

PUBLIC COPY (REDACTED)

November 23, 2005

RECEIVED

NOV 23 2005

Federal Communications Commission
Office of Secretary

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

**Re: Consolidated Reply of Mobile Satellites Ventures Subsidiary LLC to
Opposition of Stratos Communications, Inc. and Response of Inmarsat
Ventures Limited to MSV's Petition to Hold in Abeyance or to Grant with
Conditions Application of Stratos Communications, Inc.
File No. SES-LFS-20050826-01175
File No. SES-AMD-20050922-01313
File No. ITC-214-20050826-00351**

Dear Ms. Dortch:

Mobile Satellites Ventures Subsidiary LLC ("MSV") hereby files this redacted public version of a Consolidated Reply to Oppositions in the above-referenced proceedings regarding applications of Stratos Communications, Inc. ("Stratos") for Title III and Section 214 authorizations to operate terminals in the United States with an uncoordinated Inmarsat-4 L band satellite.¹ As discussed herein, certain information provided in the Petition should be treated as confidential.²

¹ See Stratos Communications, Inc., Application for Title III Blanket License, File No. SES-LFS-20050826-01175 (August 26, 2005); Stratos Communications, Inc., Amendment to Application for Title III Blanket License, File No. SES-AMD-20050922-01313 (September 22, 2005); Stratos Communications, Inc., Application for Section 214 Authorization, File No. ITC-214-20050826-00351 (August 26, 2005).

² 47 C.F.R. § 0.459(b).

PUBLIC COPY (REDACTED)

47 C.F.R. § 0.459(b)(1) -- Identification of the specific information for which confidential treatment is sought

MSV requests confidential treatment of information relating to the *Mexico City Memorandum of Understanding* and the on-going international L band frequency coordination process which is confidential to the parties to that coordination, which includes the Commission and MSV.³ When considering other applications to use Inmarsat satellites in the United States, the Commission has acknowledged the confidentiality of this information and has afforded it confidential treatment.⁴

47 C.F.R. § 0.459(b)(2) -- Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission

This information is being filed in MSV's Consolidated Reply to the Opposition of Stratos and the Response of Inmarsat to MSV's Petition to Hold in Abeyance or to Grant with Conditions the above-referenced Stratos applications.

47 C.F.R. § 0.459(b)(3) -- Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged

As the Commission has acknowledged, the *Mexico City Memorandum of Understanding* and related coordination documents are confidential.⁵

47 C.F.R. § 0.459(b)(4) -- Explanation of the degree to which the information concerns a service that is subject to competition

The information contained herein concerns the market for wireless services, in which MSV faces competition from other MSS providers as well as from terrestrial wireless operators.

³ See *Memorandum of Understanding for the Intersystem Coordination of Certain Geostationary Mobile Satellite Systems Operating in the Bands 1525-1544/1545-1559 MHz and 1626.5-1646.5/1646.5-1660.5 MHz*, Mexico City, Mexico, 18 June 1996.

⁴ See *COMSAT Corporation et. al., Memorandum Opinion, Order and Authorization*, 16 FCC Rcd 21661, ¶¶ 111 (2001) ("*COMSAT Order*") ("The Mexico City Agreement and related coordination documents, such as minutes of coordination meetings, are considered confidential.").

⁵ *Id.*

PUBLIC COPY (REDACTED)

- 47 C.F.R. § 0.459(b)(5) -- Explanation of how disclosure of the information could result in substantial competitive harm**

Disclosure of the information for which confidential treatment is sought would result in violation of the *Mexico City Memorandum of Understanding*.

- 47 C.F.R. § 0.459(b)(6) -- Identification of any measures taken by the submitting party to prevent unauthorized disclosure**

Disclosure to third parties of the information for which confidential treatment is sought has been pursuant to non-disclosure agreements.

- 47 C.F.R. § 0.459(b)(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 for which confidential treatment is sought is not publicly available. Disclosure to third parties of the information for which confidential treatment is sought has been strictly pursuant to non-disclosure agreements.

- 47 C.F.R. § 0.459(b)(8) -- Justification of the period during which the submitting party asserts that material should not be available for public disclosure**

The information for which confidential treatment is sought should remain confidential indefinitely or until the parties to the *Mexico City Memorandum of Understanding* agree that it can be made publicly available.

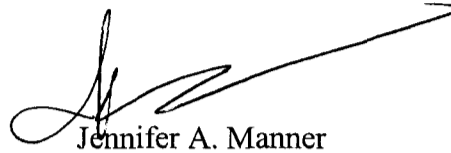
- 47 C.F.R. § 0.459(b)(9) -- Any other information that the party seeking confidential treatment believes may be useful in assessing whether its request for confidentiality should be granted**

N/A.

PUBLIC COPY (REDACTED)

Please contact the undersigned with any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jennifer A. Manner", with a long, sweeping horizontal stroke extending to the right.

Jennifer A. Manner

PUBLIC COPY (REDACTED)

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the matter of)	
)	
Stratos Communications, Inc.)	File No. SES-LFS-20050826-01175
Application for Title III Blanket License)	File No. SES-AMD-20050922-01313
to Operate Mobile Earth Terminals with)	
Inmarsat 4F2 at 52.75°W)	
)	
Stratos Communications, Inc.)	File No. ITC-214-20050826-00351
Application for Section 214 Authorization)	
to Operate Mobile Earth Terminals with)	
Inmarsat 4F2 at 52.75°W)	

CONSOLIDATED REPLY TO OPPOSITIONS

Bruce D. Jacobs
David S. Konczal
**PILLSBURY WINTHROP
SHAW PITTMAN LLP**
2300 N Street, NW
Washington, DC 20037-1128
(202) 663-8000

Jennifer A. Manner
Vice President, Regulatory Affairs
**MOBILE SATELLITE VENTURES
SUBSIDIARY LLC**
10802 Parkridge Boulevard
Reston, Virginia 20191
(703) 390-2700

November 23, 2005

Summary

MSV continues to urge the Bureau to require Inmarsat to complete coordination of its new satellite before it is permitted to provide service in the United States. The opposition pleadings filed by Inmarsat and Stratos serve only to verify that harmful interference is inevitable if the new satellite begins operation without first completing coordination.

There are three kinds of interference starkly presented at this point by the prospect of Inmarsat's new operations. Inmarsat has not shown how any of them will be avoided. The first is interference on spectrum that MSV coordinated for its own use and Inmarsat now refuses to relinquish. Interference on this loaned spectrum would be immediate but for MSV's continued restraint. MSV and MSV Canada have been prepared for months to operate their satellites on this loaned spectrum to conduct tests of their hybrid systems and have held back only in order to avoid causing harmful interference to the Inmarsat customers that Inmarsat is cynically using as hostages. The Inmarsat and Stratos filings essentially ignore the clear prospect of this kind of interference.

