth Exploration Satellite e. Direct to Home Fixed Satellite f. Digital Audio Radio Service g. Other (please specify)	
21. STATUS: Choose the button next to the applicable status. Choose only one.  Common Carrier  Non-Common Carrier	22. If earth station applicant, check all that apply.  Using U.S. licensed satellites  Using Non-U.S. licensed satellites
23. If applicant is providing INTERNATIONAL COMMON CARRIER so facilities:  Connected to a Public Switched Network  Not connected to a leading to the connected	
24. FREQUENCY BAND(S): Place an 'X' in the box(es) next to all appear a. C-Band (4/6 GHz) b. Ku-Band (12/14 GHz)  c.Other (Please specify upper and lower frequencies in MHz.)  Frequency Lower: Frequency Upper:	oplicable frequency band(s).

## TYPE OF STATION

25. CLASS OF STATION: Choose the button next to the class of station that applies. Choose only one.
a. Fixed Earth Station
b. Temporary-Fixed Earth Station
c. 12/14 GHz VSAT Network
d. Mobile Earth Station
e. Geostationary Space Station
f. Non-Geostationary Space Station
g. Other (please specify)
26. TYPE OF EARTH STATION FACILITY:
Transmit/Receive Transmit-Only Receive-Only N/A

# PURPOSE OF MODIFICATION

27. The purpose of this proposed modification is to: (Place an 'X' in the box(es) next to all that apply.)				
a — authorization to add new emission designator and related service				
b — authorization to change emission designator and related service				
c — authorization to increase EIRP and EIRP density				
d — authorization to replace antenna				
e — authorization to add antenna				
f — authorization to relocate fixed station				
g — authorization to change assigned frequency(ies)				
h — authorization to add Points of Communication (satellites & Double				
i — authorization to change Points of Communication (satellites & amp; countries)				
j — authorization for facilities for which environmental assessment and				
radiation hazard reporting is required				
k Other (Please specify)				
ENVIRONMENTAL POLICY				
28. Would a Commission grant of any proposal in this application or amendment have a significant environmental impact as defined by 47 CFR 1.1307? If YES, submit the statement as required by Sections 1.1308 and 1.1311 of the Commission's rules, 47 C.F.R. 1.1308 and 1.1311, as an exhibit to this application. A Radiation Hazard Study must accompany all applications for new transmitting facilities, major modifications, or major amendments.				

ALIEN OWNERSHIP Earth station applicants not proposing to provide broadcast, common carrier, aeronautical en route or aeronautical fixed radio station services are not required to respond to Items 30-34.

29. Is the applicant a foreign government or the representative of any foreign government?	0	Yes	•	No	0	N/A
30. Is the applicant an alien or the representative of an alien?	0	Yes	•	No	0	N/A
31. Is the applicant a corporation organized under the laws of any foreign government?	0	Yes	•	No	0	N/A
32. Is the applicant a corporation of which any officer or director is an alien or of which more than one—fifth of the capital stock is owned of record or voted by aliens or their representatives or by a foreign government or representative thereof or by any corporation organized under the laws of a foreign country?	0	Yes	•	No	0	N/A
33. Is the applicant a corporation directly or indirectly controlled by any other corporation of which more than one—fourth of the capital stock is owned of record or voted by aliens, their representatives, or by a foreign government or representative thereof or by any corporation organized under the laws of a foreign country?	•	Yes	0	No	0	N/A

34. If any answer to questions 29, 30, 31, 32 and/or 33 is Yes, attach as an exhibit an identification of the aliens or Exh. A&B foreign entities, their nationality, their relationship to the applicant, and the percentage of stock they own or vote.

# **BASIC QUALIFICATIONS**

35. Does the Applicant request any waivers or exemptions from any of the Commission's Rules? If Yes, attach as an exhibit, copies of the requests for waivers or exceptions with supporting documents.	o Yes	<b>⊚</b> No
36. Has the applicant or any party to this application or amendment had any FCC station authorization or license revoked or had any application for an initial, modification or renewal of FCC station authorization, license, or construction permit denied by the Commission? If Yes, attach as an exhibit, an explination of circumstances.	O Yes	No     No
37. Has the applicant, or any party to this application or amendment, or any party directly or indirectly controlling the applicant ever been convicted of a felony by any state or federal court? If Yes, attach as an exhibit, an explination of circumstances.	O Yes	<b>⊚</b> No

