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Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, N.W., TW-A325  
Washington, D.C. 20554

Re: Inmarsat Ventures Limited, File No. SAT-MS-C-20040210-00027

Dear Ms. Dortch:

SES AMERICOM, Inc. ("SES AMERICOM") submits this letter in response to a May 19, 2004, letter that Intelsat filed with the Federal Communications Commission (the "Commission") in the above-referenced proceeding.<sup>1</sup>

It is perhaps not surprising that Intelsat -- having "withdrawn" its long-planned initial public offering ("IPO") of equity and announced that it intends to "explore" an "acquisition," presumably through a private equity transaction<sup>2</sup> -- has decided now to support Inmarsat's ORBIT Act efforts,<sup>3</sup> seeking to force the "round

<sup>1</sup> Letter from Jennifer D. Hindin, Counsel for Intelsat, to Marlene Dortch, Secretary, Federal Communications Commission (the "Intelsat Letter").

<sup>2</sup> "Intelsat Announces Decision to Withdraw Planned Initial Public Offering of Shares and Intention to Explore Strategic Alternatives," Intelsat Press Release, May 21, 2004.

<sup>3</sup> See Letter from Jennifer D. Hindin, Counsel for Intelsat, to Marlene Dortch, Secretary, Federal Communications Commission, May 13, 2004. Oddly, one week after telling FCC officials that they should "take expedited action to validate Inmarsat's approach to the IPO obligation," *id.*, Intelsat told the Commission that Intelsat "takes no position" on Inmarsat's ORBIT Act compliance, as the issue is raised in the instant proceeding. Intelsat Letter at 1.

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Policy Branch  
International Bureau

peg” of a private equity buyout into the “square hole” of the ORBIT Act’s plain requirement that both companies conduct equity IPOs. But it is unfortunate that Intelsat has chosen to do so by casting aspersions on other parties raising legitimate issues about Inmarsat’s approach to ORBIT Act compliance.

In its May 19 letter, Intelsat accused SES AMERICOM of an “inaccurate” characterization of recent public remarks by Intelsat’s CEO, Mr. Conny Kullman.<sup>4</sup> Intelsat did not dispute the accuracy of the quotations from Mr. Kullman provided by SES AMERICOM in a May 13, 2004, letter to the Commission;<sup>5</sup> instead, Intelsat argued that SES AMERICOM had distorted the meaning of these quotations.<sup>6</sup>

SES AMERICOM does not have access to a full recording of Mr. Kullman’s remarks, because Intelsat -- while purporting to value accuracy<sup>7</sup> -- has declined to provide such a recording.<sup>8</sup> Hence, SES AMERICOM must rely upon various media accounts of the remarks. The media unquestionably portrayed Mr. Kullman as having contrasted the ORBIT Act’s concept of an IPO with the transactions effectuated by Inmarsat.

For example, *Communications Daily* reported that Mr. Kullman “said Intelsat considers the ORBIT Act IPO requirement to be ‘quite clear,’ in comparison with Inmarsat which has asked the FCC to certify that a buyout of the company by private equity firms and a public debt offering are ‘consistent with’ the IPO requirement.”<sup>9</sup> Likewise, *The Deal* reported Mr. Kullman to have “said . . . that [Intelsat] is not currently in discussions to sell the company. He said that under the ORBIT Act an IPO is Intelsat’s only choice if it wants to be able to offer a full line of services in the U.S.”<sup>10</sup> Based on these reports, it was entirely reasonable for SES AMERICOM to interpret Mr. Kullman’s remarks to mean that he did not consider a private equity buyout to be an IPO for ORBIT Act purposes, that he did not believe a transaction other than an equity IPO would satisfy the ORBIT Act, and that Inmarsat’s private equity buyout therefore did not comply with the ORBIT Act.

It is noteworthy that SES AMERICOM’s interpretation of Mr. Kullman’s remarks is shared by a reporter who listened to the conference call, and subsequently reviewed both SES AMERICOM’s and Intelsat’s accounts of the remarks.

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<sup>4</sup> Intelsat Letter at 2.

<sup>5</sup> See Letter from Phillip L. Spector, Attorney for SES AMERICOM, Inc., to Marlene Dortch, Secretary, Federal Communications Commission.

<sup>6</sup> Intelsat Letter at 2.

<sup>7</sup> See *id.*

<sup>8</sup> SES AMERICOM asked Intelsat for the complete recording of Mr. Kullman’s remarks so that SES AMERICOM could investigate Intelsat’s allegations of inaccuracy. Intelsat declined the request.

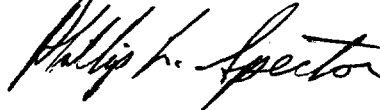
<sup>9</sup> COMMUNICATIONS DAILY, May 12, 2004, at 8.

<sup>10</sup> THE DEAL, May 12, 2004.

*Space News* recently concluded, in an article comparing both accounts, that “Kullman appeared to say that Intelsat must proceed with an initial public offering (IPO) of stock to satisfy U.S. regulations.”<sup>11</sup>

SES AMERICOM recognizes that Intelsat has much at stake in matters of ORBIT Act compliance. Nonetheless, Intelsat should refrain from making unfounded accusations in the course of advocating its position. Moreover, the Commission should recognize that -- in light of Intelsat’s withdrawal of its IPO and its exploration of private equity alternatives -- Intelsat is a highly interested party with respect to the matters at issue in the instant Inmarsat proceeding.

Respectfully submitted,



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*Attorneys for SES AMERICOM, Inc.*

cc: Parties on attached service list

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<sup>11</sup> *Legal Questions Remain After Intelsat Decides Against IPO*, SPACE NEWS, May 24, 2004.

**CERTIFICATE OF SERVICE**

I hereby certify that on this 2nd day of June, 2004, I caused a copy of the foregoing letter to be served by first-class mail on the following:

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