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September 2, 2015

202.747.1930 direct  
bweimer@sheppardmullin.com

File Number: 37BA-196263

VIA HAND DELIVERY

Accepted / Filed

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

SEP - 2 2015

Federal Communications Commission  
Office of the Secretary

Re: REQUEST FOR CONFIDENTIAL TREATMENT  
Satmex Milestone Certification; Call Sign S2926.

Dear Ms. Dortch:

Satélites Mexicanos, S.A. de C.V. ("Satmex") respectfully requests that, pursuant to Sections 0.457 and 0.459 of the Commission's rules,<sup>1</sup> the Commission withhold from public inspection and accord confidential treatment to Exhibit E (Milestone Payment Plan and Termination Liability Schedule) to the satellite construction contract between Boeing Satellite Systems, International ("Boeing") and Satmex, as well as the corresponding declaration made by Iris Sánchez Gutiérrez Gómez (together, the "Supplemental Submissions"). The Supplemental Submissions are provided to supplement Satmex's previously filed demonstration of compliance with the first three geostationary satellite implementation milestones for the Satmex 9 satellite.<sup>2</sup>

The Supplemental Submissions contain confidential and commercially sensitive information that falls within Exemption 4 of the Freedom of Information Act.<sup>3</sup> Exemption 4 allows entities to withhold from public information "trade secrets and commercial or financial information obtained from a person and privileged or confidential."<sup>4</sup> Section 0.457(d)(2) of the Commission's rules allows persons submitting materials that they wish to be withheld from public inspection in accordance with Section 552(b)(4) to file a request for non-disclosure,

<sup>1</sup> 47 C.F.R. §§ 0.457, 0.459.

<sup>2</sup> See *Satélites Mexicanos, S.A. de C.V., Demonstration of Compliance with First Three Satellite Implementation Milestones*, Call Sign S2926, File Nos. SAT-LOI-20140617-00070 and SAT-AMD-20141119-00123 (filed Aug. 24, 2015).

<sup>3</sup> 5 U.S.C. §552(b)(4); 47 C.F.R. § 0.457(d).

<sup>4</sup> 5 U.S.C. §552(b)(4).

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pursuant to Section 0.459.<sup>5</sup> In accordance with the requirements contained in Section 0.459(b) for such requests, Satmex states as follows:

**1. Identification of the Specific Information for Which Confidential Treatment Is Sought (Section 0.459(b)(1)).**

Satmex seeks confidential treatment of Exhibit E (Milestone Payment Plan and Termination Liability Schedule) to the satellite construction contract between Boeing and Satmex, as well as the corresponding declaration made by Iris Sánchez Gutiérrez Gómez, submitted to demonstrate compliance with the first three milestones for geostationary satellites, which requires execution of a binding, non-contingent contract to construct the licensed satellite system, as well as certifications stating that CDR has been completed and satellite construction has commenced.<sup>6</sup>

**2. Identification of the Commission Proceeding In Which the Information Was Submitted or a Description of the Circumstances Giving Rise to the Submission**

Satmex is submitting this information in order to demonstrate its compliance with the first three satellite implementation milestones and thereby obtain a reduction in the amount of the performance bond for the Satmex 9 satellite.

**3. Explanation of the Degree to Which the Information Is Commercial or Financial, or Contains a Trade Secret or Is Privileged**

The Supplemental Submissions contain commercially sensitive information that could be used by Satmex's competitors to its disadvantage. Given that Satmex's business consists of procuring and operating geostationary satellites, the information contained in the Supplemental Submissions is by definition commercial information.

**4. Explanation of the Degree to Which the Information Concerns a Service That Is Subject To Competition**

The Supplemental Submissions concerns a geostationary satellite procured by Satmex for the purpose of selling space segment capacity to its customers. This industry is subject to fierce competition from numerous other operators, both domestic and foreign.

**5. Explanation of How Disclosure of the Information Could Result In Substantial Competitive Harm**

Information concerning Satmex's construction contracts for its geostationary satellites constitutes a critical component of Satmex's business plans and future capabilities. Satmex's competitors could use this information to undermine Satmex's position with regard to its

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<sup>5</sup> 47 C.F.R. § 0.459.

<sup>6</sup> 47 C.F.R. § 25.164(a).

business partners in an effort to gain an advantage in negotiating their own satellite construction contracts and launching their own satellite networks. Consequently, disclosure of this information to third parties could result in substantial competitive harm to Satmex.

**6. Identification of Any Measures Taken By the Submitting Party to Prevent Unauthorized Disclosure**

The information contained in the Supplemental Submissions is not distributed, circulated, or provided to any party outside of Satmex. The company treats this data as sensitive information; thus only specialized personnel within the company have access to it.

**7. Identification of Whether the Information Is Available To the Public and the Extent of Any Previous Disclosure of the Information to Third Parties**

The information contained in the Supplemental Submissions is not available to the public and has not been disclosed to third parties other than the FCC.

**8. Justification of the Period During Which The Submitting Party Asserts That Material Should Not Be Available For Public Disclosure**

Satmex maintains that the entire contents of the Supplemental Submissions should remain subject to confidential treatment permanently. Even historical contract information can be used to track business decisions and the status of Satmex's business relationships, and this information could be used by Satmex's competitors to the detriment of Satmex at any time in the future.

Please contact the undersigned should you have any questions about this submission.

Respectfully submitted,



Brian D. Weimer  
for SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

*Counsel for Satmex*