38. Has any court finally adjudged the applicant, or any person directly or indirectly controlling the applicant, guilty of unlawfully monopolizing or attempting unlawfully to monopolize radio communication, directly or indirectly, through control of manufacture or sale of radio apparatus, exclusive traffic arrangement or any other means or unfair methods of competition? If Yes, attach as an exhibit, an explanation of circumstances	O Yes	<b>⊚</b> No
39. Is the applicant, or any person directly or indirectly controlling the applicant, currently a party in any pending matter referred to in the preceding two items? If yes, attach as an exhinit, an explanation of the circumstances.	O Yes	<b>⊚</b> No
40. If the applicant is a corporation and is applying for a space station license, attach as an exhibit the names, address, and citizenship of those stockholders owning a record and/or voting 10 percent or more of the Filer's voting stock and the percentages so held. In the case of fiduciary control, indicate the beneficiary(ies) or class of beneficiaries. Also list the names and addresses of the officers and directors of the Filer.		
41. By checking Yes, the undersigned certifies, that neither applicant nor any other party to the application is subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Act of 1988, 21 U.S.C. Section 862, because of a conviction for possession or distribution of a controlled substance. See 47 CFR 1.2002(b) for the meaning of "party to the application" for these purposes.		O No

42a. Does the applicant intend to use a non-U.S. licensed satellite to provide service in the United States? If Yes, answer 42b and attach an exhibit providing the information specified in 47 C.F.R. 25.137, as appropriate. If No, proceed to question 43.

O Yes

**N**o

42b. What administration has licensed or is in the process of licensing the space station? If no license will be issued, what administration has coordinated or is in the process of coordinating the space station? N/A

43. Description. (Summarize the nature of the application and the services to be provided). (If the complete description does not appear in this box, please go to the end of the form to view it in its entirety.)

SES Americom, Inc. amends its application for AMC-9 to request authority to provide direct-to-home service.

Att. 1

#### CERTIFICATION

The Applicant waives any claim to the use of any particular frequency or of the electromagnetic spectrum as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and requests an authorization in accordance with this application. The applicant certifies that grant of this application would not cause the applicant to be in violation of the spectrum aggregation limit in 47 CFR Part 20. All statements made in exhibits are a material part hereof and are incorporated herein as if set out in full in this application. The undersigned, individually and for the applicant, hereby certifies that all statements made in this application and in all attached exhibits are true, complete and correct to the best of his or her knowledge and belief, and are made in good faith.

144. Applicant is a (an): (Choose tr	e button next to applicable response	z.)		
O Individual				
O Unincorporated Association				
O Partnership				
© Corporation				
G Governmental Entity				
Other (please specify)				
(				
45. Name of Person Signing Nancy J. Eskenazi		46. Title of Person Signi Vice President and Asso		
47. Please supply any need attach	ments.			
Attachment 1:	Attachment 2:		Attachment 3:	
(U.S. Code	ATEMENTS MADE ON THIS FOR e, Title 18, Section 1001), AND/OR Title 47, Section 312(a)(1)), AND/C	REVOCATION OF ANY S	TATION AUTHORIZATIO	

#### FCC NOTICE REQUIRED BY THE PAPERWORK REDUCTION ACT

The public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the required data, and completing and reviewing the collection of information. If you have any comments on this burden estimate, or how we can improve the collection and reduce the burden it causes you, please write to the Federal Communications Commission, AMD-PERM, Paperwork Reduction Project (3060-0678), Washington, DC 20554. We will also accept your comments regarding the Paperwork Reduction Act aspects of this collection via the Internet if you send them to jboley@fcc.gov. PLEASE DO NOT SEND COMPLETED FORMS TO THIS ADDRESS.

