



ORIGINAL

Jan. 6, 2005

RECEIVED

JAN - 7 2005

Via Hand Delivery

Ms. Marlene H. Dortch, Secretary
 Federal Communications Commission
 445 12th Street, S.W.
 Washington, D.C. 20554

Federal Communications Commission
 Office of Secretary

Re: Mobile Satellite Ventures Subsidiary LLC
Ex Parte Presentation
IB Docket No. 01-185
File No. SAT-MOD-20031118-00333 (ATC application)
File No. SAT-AMD-20031118-00332 (ATC application)
File No. SES-MOD-20031118-01879 (ATC application)

Dear Ms. Dortch:

Continental Mobile Communications, (CMC), hereby urges the Commission to afford L-band Mobile Satellite Service ("MSS") operators greater flexibility in their provision of an Ancillary Terrestrial Component ("ATC"), as requested by Mobile Satellite Ventures LP ("MSV") in the above-captioned proceedings. The increased flexibility requested by MSV will ensure that next-generation MSS systems in the L-band can finally achieve the ubiquitous coverage, capacity, and economies of scale needed for a true consumer service. In contrast, the restrictions on L-band ATC advocated by Inmarsat Ventures plc ("Inmarsat") will only ensure that MSS forever remains a niche service catering to price-insensitive users operating in remote areas.

CMC has provided MSS since 1996 using the L-band satellites of MSV and Mobile Satellite Ventures (Canada) Inc. CMC currently provides voice and data services to end user customers throughout the United States. CMC primarily serves customers in the State of Arizona as well as other markets throughout the U.S.

While CMC has developed a viable business that includes current-generation MSS satellites to serve niche markets, we are excited about the future potential for MSS when supplemented with ATC. To date, MSS has been characterized by suitcase-sized user terminals, limited coverage, low data rates, and equipment and service prices far exceeding that offered by terrestrial wireless operators. Because the market for this type of service is small, the economies of scale needed to drive down equipment and service prices have not developed. With ATC, however, MSS has the potential to evolve into a true consumer service. ATC will provide the coverage, capacity, and economies of scale needed to bring MSS equipment and service prices to affordable levels. Moreover, by overcoming satellite signal blockage in urban areas, ATC will allow MSS to become a truly ubiquitous service, allowing service providers to market their

ALTEL[®]
 Authorized Agent

No. of Copies rec'd 078
 List ABCDE

Ms. Marlene H. Dortch
[Date]
Page 2



products to customers not only in rural and remote areas but to customers in the most densely populated urban cores as well.

CMC understands that concerns of potential interference that could delay MSV's development of a next-generation MSS system. These concerns are overstated and speculative. For example, our customers will continue to use their satellite-only terminals after MSV deploys ATC, but we are not concerned that these terminals will experience interference from MSV's ATC base stations. This is because our customers do not use their satellite-only terminals in areas where MSV is expected to deploy base stations to overcome satellite signal blockage. By definition, if MSV needs to deploy an ATC base station to overcome signal blockage, our satellite-only terminals will not work effectively in those areas.

The Commission is at a crossroads in the development of MSS technology. CMC urges the Commission to follow the path of innovation and better consumer service by adopting MSV's proposals for increased flexibility for ATC in the L-band.

Very truly yours,

A handwritten signature in black ink, appearing to read "S. Fivelson", is written over a horizontal line.

Steve Fivelson
President
Continental Mobile Communications

