



# NEWS

Federal Communications Commission  
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Report No. IN 95-4

INTERNATIONAL ACTION

January 31, 1995

## INTERNATIONAL BUREAU GRANTS THREE LICENSES FOR "BIG LEO" SATELLITE SYSTEMS

Less than 30 days after the close of the public notice and comment period, the FCC has issued licenses for the world's first "Big LEO" satellite systems. In so doing, the Commission dramatically shortened the time traditionally spent in the licensing process. It also met commitments made to the Congress last summer. These new satellite systems will enormously expand the global information highway by providing both voice and data mobile satellite service, via hand-held telephones, on a global basis.

The "Big LEO" systems represent an opportunity for the United States to continue its leadership role in promoting global development through enhanced communication infrastructure and services. The "Big LEO" service can offer a significant number of services, including position location, search and rescue communications, disaster management communications, environmental monitoring, industrial monitoring and paging services. This service will help meet the demand for a seamless, nationwide and eventually global communications system available to all.

The FCC's International Bureau granted the applications of Loral/Qualcomm, L.P. ("LQP"), Motorola Satellite Communications, Inc. ("Motorola"), and TRW Inc. ("TRW"), to construct, launch, and operate "Big LEO" satellite systems. The International Bureau also found that two other applicants, Constellation Communications, Inc., and Mobile Communications Holdings, Inc., had not established that they were financially qualified at this time. Consequently, the Bureau allowed these applicants additional time, until January of 1996, to establish their financial qualifications.

On October 13, 1994, the Commission adopted rules governing the licensing and operations of Big LEO systems, including rules on technical and financial qualifications. The Commission gave applicants until November 16 to amend their applications to conform to the new rules.

In light of the substantial sums needed to construct Big LEO systems, and the limited spectrum available, the Commission adopted strict financial qualifications standards, but gave applicants the option of waiting until January 1996 to establish their financial qualifications. Each of the five applicants subject to today's decisions filed an amendment seeking to establish financial qualifications. A sixth applicant, AMSC Subsidiary Corporation, chose to defer consideration of its application.

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The Bureau found LQP, Motorola, and TRW legally, financially, and technically qualified to hold Big LEO licenses. These licensees' estimated costs of construction, launch, and operation of their satellite systems for one year after the launch of the first satellite, range from \$1.554 to \$3.759 billion.

In issuing the licenses, the Bureau recognized it was premature to award unconditional authorizations for feeder link frequencies. Feeder links are the links between the satellite and fixed, "gateway" earth stations which, in turn, connect the mobile satellite system to traditional telephone services, such as the public switched telephone network. Some of the feeder link frequencies are currently allocated to other services and require allocation action at an International Telecommunications Union World Radio Conference, or are being considered domestically, in other Commission proceedings, for uses other than satellite services. Because of these conflicting requests for the spectrum in question, the Bureau granted each of the permittees authority to construct, at their own risk, systems capable of operating in the feeder link frequency bands they requested, but not the authority to operate in those bands. The Bureau indicated it would defer acting on requests to launch and operate using specific feeder links until the requested spectrum is available for assignment to Big LEO feeder links, and sufficient spectrum is available to satisfy the feeder-link requirements of all licensed Big LEO systems, regardless of frequency band.

Action by the Chief, International Bureau, by five separate orders (DA 95-128 to 132), adopted January 31, 1995.

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