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

In the Matter of Amendments of	)
	)
SES AMERICOM, INC.	) File No. SAT-AMD
	)
To Applications for Fixed-Satellite Service	)
Space Station Licenses	)

#### AMENDMENTS OF SES AMERICOM, INC.

SES AMERICOM, Inc. ("SES AMERICOM" or "AMERICOM") hereby amends its pending applications relating to the following fixed-satellite service space stations: AMC-9 (File No. SAT-LOA-20020114-00008), AMC-10 (File No. SAT-LOA-20020104-00001), AMC-11 (File No. SAT-LOA-20020104-00002), GSTAR 4 (File No. SAT-MOD-20020628-00094), Satcom C-4 (File No. SAT-STA-20021002-00185) and SN-4 (File No. SAT-STA-20021025-00197). Specifically, SES AMERICOM seeks any necessary authority to enter into agreements with new customers to provide space segment used to deliver direct-to-home ("DTH") services over these fixed-satellite service ("FSS") facilities. All DTH services will be provided on a non-common carrier, subscription basis.¹ No changes to the other operational or technical characteristics of the satellites are proposed. Grant of the applications as amended will make clear that SES AMERICOM has the same authority to provide DTH delivery as other U.S.-licensed satellite operators. As a

SES AMERICOM also requests that the licenses for GSTAR 4 and SN-4 be classified as non-common carrier.

result, it will promote competition in the satellite services market and will serve the public interest.

#### I. BACKGROUND

SES AMERICOM is submitting the instant amendment to remove any question regarding the scope of its authority to provide satellite services. SES AMERICOM should be authorized to provide all the services that other U.S. licensees can provide, including the delivery of DTH services.

SES AMERICOM is a leading provider of satellite telecommunications. Since 1976, SES AMERICOM (formerly GE American Communications, Inc.) has offered a wide variety of C-band and Ku-band satellite services to the public. Numerous customer-owned earth stations access SES AMERICOM's satellite fleet directly, and millions of receive-only stations currently receive video and audio transmissions from service providers that utilize capacity on SES AMERICOM's fleet. SES AMERICOM also has authority to launch and operate a Ka-band global satellite system and has a pending application for authority for a global satellite system to operate in the V-band.

Last fall the International and Wireless Bureaus (the "Bureaus")
granted authority for SES Global S.A. ("SES Global") to acquire control of
AMERICOM.<sup>2</sup> The Bureaus found that the transfer was in the public interest and

See General Electric Capital Corporation and SES Global S.A., Order and Authorization, DA 01-2100 (Int'l Bur. & Wireless Tel. Bur. rel. Oct. 2, 2001) ("Transfer Order"); General Electric Capital Corporation and SES Global S.A., Supplemental Order, DA 01-2482 (Int'l Bur. & Wireless Tel. Bur. rel. Oct. 26, 2001).

would promote competition in the U.S. domestic and international communications services markets. Transfer Order at ¶ 2. The Bureaus analyzed the transaction pursuant to Sections 310(a) and (b) of the Communications Act and determined that it would not serve the public interest to prohibit the proposed indirect foreign ownership of AMERICOM by SES Global in excess of the statutory 25 percent benchmark. Id. In making this determination, the Bureaus found that SES Global and certain of its foreign shareholders were from member countries of the World Trade Organization ("WTO"). Id. at ¶ 30.

In a footnote to the *Transfer Order*, the Bureaus noted that the presumption in favor of foreign entry by entities from WTO member countries does not apply to three services that were excluded from the United States' market-opening commitments under the WTO Basic Telecom Agreement: DTH, Direct Broadcast Satellite ("DBS"), and Digital Audio Radio Service. *Id.* at n.110. The footnote stated that the transferors did not provide these services and that SES Global would need additional authority before it could provide such services to, from, or within the United States. *Id.* 

At the time of the merger, AMERICOM did not offer DTH services directly to consumers and does not today. However, AMERICOM sold transponder capacity to entities that use the space segment to deliver DTH services and so advised the Commission. See Transfer Order at n.13. SES AMERICOM continues to provide such capacity to customers under agreements that were in place prior to the merger or extensions of those agreements.

SES AMERICOM requests that the Commission grant the applications as amended to confirm that the company has all necessary authority to enter into new agreements for the delivery of DTH services to, from, or within the United States.

SES AMERICOM should have no restrictions on its authority that other U.S.-licensed satellite operators do not have.

#### II. GRANT OF THE REQUESTED AUTHORITY IS PRO-COMPETITIVE AND IN THE PUBLIC INTEREST

Grant of SES AMERICOM's applications as amended will ensure a level playing field among U.S.-licensed satellites, enhancing competition in the satellite market and furthering the public interest. The Bureaus have already determined that the foreign ownership of SES AMERICOM is consistent with statutory requirements under Section 310 and poses no threat to competition in either the U.S. domestic or international telecommunications markets. *Transfer Order* at ¶ 46. The facts support extending the same finding to SES AMERICOM's provision of DTH services to the extent that it is deemed to engage in them.