The second is interference that MSV has demonstrated is likely to be caused by Inmarsat's operation of a new, uncoordinated satellite providing new services. For nearly ten years, all operations in the L band have been on the basis of a longstanding technical coordination of the existing satellites and their services. The technical characteristics of Inmarsat's new satellite and the new services Stratos proposes to provide are very different from what was coordinated. The available evidence, including the Commission's review of the satellite's characteristics and Inmarsat's own characterization of its interference susceptibility, indicates that the satellite cannot operate and provide these new services without causing interference to or receiving interference from other systems in the L band. These differences prevent the new satellite from being considered a "replacement satellite" pursuant to the *Mexico*

City MoU, which precludes it from being automatically entitled to operate in place of the existing Inmarsat satellite. Inmarsat has simply failed to address these issues.

The third kind of interference is that threatened by Inmarsat's legal argument that it is entitled, contrary to its earlier commitments to operate only on spectrum it had coordinated pursuant to the 1999 SSA, to operate wherever it chooses in the L band. According to Inmarsat, it is now entitled to operate throughout the L band, without any stated self-imposed limits other than an undefined commitment to operate "on a non-interference basis." In many other cases, the Bureau can reasonably conclude that an applicant will be able to complete coordination before operating or will be able to operate on a non-interference basis until coordination is complete. This was the basis for the court's upholding the Commission's determination several years ago that the Canadian satellite operator could operate on a non-interference basis. In that case, not only had the Canadian satellite been operating for years pursuant to a coordination agreement, but the Commission reasonably expected the Canadian operator and the other operators to use only those frequencies they had coordinated as part of the most recent Spectrum Sharing Arrangement. Here, by contrast, the new generation of Inmarsat satellites has never been coordinated, the *Mexico City MoU* clearly precludes its treatment as a "replacement satellite," Inmarsat is already operating in a way that has blocked MSV's authorized operations, and by Inmarsat's own contention there are no limits on how it may operate, just a promise of "trust me, there won't be any interference." Under these current circumstances, Inmarsat's mere promise is entirely inadequate as the basis for any reasonable determination that Inmarsat and Stratos are capable of operating on a non-interference basis.

Precluding Inmarsat and Stratos from operating on the loaned spectrum (or any other spectrum not coordinated by Inmarsat in the 1999 SSA) would at least partially address MSV's

interference concerns. Despite protests to the contrary by Inmarsat and Stratos, the existing authorizations clearly limit Inmarsat's distributors to operating only on the spectrum assigned to Inmarsat in the 1999 SSA.

Inmarsat and Stratos are non-responsive on the additional issues raised by MSV that warrant further scrutiny. Accordingly, if the Bureau acts on the Stratos applications, it should make clear that (i) if Inmarsat 4F2 is considered a replacement satellite under the Commission's rules, this does not mean the satellite is a replacement under the *Mexico City MoU*; (ii) to the extent the Bureau authorizes Inmarsat 4F2 for service in the United States with $\pm 0.1^\circ$ East-West station keeping without seeking a waiver, the Bureau must afford similar treatment to other MSS satellites; (iii) if Stratos is not required to file with the Commission the agreement it has reached with the Executive Branch to address national security and law enforcement concerns, other MSS operators will not be required to do so either; and (iv) Inmarsat's unilateral choice to locate gateway earth stations overseas does not excuse it from having to comply with any E911 requirements the Commission may adopt in the future.

Table of Contents

Summary..... i

Table of Contents iv

Background1

Discussion.....4

I. Holding the Stratos Applications in Abeyance Until the Conclusion of a
Coordination Agreement Represents Sound Spectrum Management.....4

 A. Absent a Prior Coordination Agreement Covering Inmarsat 4F2,
 Harmful Interference Among L band Operators Is Imminent and
 Inevitable.....4

 B. A Bureau Decision to Hold the Stratos Applications in Abeyance
 Is Consistent with Precedent.....9

 C. A Bureau Decision to Hold the Stratos Applications in Abeyance
 Is Consistent with WTO Treaty Obligations11

II. The Bureau Should Make Clear that Inmarsat Is Permitted to Use Only
Those Frequencies Coordinated Under the 1999 SSA, Which Does Not
Include Loaned But Recalled Frequencies13

III. The Bureau Should Address the Other Issues Presented by the Stratos
Applications15

Conclusion17

Before the
Federal Communications Commission
Washington, D.C. 20554

In the matter of)	
)	
Stratos Communications, Inc.)	File No. SES-LFS-20050826-01175
Application for Title III Blanket License)	File No. SES-AMD-20050922-01313
to Operate Mobile Earth Terminals with)	
Inmarsat 4F2 at 52.75°W)	
)	
Stratos Communications, Inc.)	File No. ITC-214-20050826-00351
Application for Section 214 Authorization)	
to Operate Mobile Earth Terminals with)	
Inmarsat 4F2 at 52.75°W)	

CONSOLIDATED REPLY TO OPPOSITIONS

Mobile Satellite Ventures Subsidiary LLC (“MSV”) hereby files this Consolidated Reply to the Oppositions filed by Stratos Communications, Inc. (“Stratos”) and Inmarsat Ventures Limited (“Inmarsat”) to MSV’s Petition to Hold in Abeyance or to Grant with Conditions the above-referenced applications to operate terminals with an uncoordinated Inmarsat-4 L band satellite. By holding the Stratos applications in abeyance until the conclusion of a coordination agreement, the Bureau will be appropriately exercising its spectrum management authority to prevent harmful interference and insure the most efficient and effective use of the L band.

Background

In the above-referenced applications, Stratos is seeking Title III and Section 214 authorizations to operate Broadband Global Area Network (“BGAN”) terminals in the United States with an uncoordinated Inmarsat-4 satellite located at 52.75°W (called “Inmarsat 4F2”).¹

¹ See Stratos Communications, Inc., Application for Title III Blanket License, File No. SES-LFS-20050826-01175 (August 26, 2005) (“*Stratos Title III Application*”); Stratos Communications, Inc., Amendment to Application for Title III Blanket License, File No. SES-AMD-20050922-01313 (September 22, 2005); Stratos Communications, Inc., Application for Section 214 Authorization, File No. ITC-214-20050826-00351 (August 26, 2005).

On October 28, 2005, MSV filed a Petition to Hold in Abeyance or to Grant with Conditions the applications.² In its Petition, MSV explained that Inmarsat 4F2 has not been coordinated and that the BGAN terminals that will operate with the satellite will use wideband carriers that are not contemplated in the coordination agreements pertaining to the current-generation Inmarsat-3 satellites. *MSV Petition* at 6-9.

To the extent the Bureau grants the Stratos applications now despite the lack of a coordination agreement, MSV urged the Bureau to condition the authorizations on operation strictly on an unprotected, non-interference basis in accordance with the spectrum sharing arrangement (“SSA”) negotiated in 1999 among the North American L band operators. *MSV Petition* at 9-10. MSV urged the Bureau to make clear that this limited authority does not include permission to use frequencies that MSV and Mobile Satellite Ventures (Canada) Inc. (“MSV Canada”) temporarily loaned to Inmarsat but subsequently recalled so that they could begin to use them for their own operations. *Id.* at 10. MSV noted that the Stratos applications raise additional issues that warrant further scrutiny, including (i) whether Inmarsat 4F2 is a replacement satellite under the Mexico City Memorandum of Understanding (“*Mexico City MoU*”);³ (ii) the failure of Inmarsat 4F2 to comply with the Bureau’s interpretation of the Commission’s longitudinal station keeping rule; and (iii) the national security and law enforcement concerns presented by operation of terminals in conjunction with gateway earth stations located overseas. *Id.* at 10-14.

