

January 13, 2005

ARTE OF THE FILED

**RECEIVED & INSPECTED** 

JAN 1 8 2005

FCC - MAILROOM

Sunrise Technology Park 12369-B Sunrise Valley Drive Reston, VA 20191 www.wirelessmatrixcorp.com T: 703.262.0500 F: 703.262.0380

ORIGINAL

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

EX PARTE OR LATE FILED

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:

Wireless Matrix Corporation ("Wireless Matrix") 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 will achieve the ubiquitous coverage, capacity, and economies of scale needed for a true consumer service. In contrast, we believe the restrictions on L-band ATC advocated by Inmarsat Ventures plc ("Inmarsat") would limit MSS to a niche service catering to price-insensitive users operating in remote areas.

Wireless Matrix has provided MSS since 1997 using the L-band satellites of MSV and Mobile Satellite Ventures (Canada) Inc. and we currently provide data, voice, and dispatch services to end user customers throughout the United States and Canada. We service multiple markets such as Transportation, Public Utilities, the Public Safety and Resources Sector, as well as Marine and Forestry markets with all of these aforementioned services.

While Wireless Matrix has developed a viable business using 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 unacceptably large 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

No. of Copies rec'd List ABCDE

Ms. Marlene H. Dortch January 13, 2005 Page 2

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

Wireless Matrix understands that another MSS Operator is taking opposition to MSV's efforts to make MSS into a more attractive service. If MSV does not succeed in its development of a next-generation MSS system, we believe the current operator would have a monopoly in the L-band MSS market across North America. With no competitive pressure to discipline existing rates, terms, and conditions for MSS services, L-band MSS service providers will struggle to survive. Moreover, with only one operator, the prospects for innovation in L-band MSS technology will cease to exist.

We are aware that opposition has been taken to MSV's application citing a potential for interference with existing satellite services to delay MSV's development of a next-generation MSS system. We feel these concerns are overstated and speculative in that our current customers who operate satellite only terminals are doing so because they operate in very remote areas not covered by terrestrial wireless service. MSV's plan is to deploy base stations to overcome satellite signal blockage, which is not the operating environment for our satellite only customers. 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.

Wireless Matrix 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,

J. Richard Carlson President & CEO