# A. The Amendment Will Put SES AMERICOM on the Same Footing as Competing U.S. Satellite Licensees

Grant of the requested licenses as amended will confirm that SES AMERICOM is entitled to provide the same range of services as other U.S. licensees.<sup>4</sup> SES AMERICOM competitors (including PanAmSat, Intelsat and

Because SES AMERICOM is a U.S. licensee, the ECO-SAT test adopted by the Commission in the *DISCO II* proceeding is inapplicable to SES AMERICOM's request for DTH authority. See Amendment of the Commission's Regulatory Policies to Allow Non-U.S. Licensed Space Stations to Provide Domestic and International

others) currently offer DTH services.<sup>5</sup> Therefore, any restrictions on SES AMERICOM's ability to provide such services would distort competition in the satellite services market by artificially narrowing the choices available to customers seeking transmission capacity for distribution of DTH services. Customers who might otherwise select SES AMERICOM based on the price and quality of service offered might be forced to seek service instead from a competing operator whose service package is less attractive but who has unrestricted authority to offer DTH capacity. SES AMERICOM and its prospective customers will be harmed, and our competitors will enjoy an unwarranted competitive advantage.

There would be no justification for such a skewing of competition in the market to the detriment of customers. By granting SES AMERICOM's applications as amended, the Commission can ensure that the company does not face unfair restrictions on its ability to compete.

# B. The Commission Has Determined that Foreign Ownership of DTH Providers Does Not Raise Special Concerns

Grant of the authority requested by SES AMERICOM is also consistent with the Commission's recent decision regarding foreign ownership of DBS and DTH providers. That decision makes clear that placing regulatory

Satellite Service in the United States, Report and Order, 12 FCC Rcd 24094, 24099 (1997).

<sup>5</sup> See, e.g., http://www.panamsat.com/services/direct.asp; http://www.panamsat.com/services/ft\_video.asp; http://www.intelsat.com/services/services\_broadcast.asp.

restrictions on foreign ownership of subscription video providers would be contrary to the Commission's pro-competitive and deregulatory policies.

In its order incorporating the DBS service rules into Part 25 and making certain revisions to the rules, the Commission decided to eliminate Section 100.11, which addressed foreign ownership.<sup>6</sup> The rule tracked the requirements of Sections 310(a) and (b) of the Communications Act but applied only to DBS operators. In its analysis of whether to retain the rule, the Commission noted that prior decisions had held that Section 310(b) of the Act does not apply to DBS providers that offer subscription services. *Id.* at 11346-347. The Commission concluded that "there is no public policy justification for imposing foreign ownership restrictions on DBS providers that are not subject to such restrictions under Section 310(b)." *Id.* at 11348.

The Commission identified several reasons to eliminate Section 100.11. The Commission noted that services that compete with DBS, including DTH services over FSS facilities and cable television services, are not subject to foreign ownership restrictions. As a result, eliminating restrictions on DBS providers would "allow DBS to compete on a more equal regulatory basis." *Id.* The Commission also found that "eliminating foreign ownership restrictions on subscription DBS and DTH service providers will promote flexible investment policies." *Id.* (footnote omitted). Finally, the Commission stated that eliminating

See Policies and Rules for the Direct Broadcast Satellite Service, Report and Order, 17 FCC Rcd 11331, 11345-348 (2002) ("DBS Rules Order").

the rule would clarify the Commission's eligibility policies by eliminating uncertainty about the applicability of alien ownership requirements. *Id*.

The Commission went on to consider whether foreign ownership limitations similar to those contained in Section 100.11 should be extended to providers of subscription DTH over FSS facilities. The Commission noted that the comments did not support imposing such new restrictions, which would be administratively burdensome and could unnecessarily restrict demand for U.S. satellite capacity. *Id.* at 11348-349.7 The Commission concluded that imposing new foreign ownership restrictions on DTH providers was unwarranted:

We believe that adopting foreign ownership rules for DTH-FSS licensees providing subscription services would affect the competitiveness of DBS, DTH and of the MVPD markets, which would be inconsistent with the Commission's efforts to increase competition in the MVPD market. Furthermore, we have traditionally taken a deregulatory approach to DTH-FSS and have refrained from imposing unnecessary regulations. As is the case for DBS, we will apply the requirements set forth in *DISCO II* in deciding questions of access to the U.S. market by non-U.S. licensed satellites.