² See Mobile Satellite Ventures Subsidiary LLC, Petition to Hold in Abeyance or to Grant with Conditions, File Nos. SES-LFS-20050826-01175, SES-AMD-20050922-01313, ITC-214-20050826-00351 (October 28, 2005) (“*MSV Petition*”).

³ See *Memorandum of Understanding for the Intersystem Coordination of Certain Geostationary Mobile Satellite Systems Operating in the Bands 1525-1544/1545-1559 MHz and 1626.5-1646.5/1646.5-1660.5 MHz*, Mexico City, Mexico, 18 June 1996 (“*Mexico City MoU*”).

In their Oppositions, Inmarsat and Stratos deny that Inmarsat 4F2 presents any greater risk of interference than Inmarsat-3 and claim that, in any event, authorization of Inmarsat 4F2 on a non-interference basis is consistent with precedent.⁴ They also argue that the commitments made by the United States pursuant to the World Trade Organization (“WTO”) Basic Telecommunications Agreement mandate grant of the application.⁵ *Stratos Opposition* at 4-5; *Inmarsat Response* at 2, 8. In defense of their position, Stratos and Inmarsat claim that Inmarsat is legally entitled to operate throughout the MSS L band, regardless of whether the spectrum being used was coordinated for Inmarsat’s use under the 1999 SSA. *Stratos Opposition* at 7-8; *Inmarsat Response* at 4-5, 9-12. The only restriction they cite is that they not cause harmful interference, but they do not indicate how they will do so consistent with their supposed mandate to operate anywhere they choose. Accordingly, they argue that the Bureau should reject MSV’s request that it condition grant of the applications on Inmarsat not using frequencies that were temporarily loaned to Inmarsat by MSV and MSV Canada, but have since been recalled by MSV and MSV Canada for use in their own systems. *Id.* With respect to the additional issues raised by MSV, Stratos and Inmarsat claim that (i) Inmarsat 4F2 is a replacement satellite under the Commission’s rules; (ii) MSS satellites are not required to comply with the Commission’s longitudinal station keeping rule; and (iii) the national security and law enforcement concerns presented by operation of BGAN terminals in the United States have been addressed. *Stratos Opposition* at 8-12; *Inmarsat Response* at 13-15.

⁴ See Stratos Communications, Inc., Opposition, File Nos. SES-LFS-20050826-01175, SES-AMD-20050922-01313, ITC-214-20050826-00351 (November 10, 2005) (“*Stratos Opposition*”); Inmarsat Ventures Limited, Response, File Nos. SES-LFS-20050826-01175, SES-AMD-20050922-01313, ITC-214-20050826-00351 (November 10, 2005) (“*Inmarsat Response*”).

⁵ Fourth Protocol to the GATS (April 30, 1996), 36 I.L.M. 354 (1997) (“WTO Basic Telecommunications Agreement”).

Discussion

I. HOLDING THE STRATOS APPLICATIONS IN ABEYANCE UNTIL THE CONCLUSION OF A COORDINATION AGREEMENT REPRESENTS SOUND SPECTRUM MANAGEMENT

A. Absent a Prior Coordination Agreement Covering Inmarsat 4F2, Harmful Interference Among L band Operators Is Imminent and Inevitable

As MSV demonstrated in its Petition, absent a prior coordination agreement, operation of Inmarsat 4F2 will cause harmful interference to other L band operators. *MSV Petition* at 7-10. As an initial matter, Inmarsat is already using frequencies on its current system that were coordinated for MSV's own use under the 1999 SSA, then loaned to Inmarsat on a temporary basis, and that Inmarsat now refuses to relinquish or to refrain from using on Inmarsat 4F2. MSV and MSV Canada need access to this spectrum to conduct tests of their hybrid systems and to implement their aggressive plans to deploy an interim-generation integrated satellite-terrestrial system. Interference from Inmarsat's operations on this loaned spectrum would occur immediately but for MSV's continued restraint in not using these frequencies so as to protect Inmarsat's customers. Inmarsat and Stratos ignore the interference that will occur from its use of loaned frequencies.

While Inmarsat and Stratos mention certain alleged benefits that operation of Inmarsat 4F2 will have relative to the current-generation Inmarsat-3 satellite for the interference environment in the L band,⁶ they avoid the issue raised by MSV of its inability to begin testing and using the loaned spectrum for service, and the interference impact uncoordinated wideband carriers will have on adjacent channel operators relative to the narrowband carriers used with

⁶ *Stratos Opposition* at 6-7; *Inmarsat Response* at 6-7.

Inmarsat-3.⁷ Moreover, the aggregate EIRP (“AEIRP”) of Inmarsat 4F2 is significantly higher than that of Inmarsat-3, raising the potential for increased interference in the downlink to other L band operators. A BGAN forward link carrier may be radiated from the 4F2 satellite at 10 dB higher power, or more, relative to a coordinated narrowband Inmarsat-3 carrier, owing to the higher data throughput capability of the BGAN carrier being at least one order of magnitude higher compared to that of the narrowband Inmarsat-3 carrier. As such, absent coordination, out-of-channel and out-of-band emissions of the BGAN carrier are likely to cause harmful interference to L band operators. The fact is that key technical parameters of Inmarsat 4F2, such as its proposed use of loaned frequencies, wideband carriers, guardbands, out-of-channel and out-of-band emissions, and higher AEIRP, have not been previously coordinated, thus making operation of Inmarsat 4F2 on a non-interference basis relative to other L band systems unlikely, even if Inmarsat abided by the 1999 SSA.

The potential for harmful interference is not limited to that caused to other L band systems because Inmarsat itself may suffer greater interference upon operation of its new satellite. Inmarsat 4F2 is far more susceptible than the Inmarsat-3 satellites to co-channel interference from operation of current-generation L band satellite terminals. The Commission has noted that uplink co-channel interference resulting from MSV’s current-generation satellite terminals will increase from 58.6% $\Delta T/T$ to 794.1% $\Delta T/T$ as Inmarsat transitions from the Inmarsat-3 satellites to the narrow spot beams on the Inmarsat-4 satellites used to support BGAN

⁷ Stratos claims that a 200 kHz-wide carrier is not a wideband carrier (*Stratos Opposition* at 6), but it is much wider than the carriers that have been coordinated to date among the L band operators, which is the relevant point. Inmarsat and other L band operators have never coordinated an envelope of frequency assignments, including necessary guard band requirements, within which Inmarsat can operate these wideband carriers while avoiding interference to other L band operators.

operations.⁸ With respect to adjacent-band interference, Inmarsat has claimed in another proceeding that the Inmarsat 4F2 satellite has not been designed to accommodate the level of adjacent band interference that can exist from operation of current L band systems based on the system parameters contemplated when Inmarsat-3 was coordinated.⁹ If this is the case (which MSV has reason to doubt),¹⁰ then Inmarsat 4F2 is more susceptible to adjacent band interference than the Inmarsat-3 satellites. The result is that, even assuming Inmarsat operates within the confines of the 1999 SSA, it is unlikely to be able to operate on an unprotected, non-interference basis once Inmarsat 4F2 begins operation.