Id. at 11349 (footnotes omitted).

A number of commenters argued that placing special foreign ownership limits on DBS or DTH providers was unnecessary and would be counterproductive. See, e.g., Comments of PanAmSat Corporation, IB Dkt. No. 98-21 at 5-7 (filed Apr. 6, 1998); Comments of Loral Space & Communications Ltd., IB Dkt. No. 98-21 at 6 (filed Apr. 6, 1998); Comments of the News Corporation Limited, IB Dkt. No. 98-21 at 8-10 (filed Apr. 6, 1998); Reply Comments of Primestar, Inc., IB Dkt. No. 98-21 at 7-8 (filed Apr. 21, 1998).

Under these policies, U.S.-licensed providers of subscription DBS or DTH are free to accept indirect foreign investment without seeking any FCC consent as long as there is no transfer of control of the licensed provider. For transactions involving a transfer of control, the foreign investment would be evaluated only under the Commission's general public interest authority pursuant to Section 310(d) of the Communications Act.<sup>8</sup>

In order to avoid the competitive harms identified by the Commission, all U.S.-licensed satellites should be subject to the same requirements. In eliminating Section 100.11 from the DBS rules and rejecting the proposal to extend the rule to DTH providers, the Commission made a clear policy judgment in favor of competitive equity and against imposing unnecessary restrictions on DBS and DTH ownership. That policy judgment strongly supports issuance of the amended licenses here.

# C. SES AMERICOM's Full Participation in the DTH Market Will Serve the Public Interest

Grant of the applications as amended will promote the public interest. By clarifying the scope of SES AMERICOM's authority, the Commission will ensure that competition among U.S. licensees for DTH-related business is not artificially limited. The foreign ownership of SES AMERICOM creates no risks of adverse effects in the U.S. market.

See, e.g., Orbital Communications Corporation and Orbcomm Global, L.P., Order and Authorization, 17 FCC Rcd 4496, 4506-07 (Int'l Bur. 2002) (evaluating foreign ownership of licensee with non-common carrier earth station and space station authorizations under 310(d) public interest test).

In the *Transfer Order* the Bureaus made specific findings that the acquisition of AMERICOM by the primarily foreign-owned SES Global was consistent with the public interest. The Bureaus evaluated the license transfers under Sections 310(a), (b) and (d) and under Section 214(a) and determined in each instance that the transaction met the applicable statutory standards. *See Transfer Order* at  $\P$  2, 16-52.

For example, the *Transfer Order* expressly rejected the suggestion that SES Global could achieve and exercise market power in the provision of any satellite services in the United States. The Bureaus observed that:

many authorized satellite systems are capable of carrying numerous types of signals, including those used for video, telephone, Internet, or data transmission in the United States. Geographic coverage and use of authorized frequency bands are the only limitations on the types of transmission services such satellite systems may provide. In fact we understand that there is currently an abundance of satellite capacity.

Id. at ¶ 38 (footnote omitted). In response to a concern expressed about AMERICOM's carriage of national cable television networks, the Bureaus determined that "competitive pressure by existing firms that already offer such services and by newly authorized systems that could offer similar services would likely prevent SES Global from exercising market power." Id. at ¶ 39.

The same findings are applicable to SES AMERICOM's provision of capacity for DTH services. As noted above, AMERICOM's current and potential DTH customers are programming distributors seeking transmission for their

product. These entities are typically U.S. companies that package and distribute a range of video and audio offerings for receipt by home satellite dish owners. Some programming packages are designed for mass market appeal, while others may be targeted for specific niche markets, such as foreign-language programming. In selecting a satellite carrier from among the competing operators, a distributor's incentive is to purchase service from the provider with the best combination of features for the best price.

SES AMERICOM can attract new customers only through offering an attractively priced service package – it has no special competitive advantages.

Particularly in the current market when there is substantial unused satellite capacity available, prospective customers have every reason to shop around to get the best possible deal.

Grant of the requested authority will promote customer welfare by ensuring that distributors can choose from a broader range of service providers. Because there is no risk that SES AMERICOM's full participation in the DTH market would result in any competitive harm, there is no reason to artificially restrict customers' options. SES AMERICOM should be accorded the same ability to compete for DTH carriage as other U.S.-licensed satellite operators.