The differences between the Inmarsat 4 satellite and the existing Inmarsat satellites highlight that the Inmarsat 4 satellites cannot be considered to be replacement satellites under the *Mexico City MoU*. Therefore, they are not entitled to operate automatically on the Inmarsat-coordinated spectrum. Under the *Mexico City MoU*,

⁸ See *Flexibility for Delivery of Communications by MSS Providers, Report and Order*, IB Docket No. 01-185, 18 FCC Rcd 1962, Appendix C2, Table 2.1.1.C (February 10, 2003) (“*ATC Order*”). The Commission’s characterization of the interference environment is strictly limited to interference from satellite operations. The Commission’s decision to permit operation of an Ancillary Terrestrial Component considered separately the potential impact of such terrestrial operations, concluding that terrestrial operations would be permitted if they added no more than an additional 1% $\Delta T/T$ to the interference environment of co-channel operations of other, already-coordinated systems. See *Flexibility for Delivery of Communications by MSS Providers, Memorandum Opinion and Order and Second Order and Reconsideration*, IB Docket Nos. 01-185, FCC 05-30 (February 25, 2005) (“*ATC Reconsideration Order*”), ¶¶ 44-45. For uncoordinated systems such as the Inmarsat-4 satellites, the Commission left it to the operators to negotiate a combined interference limit and, in the absence of an agreement, indicated that it would permit a similar one percent additional rise in the noise floor, above whatever level the parties coordinate for satellite operations. *Id.*

⁹ See *Inmarsat Ventures Ltd, Petition for Partial Reconsideration and Clarification*, IB Docket No. 01-185 (May 13, 2005) (“*Inmarsat Petition*”), at 9; MSV, *Opposition*, IB Docket No. 01-185 (August 4, 2005), at 9-10 and Technical Appendix.

¹⁰ See Letter from Jennifer A. Manner, MSV, to Ms. Marlene H. Dortch, FCC, IB Docket No. 01-185 (November 15, 2005).

REDACTED

(i) it is not replacing another satellite;¹¹ (ii) it will cause greater interference to other L band operators; and (iii) it will require greater protection from other L band operators. Understandably, Inmarsat and Stratos essentially ignored this issue in their opposition pleadings, choosing instead to respond to a red herring about whether Inmarsat 4F2 is a replacement satellite for purposes of the Commission's bond requirement.¹²

Indeed, based on the Inmarsat and Stratos oppositions, the threat of interference is even greater than what MSV understood initially, inasmuch as Inmarsat and Stratos are now claiming a right to operate not just on the loaned spectrum, but on each and every frequency in the L band. *Stratos Opposition* at 7-8; *Inmarsat Response* at 4-5, 9-12. Inmarsat claims that coordination can occur informally, but its recent actions refusing to return loaned spectrum demonstrate that this is a hollow promise. *Inmarsat Response* at 7. In addition to being a misinterpretation of Commission precedent,¹³ this position demonstrates the dire need for the Bureau to hold the

¹¹ Inmarsat admits that the Inmarsat-3 satellite at 54°W that Inmarsat 4F2 is allegedly “replacing” will in fact continue to operate after the launch of Inmarsat 4F2. *See Inmarsat April 2005 Form F-20* at 29 (noting that Inmarsat-3 satellite will cease commercial operations in 2014); *id.* at 39-40 (explaining that Inmarsat-3 satellites have sufficient fuel remaining to be relocated to other orbital locations). While Stratos in its application indicates that the Inmarsat-3 at 54°W will be retired, Inmarsat in its Response repudiates this statement and admits that the satellite will be retired from service only *at its current orbital location*, but will not be retired from service altogether. *Inmarsat Response* at 13.

¹² Because Inmarsat 4F2 is not a replacement satellite under the *Mexico City MoU*, the multilateral dispute resolution process in the *Mexico City MoU* is irrelevant to resolving interference issues that may arise from its operation. *Inmarsat Response* at 12.

¹³ As discussed *infra* on pages 13-15, the *COMSAT Order* explicitly requires Inmarsat to operate only on a non-interference basis *and* only on those frequencies coordinated pursuant to the 1999 SSA. *See COMSAT Corporation et. al., Memorandum Opinion, Order and Authorization*, 16

Stratos applications in abeyance until a prior coordination agreement is reached among the L band operators. Stratos and Inmarsat provide no explanation as to how L band operators in actual practice could possibly operate on all L band frequencies and not cause mutual interference. Even assuming that the Commission did authorize Inmarsat-3 to operate on every L band frequency (which is not the case), Stratos and Inmarsat completely ignore the issue of whether this represents sound spectrum management policy in the case of Inmarsat 4F2, which is technically different than Inmarsat-3 and is more likely to cause interference to, and to receive interference from, other L band operators.

Given these interference concerns, holding the Stratos applications in abeyance until conclusion of a coordination agreement is sound spectrum management policy and consistent with precedent.¹⁴ Absent a prior coordination agreement, MSV and other L band operators, including Inmarsat, stand to suffer greater interference upon operation of Inmarsat 4F2, even if Inmarsat abides by the 1999 SSA. The impact will be even worse if Inmarsat begins operating Inmarsat 4F2 pursuant to its theory that it is authorized to operate on each and every L band frequency. If the Bureau were to permit Inmarsat 4F2 to provide service in the United States prior to a coordination agreement, the ability of L band operators to provide vital satellite services, including to the public safety community, will be threatened.¹⁵ L band operators will soon find themselves embroiled in interference disputes before the Commission, unable to take

FCC Rcd 21661, ¶ 115(c) (2001) (“*COMSAT Order*”). This is how the L band operators have been operating to date, with the exception of Inmarsat’s continued illegal use of loaned frequencies.

¹⁴ See Letter from Thomas S. Tycz, FCC, to Joseph A. Godles, Counsel for PanAmSat, File No. SAT-STA-19980902-00057 (September 15, 1998) (refusing to permit PanAmSat to operate C band payload until after coordinating with affected Administrations).

¹⁵ See, e.g., Comments of Mobile Satellite Ventures Subsidiary LLC, WT Docket No. 05-157 (April 28, 2005).

full advantage of this prime spectrum resource and depriving consumers of the benefits of innovative services that MSV will provide in the near future. While this may serve Inmarsat's dual goals of creating uncertainty for its competitors and portraying the L band as a wasteland that cannot support advanced services in order to support its play for 2 GHz MSS spectrum,¹⁶ it does not serve the Commission's stated strategic objective of promoting "efficient and effective" use of spectrum. See *FCC, Strategic Plan: 2006-2011* (September 30, 2005). In this case, a *post hoc* approach to coordination disserves the public interest by impeding efficient use of L band spectrum, resulting in a waste of a vital spectrum resource. Conversely, a policy promoting *a priori* coordination that results in contiguous frequency assignments will provide operators with the certainty to make the most efficient use possible of this spectrum resource and provide advanced services to all Americans, no matter where they live.

B. A Bureau Decision to Hold the Stratos Applications in Abeyance Is Consistent with Precedent

While Stratos and Inmarsat cite prior cases authorizing L band satellites to operate on a non-interference basis in the absence of a coordination agreement, these cases are not relevant here. *Stratos Opposition* at 5, 7-8; *Inmarsat Response* at 4-5, 7-8. Inmarsat and Stratos discuss *AMSC v. FCC* at great length, but the court in that case deferred to the Commission's reasonable judgment that operations on a non-interference basis were feasible.¹⁷ In that case, the Canadian MSS operator sought authority to use an L band satellite in the United States that had already

¹⁶ See Reply Comments of Inmarsat Ventures Limited, IB Docket No. 05-221 (August 15, 2005), at 19-22; Letter from Randy Segal, MSV, to Ms. Marlene H. Dortch, FCC, IB Docket No. 05-221 (September 14, 2005) (responding to Inmarsat's August 15th Reply Comments); Letter from John Janka, Counsel for Inmarsat, to Ms. Marlene H. Dortch, FCC, IB Docket No. 05-221 (September 28, 2005); Letter from Randy Segal, MSV, to Ms. Marlene H. Dortch, FCC, IB Docket No. 05-221 (October 25, 2005) (responding to Inmarsat's September 28th letter).

¹⁷ See *AMSC Subsidiary Corp. v. FCC*, 216 F.3d 1154 (D.C. Circ. 2000).

been coordinated under the 1999 SSA among the North American L band operators.¹⁸ During these coordination discussions, the operators had an opportunity to discuss the technical parameters of their respective systems and developed an initial sharing plan by which, even after the annual meetings reached a stalemate, the Canadian operator agreed to abide.¹⁹ As a result, it was reasonable for the Bureau to conclude that the narrowband operations proposed by the applicants could be conducted on a non-interference basis even after the 1999 SSA expired. Thus, Inmarsat and Stratos are wrong in claiming that *AMSC v. FCC* holds that the Commission must grant an application for an uncoordinated satellite on a non-interference basis despite evidence demonstrating that the satellite will cause and suffer interference. To the contrary, *AMSC v. FCC* stands for the unremarkable proposition that it is reasonable for the Commission to authorize operations on a non-interference basis if there is evidence that such operations are feasible.²⁰ In the case of Inmarsat 4F2, there is no support for a finding that operation on a non-interference basis is feasible given the unrebutted evidence that Inmarsat 4F2 is likely both to

¹⁸ Similarly, in authorizing current-generation Inmarsat satellites to provide service in the United States, the applicants sought authority to use an L band satellite in the United States that had already been coordinated under the 1999 SSA. *See COMSAT Order*.

¹⁹ REDACTED

Inmarsat's decision in 2003 to request an additional loan from MSV and MSV Canada is also consistent with this commitment, as is its statement in its April 2005 securities filing that "the amount of spectrum available to each operator is currently frozen at the levels agreed in 1999." Inmarsat Global Ltd., Form F-20 (April 29, 2005), at 10 ("*Inmarsat April 2005 Form F-20*") (available at: <http://www.sec.gov/Archives/edgar/data/1291401/000104746905012474/0001047469-05-012474-index.htm>).

²⁰ Accordingly, there is nothing noteworthy about the statement of MSV's predecessor that the Commission authorized the Canadian MSS system to operate on any frequency coordinated for the U.S. MSS system. *Inmarsat Response* at 5. In that case, the Commission found that operation on a non-interference basis was feasible. Here, no such finding is possible.

cause and to suffer harmful interference, and its operations are in no way contemplated by the coordination agreements among the L band operators.

The recent decisions granting MSV licenses for its next-generation satellites on a non-interference basis are not germane to this case, which pertains to potential operation of earth stations. First, the MSV-1 and MSV-SA satellites are several years away from launch, whereas the Bureau is presented here with an earth station application to operate with a satellite that has already been launched, meaning that potential interference to other L band operators is imminent. Second, there was no evidence in the record that the MSV satellites would cause harmful interference to other operators. Conversely, in the case of the Stratos applications, Inmarsat claims that, despite its failure to coordinate its new satellite, it has a right to operate anywhere in the L band that it chooses, a course that is certain to lead to interference. MSV has also provided the Bureau with evidence that, even if Inmarsat abides by the 1999 SSA, Inmarsat 4F2 may cause harmful interference to other L band operators. In addition, in the case of the Stratos applications, MSV has provided evidence that Inmarsat has been using spectrum that was coordinated for use by MSV, but which it refuses to return.

C. A Bureau Decision to Hold the Stratos Applications in Abeyance Is Consistent with WTO Treaty Obligations

Holding the Stratos applications in abeyance until a coordination agreement is concluded is a permissible exercise of the Commission's domestic spectrum management authority consistent with the obligations of the United States under the WTO Basic Telecommunications Agreement. As an initial matter, the WTO Basic Telecommunications Agreement does not require the Commission to grant market access to a satellite that has not been coordinated internationally under the ITU Radio Regulations and that presents a credible risk of interference to operators in the U.S. Nor does the WTO Basic Telecommunications Agreement state or imply

that it trumps the obligation of the United Kingdom on behalf of Inmarsat under the ITU Radio Regulations to successfully complete prior international frequency coordination of Inmarsat 4F2. Inmarsat has not even begun to coordinate Inmarsat 4F2 internationally, nor (as discussed above) does the satellite have any rights under the *Mexico City MoU*. Until coordination is complete, the Inmarsat 4F2 is simply a rogue satellite that has no internationally recognized rights.

Moreover, despite the claims of Stratos and Inmarsat, the WTO Basic Telecommunications Agreement does not require the United States to abdicate its spectrum management responsibilities and grant each and every application from a foreign-licensed satellite regardless of interference that may be caused to other operators. *See Stratos Opposition* at 4-5; *Inmarsat Response* at 2, 8. To the contrary, the Chairman's Note to the WTO Basic Telecommunications Agreement states that WTO Members may exercise their domestic spectrum management policies when considering foreign entry.²¹ Consistent with the Chairman's Note, the Commission in *DISCO II* explained that if grant of access would create interference with U.S.-licensed systems, it may impose technical constraints on the foreign system's operations in the United States or, when conditions cannot remedy the interference, deny access.²² Thus, holding the Stratos applications²² in abeyance until a coordination agreement

²¹ *See Chairman of the World Trade Organization Group on Basic Telecommunications, Chairman's Note, Market Access Limitations on Spectrum Availability*, 36 I.L.M. at 372 ("under the GATS each Member has the right to exercise spectrum/frequency management").