#### III. CONCLUSION AND CERTIFICATION

For the foregoing reasons, SES AMERICOM respectfully requests that the Commission grant the pending applications as amended to include any necessary authority for SES AMERICOM to offer DTH services using FSS

facilities. Grant of the requested authority will ensure that SES AMERICOM faces no limitations on its authority that do not apply to other U.S. licensees. SES AMERICOM hereby certifies that no party to this application is subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

Respectfully submitted,

SES AMERICOM, INC.

Of Counsel
Peter A. Rohrbach
Karis A. Hastings
Hogan & Hartson L.L.P.
Washington, D.C. 20004-1109

Tel: (202) 637-5600 Fax: (202) 637-5910

Dated: November 7, 2002

By: /s/ Nancy J. Eskenazi
Nancy J. Eskenazi
Vice President and Associate
General Counsel
SES AMERICOM, Inc.
Four Research Way
Princeton, NJ 08540

#### **EXHIBIT A**

#### Alien Ownership

SES AMERICOM is a wholly-owned, indirect subsidiary of SES Global S.A. ("SES Global"), a Luxembourg company. Non-U.S. citizens hold an economic interest of approximately 70% and voting power of approximately 80% in SES Global.

Currently, the major non-U.S. shareholders of SES Global are:

Deutsche Telekom, A.G. ("Deutsche Telekom"), through two wholly-owned subsidiaries, holds shares of SES Global representing an economic interest of approximately 13% and voting power of approximately 11%. Deutsche Telekom is a corporation organized and existing under the laws of the Federal Republic of Germany, with its headquarters in Bonn. Its principal business is the provision of telecommunications and information services. The Government of Germany and Kreditanstalt fuer Wiederaufbau together own about 45% of Deutsche Telekom. Applying the multiplier effect, their indirect economic interest in SES Global is approximately 6% and indirect voting power is approximately 5%.

Banque et Caisse d'Epargne de l'Etat ("BCEE") and Société Nationale de Crédit et d'Investissement ("SNCI"), each of which is an institution created by act of the Luxembourg Parliament and 100% owned by the State of Luxembourg, own shares of SES Global, as does the State of Luxembourg. Together, the State and these two institutions own a combined total economic interest of 16.67% and voting power of 34.90% in SES Global. The principal business of both BCEE and SNCI is financial services.

The remaining shares of SES Global owned by non-U.S. holders are held either directly or through Fiduciary Depositary Receipts traded on the Luxembourg and Frankfurt stock exchanges. These holdings constitute approximately 40% of the economic interest and 33% of the voting interest.

The non-U.S. ownership interests described in this Exhibit A are consistent with the foreign ownership limitations established by the Commission in

See Reply in Support of Applications for Consent to Transfer of Control, Voicestream Wireless Corporation, Powertel, Inc. and Deutsche Telekom A.G., IB Docket 00-187.

<sup>&</sup>lt;sup>2</sup> See 47 C.F.R. § 63.09, note 2.

its Order and Supplemental Order approving the transfer of control of GE American Communications, Inc. to SES Global<sup>3</sup> and its recent Grant of Authority authorizing additional foreign ownership in SES Global.<sup>4</sup>

General Electric Capital Corporation and SES Global S.A., Order and Authorization, DA 01-2100 (rel. Oct. 2, 2001) ("Order"); General Electric Capital Corporation and SES Global S.A., Supplemental Order, DA 01-2482 (rel. Oct. 26, 2001 ("Supplemental Order").

SES Americom, Inc., Petition for Declaratory Ruling, *Grant of Authority*, DA No. 02-2060 (Int'l Bur. Aug. 22, 2002).

#### EXHIBIT B

#### List of Stockholders, Officers and Directors

The applicant, SES AMERICOM, Inc. ("AMERICOM"), is an indirect wholly-owned subsidiary of SES Global S.A. ("SES Global"). SES Global's ownership of AMERICOM is achieved through the instrumentality of five subsidiaries of SES Global. The capital stock of AMERICOM is directly held by SES Global-Americas, Inc., which in turn is owned by SES Subsidiary Inc. 23, SES Subsidiary Inc. 24, SES Subsidiary Inc. 25 and SES Subsidiary Inc. 26. With the exception of SES Global, all of these companies are U.S. corporations.