²² *See, e.g., Space Imaging, LLC, Declaratory Order and Order and Authorization*, DA 05-1940, ¶ 18 (Chief, International Bureau, July 6, 2005) ("In DISCO II, the Commission determined that, given the scarcity of orbit and spectrum resources, it would consider spectrum availability as a factor in determining whether to allow a foreign satellite to serve the United States. This is consistent with the Chairman's Note to the WTO Basic Telecom Agreement, which states that WTO Members may exercise their domestic spectrum/frequency management policies when considering foreign entry. Thus, in DISCO II, we stated that when grant of access would create interference with U.S.-licensed systems, we may impose technical constraints on the foreign system's operations in the United States or, when conditions cannot remedy the interference,

is reached among the L band operators is a permissible exercise of the Commission's domestic spectrum management policies that is consistent with its WTO obligations.²³ Moreover, a Bureau decision to hold the Stratos earth station applications in abeyance while authorizing MSV to operate next-generation satellites on a non-interference basis does not indicate inconsistent treatment of similarly situated entities. *Stratos Response* at 3. In MSV's case, the Bureau granted licenses for satellites that are years away from launch, not licenses for imminent operation of earth stations that will result in interference to other L band systems.

II. THE BUREAU SHOULD MAKE CLEAR THAT INMARSAT IS PERMITTED TO USE ONLY THOSE FREQUENCIES COORDINATED UNDER THE 1999 SSA, WHICH DOES NOT INCLUDE LOANED BUT RECALLED FREQUENCIES

Stratos and Inmarsat do not dispute that Inmarsat is using frequencies that were coordinated for MSV under the 1999 SSA. Instead, Stratos and Inmarsat argue that the Commission in previous blanket mobile terminal license orders has authorized Inmarsat's distributors to operate anywhere they chose in the L band, with the only restriction being that they do so on a non-interference basis. *See Stratos Opposition* at 7-8; *Inmarsat Response* at 4-5, 9-12. They are wrong. The *COMSAT Order* clearly requires Inmarsat to operate both on a non-interference basis *and* pursuant to the frequencies coordinated pursuant to the 1999 SSA. *See*

deny access.") (citing *Amendment of the Commission's Regulatory Policies To Allow Non-U.S.-Licensed Space Stations To Provide Domestic and International Satellite Service in the United States, Report and Order*, IB Docket No. 96-111, 12 FCC Rcd 24094 (1997) ("DISCO II").

²³ Despite the claims of Stratos and Inmarsat, MSV is not seeking to delay Inmarsat's use of Inmarsat 4F2 for competitive reasons or to gain leverage in coordination discussions, nor does MSV have a "history" of opposing new MSS offerings. *See Stratos Opposition* at 3; *Inmarsat Response* at 3-4. Throughout its history, MSV has sought to ensure that new MSS entrants in the L band are afforded stable access to sufficient spectrum and are adequately protected from interference, and that the L band is used in the most efficient and effective manner. Given its head start over new entrants such as MSV resulting from its decades as a monopoly, Inmarsat does not need the stability that is essential to the success of new entrants.

COMSAT Order ¶ 115(c)-(d). The Commission granted these applications in 2001, well after expiration of the last SSA at the end of 1999. Thus, it was aware that the SSA had expired. It also was aware that

REDACTED

.²⁴ In its decision, the Commission specifically conditioned the licenses on use of only those frequencies coordinated for Inmarsat in the “most recent annual L-Band operator-to-operator agreement,” which is a reference to the 1999 SSA. *COMSAT Order* ¶ 115(c). Inmarsat never sought reconsideration or clarification of this unambiguous condition. Indeed, even more recently in February 2003,²⁵ November 2004,²⁶ and February 2005,²⁷ the Commission was under the impression that the parties were continuing to operate under the 1999 assignments pending further negotiations. Moreover, Inmarsat’s decision in 2003 to request an additional loan from MSV and MSV Canada is also consistent with such a condition, as is its statement in its April 2005 securities filing that “the amount of spectrum available to each operator is currently frozen at the levels agreed in 1999.”²⁸

24

REDACTED

²⁵ See *ATC Order* ¶ 92 (“The parties to the MoU last revised spectrum assignments in 1999 and, pending further negotiations, continue to operate under those assignments today.”); *id.* n.144 (“Although annual meetings were to have taken place under the terms of the Mexico City MoU, these meetings have not occurred since the parties last agreed to a complex spectrum-sharing arrangement in London in 1999; therefore, the parties continue to operate under the 1999 assignments pending further negotiations.”).

²⁶ See *Mobile Satellite Ventures Subsidiary LLC, Order and Authorization*, DA 04-3553 (Int’l Bur. 2004), at n.8 (“The parties to the MOU last revised the spectrum assignments in 1999 and, pending further negotiations, continue to operate with those assignments today.”).

²⁷ See *ATC Reconsideration Order* ¶ 38 (“These negotiations have not occurred since 1999, and the 1999 coordination agreement remains in effect.”).

²⁸ Inmarsat Global Ltd., Form F-20 (April 29, 2005), at 10 (“*Inmarsat April 2005 Form F-20*”) (available at: <http://www.sec.gov/Archives/edgar/data/1291401/000104746905012474/0001047469-05-012474-index.htm>).

Inmarsat's misreading of the *COMSAT Order* demonstrates the need for the Commission in this proceeding to clarify that any METs authorized to operate with any L band satellites, including all of the Inmarsat satellites, are permitted to use only those frequencies coordinated under the 1999 SSA, which does not include loaned but recalled frequencies.²⁹ Inmarsat's unilateral re-interpretation of the *COMSAT Order*, along with its theory of "prevailing usage," would allow it to confiscate spectrum coordinated by other Administrations, thereby threatening the underpinning of the internationally accepted regime for assigning satellite spectrum among sovereign nations.³⁰ Absent clarification by the Bureau that Inmarsat is only permitted to use those frequencies it coordinated under the 1999 SSA, the United States is at risk of losing a vital national spectrum resource to Inmarsat's unilateral and illegal action.

III. THE BUREAU SHOULD ADDRESS THE OTHER ISSUES PRESENTED BY THE STRATOS APPLICATIONS

Stratos and Inmarsat are non-responsive on the additional issues raised by MSV that warrant further scrutiny. First, while Stratos and Inmarsat argue the irrelevant point that Inmarsat 4F2 is a replacement under the Commission's satellite processing rules, they are silent on whether Inmarsat 4F2 can properly be considered a replacement satellite under the *Mexico City MoU*. Given this concession and MSV's showing that the Inmarsat 4F2 does not qualify as

²⁹ Inmarsat argues that the *Mexico City MoU* provides for a multilateral dispute resolution process to deal with issues such as the loan dispute. *Inmarsat Opposition* at 12. Because Inmarsat 4F2 is not a replacement satellite under the *Mexico City MoU*, this dispute resolution process is not applicable to its operation.

³⁰ In the prospectus Inmarsat recently filed in connection with its initial public offering ("IPO"), Inmarsat explained that its so-called right to use L band frequencies in North America is based on its theory of "prevailing usage," which apparently refers to Inmarsat's view that it can use any frequency it wants provided it does so for a sufficiently long time. *See* Inmarsat plc Prospectus, Global Offer of Approximately 164.6 Million Shares of €0.0005 each and admission to listing on the Official List and to trading on the London Stock Exchange at an Offer Price expected to be between 215p and 245p per share ("*Inmarsat Prospectus*"), at 53 (attached at Exhibit A).

a replacement under the *Mexico City MoU* (see *supra* pages 6-7), MSV urges the Bureau to make clear that if it considers Inmarsat 4F2 to be a replacement satellite under the Commission's rules, this does not mean the satellite is a replacement under the *Mexico City MoU*.

Second, while MSV agrees with Stratos and Inmarsat that the Commission's rule requiring Fixed Satellite Service ("FSS") satellites to operate with $\pm 0.05^\circ$ East-West station keeping does not apply to MSS satellites, the Bureau must apply this rule consistently. To the extent the Bureau authorizes Inmarsat 4F2 for service in the United States with $\pm 0.1^\circ$ East-West station keeping without seeking a waiver, the Bureau must afford similar treatment to other MSS satellites proposing to serve the U.S. market, such as MSV-1 and MSV-SA.

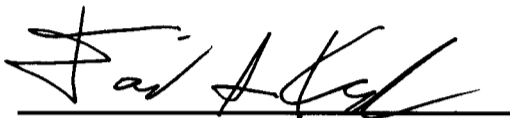
Third, MSS operators in the past have been required to file with the Commission the Implementation Plans negotiated with the Executive Branch. If Stratos is not required to do so, the Bureau must make clear that other MSS operators are not required to do so either.

Finally, Inmarsat and Stratos note that E911 requirements do not currently apply to MSS operators. See *Stratos Opposition* at 11-12; *Inmarsat Response* at 15. The Bureau should make clear that Inmarsat's unilateral choice to locate gateway earth stations overseas does not excuse it from having to comply with any E911 requirements the Commission may adopt in the future.

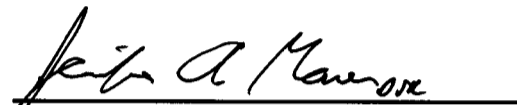
Conclusion

Based on the foregoing, the Bureau should hold in abeyance the Stratos applications until the conclusion of an L band coordination agreement. If the Bureau nonetheless grants the applications now, it should condition the authorizations on operation strictly on an unprotected, non-interference basis in accordance with the spectrum sharing arrangement negotiated in 1999 among the North American L band operators, which does not include frequencies that were temporarily loaned but subsequently recalled by the lenders.

Respectfully submitted,



Bruce D. Jacobs
David S. Konczal
**PILLSBURY WINTHROP
SHAW PITTMAN LLP**
2300 N Street, NW
Washington, DC 20037-1128
(202) 663-8000



Jennifer A. Manner
Vice President, Regulatory Affairs
**MOBILE SATELLITE VENTURES
SUBSIDIARY LLC**
10802 Parkridge Boulevard
Reston, Virginia 20191
(703) 390-2700

Dated: November 23, 2005

PUBLIC COPY (REDACTED)

Exhibit A

Excerpt from: Inmarsat plc Prospectus, Global Offer of Approximately 164.6 Million Shares of €0.0005 each and admission to listing on the Official List and to trading on the London Stock Exchange at an Offer Price expected to be between 215p and 245p per share.



Inmarsat plc Prospectus

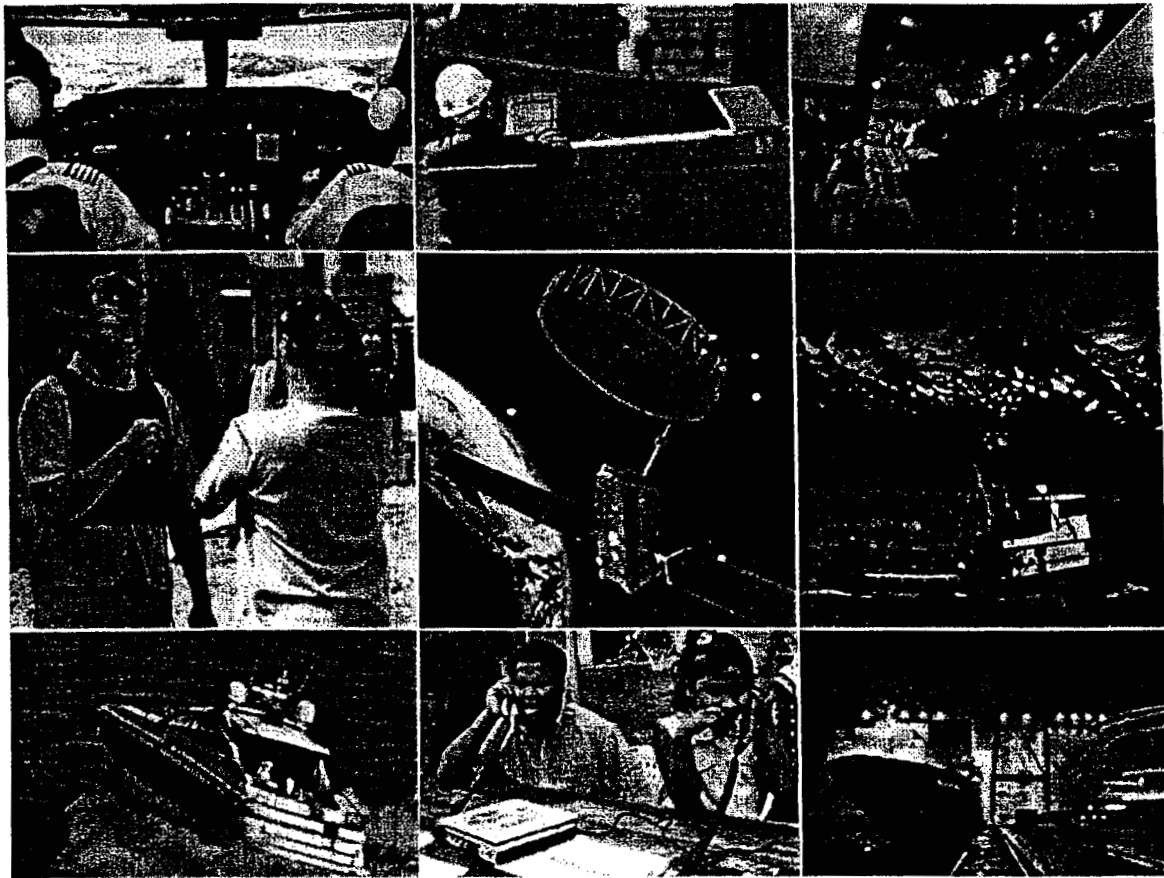
Joint Bookrunners

JPMorgan Cazenove
(Joint Sponsors)

Lehman Brothers

Merrill Lynch International

Morgan Stanley
(Joint Sponsors)



A copy of this document, which comprises a prospectus relating to Inmarsat plc (the "Company") as required by the Listing Rules (the "Listing Rules") made under section 74 of the Financial Services and Markets Act 2000 ("FSMA"), has been delivered to the Registrar of Companies in England and Wales for registration as required by section 83 of FSMA.