SES Global is a Luxembourg company, formed for the purpose of holding indirectly 100% of the shares of AMERICOM and directly 100% of the shares of Société Européenne des Satellites S.A. ("Astra"), as well as other non-European and non-U.S. satellite interests that were formerly owned by AMERICOM and Astra. Through its subsidiaries and affiliates, SES Global engages in the provision of satellite services in North and South America, Europe and Asia.

SES Global has offices at L-6815 Chateau de Betzdorf, Luxembourg. The address of the intermediary holding companies is 4 Research Way, Princeton, NJ 08540.

The directors of SES AMERICOM are:

Romain Bausch Robert Bednarek Dean Olmstead Ferdinand Kayser Jürgen Schulte René Steichen

The address for Mr. Olmstead is SES AMERICOM, Inc., 4 Research Way, Princeton, NJ 08540. The address of Messrs. Bausch, Bednarek, Steichen, Schulte and Kayser is SES Global S.A., L-6815 Chateau de Betzdorf, Luxembourg. Mr. Olmstead and Mr. Bednarek are U.S. nationals; Messrs. Bausch, Steichen and Kayser are Luxembourg nationals; and Mr. Kayser is a German national.

The senior management officers of SES AMERICOM are

Dean A. Olmstead President and Chief Executive Officer

Walter H. Braun
Paula Fairley
Andreas M. Georghiou
Robert Phelan
Senior Vice President
Senior Vice President
Senior Vice President
Senior Vice President

John Repko Senior Vice President/CIO

Michael Agostinelli
William Berman
Brent Bruun
Carl Capista
Darlene Freeman
Daniel J. Harel

Vice President
Vice President
Vice President
Vice President
Vice President

Robert J. Kisilywicz Senior Vice President

Richard A. Langhans

Monica Morgan

John A. Nelsen

Michael J. Noon

Orlando Skelton

Vice President

Vice President

Vice President

Vice President

Maureen Offord Assistant Treasurer - Taxes Stanley Konopka Assistant Treasurer - Taxes Hanaa Nasr Assistant Treasurer - Taxes

Nancy J. Eskenazi Vice President, Assistant Secretary
David J. Lidstone Vice President, Assistant Secretary

Mara L. Yoelson Assistant Secretary

The address of all the officers is SES AMERICOM, Inc., 4 Research Way, Princeton, NJ 08540. All of the officers are U.S. nationals.

The names, addresses, and citizenship of stockholders owning of record and/or voting 10 percent or more of SES Global's voting stock are:

1. General Electric Capital Corporation ("GE Capital") holds shares of SES Global representing an economic interest of 30.72% and voting power of 21.04%. GE Capital is a corporation organized under the laws of New York. GE Capital engages in a broad spectrum of financial services, including distribution, sales financing, commercial and industrial financing, real estate, transportation and reinsurance. GE Capital's address is as follows:

General Electric Capital Corporation 260 Long Ridge Road Stamford, CT 06927

2. Deutsche Telekom, A.G. ("Deutsche Telekom") holds shares of SES Global representing an economic interest of 13.15% and voting power of 11.02%. Deutsche Telekom is a corporation organized and existing under the laws of the Federal Republic of Germany. Deutsche Telekom and its subsidiaries and affiliates provide a wide range of telecommunications services in Germany and other parts of Europe and the United States. Deutsche Telekom's address is as follows:

Deutsche Telekom, A.G. Friedrich-Ebert-Allee 140 53113 Bonn, Germany

3. The State of Luxembourg and Banque et Caisse d'Epargne de l'Etat ("BCEE") and Société Nationale de Crédit et d'Investisement ("SNCI"), each of which is an institution created by act of the Luxembourg Parliament and 100% owned by the State of Luxembourg, hold shares of SES Global, representing a combined total economic interest of 16.67% and voting power of 34.90%. The principal business of both BCEE and SNCI is financial services. The addresses of BCEE and SNCI are as follows:

Banque et Caisse d'Epargne de l'Etat 1, place de Metz L-2954 Luxembourg

Société Nationale de Crédit et d'Investisement 7, place du St. Esprit L-1475 Luxembourg

The address for the State of Luxembourg is Ministry of State, 4 rue de la Congregation, L-2910, Luxembourg.