Application has been made to the UK Listing Authority and to the London Stock Exchange respectively for admission of all of the ordinary shares of €0.0005 each (the "Shares") issued and to be issued in connection with the Global Offer (as defined in "Part 11: Definitions"): (i) to the Official List of the UK Listing Authority (the "Official List"); and (ii) to the London Stock Exchange plc's (the "London Stock Exchange") market for listed securities (together "Admission"). Conditional dealings in the Shares are expected to commence on the London Stock Exchange on 17 June 2005. It is expected that Admission will become effective and that unconditional dealings in the Shares will commence on the London Stock Exchange at 8.00 a.m. (London time) on 22 June 2005.

All dealings before the commencement of unconditional dealings will be on a "when issued" basis and will be of no effect if Admission does not take place. Such dealings will be at the sole risk of the parties concerned.

The Directors (as defined in "Part 11: Definitions") and the Proposed Directors (as defined in "Part 11: Definitions") of Inmarsat plc, whose names appear on page 1 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Proposed Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This document does not constitute an offer to sell, or the solicitation of an offer to buy, Shares in any jurisdiction where such offer or solicitation is unlawful. The Shares have not been, and will not be, registered under the US Securities Act of 1933 (the "Securities Act"), and, subject to certain exceptions, may not be offered or sold within the United States. The Shares are being offered and sold outside the United States pursuant to, and in reliance on, Regulation S ("Regulation S") under the Securities Act and within the United States only to qualified institutional buyers ("QIBs") as defined in Rule 144A ("Rule 144A") under the Securities Act in transactions exempt from the registration requirements of the Securities Act. Sellers of the Shares may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of the Shares and the distribution of this document, see paragraph 15 under "Part 10: Additional Information".

Anyone considering acquiring Shares in the Global Offer should read this document in its entirety and, in particular, "Part 1: Risk Factors".



Inmarsat plc

(incorporated and registered in England and Wales under the Companies Act 1985 with registered no. 4886072)

Global Offer of approximately 164.6 million Shares of €0.0005 each and admission to listing on the Official List and to trading on the London Stock Exchange at an Offer Price expected to be between 215p and 245p per Share

Joint Sponsors

JPMorgan Cazenove

Morgan Stanley

Joint Bookrunners

JPMorgan Cazenove

Lehman Brothers

Merrill Lynch International

Morgan Stanley

Expected ordinary share capital immediately following Admission

<u>Authorised</u>		<u>Issued</u>	
Shares of €0.0005 each			
Number	Amount	Number	Amount
1,169,017,709	€584,509	473,572,588	€236,786

Pursuant to the Radio Regulations, national regulators are required to file technical information with the ITU relating to the proposed satellite systems of operators under their jurisdiction. Ground-based transmission facilities operated by us or our distribution partners, called land earth stations, which connect our satellites to terrestrial communications networks, are also subject to the Radio Regulations if the land earth station coordination area crosses an international border.

All necessary filings for our in-orbit satellites have been made on our behalf by the UK Radiocommunications Agency (which, from 29 December 2003, was incorporated into and replaced by the UK Office of Communications, known as Ofcom). Once filings have been made with the ITU, a frequency co-ordination process follows to ensure that each operator's services do not cause unacceptable interference to the services of other operators. The negotiations are conducted by the national administrations with the assistance of satellite operators. The timetable and procedures for co-ordination are also governed by the Radio Regulations. We have co-ordinated frequencies in the mobile satellite services spectrum at L-band (1.5 and 1.6 GHz) for communication between our satellites and end-user terminals, as well as frequencies in the C-band (4 and 6 GHz) for communications between land earth stations and our satellites. We also have co-ordinated frequencies in the C-band for our tracking, telemetry and command signals to and from our satellites.

Frequency in the L-band is allocated on an annual basis in a regional multilateral co-ordination process which takes place annually through two separate and independent regional operator review meetings among satellite operators using frequencies in the L-band. One meeting involves operators whose satellites cover North America (known as Region 2), while the other involves operators whose satellites cover Europe (known as Region 1), Africa, Asia and the Pacific (collectively known as Region 3). Both of these groups co-ordinate our use of frequencies in South America. In each case, satellite operators co-ordinate frequencies and assign spectrum by consensus. It may be possible to agree frequency allocation and co-ordination on a bilateral basis between operators outside this multilateral process, subject to non-interference with third parties.

In the past, we have been able to secure sufficient spectrum through these co-ordination meetings to provide all our services. However, satellite operators at the North American meeting have been unable to agree on new spectrum allocations and spectrum rights in the North America region are therefore now founded on prevailing usage under the over-arching principles established by the ITU. MSV and MSV Canada have challenged our right to use particular frequency ranges in our current North American spectrum, claiming that they are entitled to use those spectrum segments. We have rejected these claims, pointing to our continuous use of these spectrum segments and MSV's failure to use other spectrum available to it. Moreover, we believe the appropriate forum for any spectrum coordination issue is a multilateral meeting of all North American operators. Pending such a meeting, our rights to the current spectrum over North America are founded on the well-established principles of manifest continuous usage and non-interference.

We have agreed spectrum allocations in the Region 1 and Region 3 operators' review meetings (1) with all operators in respect of our existing services and (2) with all operators, except one, in respect of our next-generation BGAN services. We believe these agreements provide sufficient spectrum to support our existing and next-generation services, including BGAN, throughout the period of validity of the allocation agreements. However, the operator who has not agreed to the latter plan has already stated that it will continue to operate according to the previous spectrum allocation plan. If this situation persists, there is potential for interference to both our and that operator's services. Furthermore, it is possible we would need to apply for additional spectrum to support our future services.

Increased competition for spectrum and orbital locations (and/or disputes with parties to regional co-ordination processes) may make it difficult for us to retain rights to use the spectrum and orbital resources we require. We cannot guarantee that we will be able in the future to retain spectrum and orbital rights sufficient to provide our existing or future services. We also cannot determine to what extent regulatory authorities will charge us or our distribution partners for the use of mobile satellite communications service spectrum or how much would need to be paid to acquire or retain such spectrum in the future. To the extent we or our distribution partners are unable to retain the rights to use such spectrum or are required to pay for such use (by spectrum auctions or otherwise), our ability to provide services may either be limited or become more costly, which may harm our business or our results of operations.

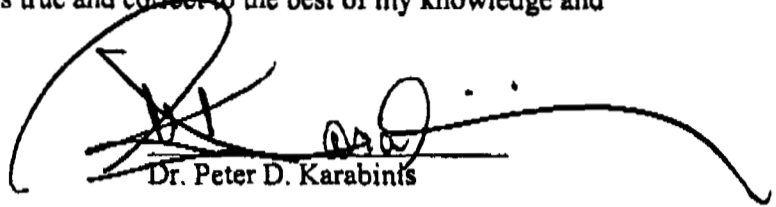
Use of Mobile Satellite Communications Service Spectrum to Provide Terrestrial Communications Services

In January 2003, under the ATC Ruling the FCC decided to permit mobile satellite communications service operators to use their assigned mobile satellite communications service frequencies to provide ancillary terrestrial wireless communication services in the United States as part of an integrated service.

Technical Certification

I, Dr. Peter D. Karabinis, Senior Vice President and Chief Technical Officer of Mobile Satellite Ventures Subsidiary LLC, certify under penalty of perjury that:

I am the technically qualified person with overall responsibility for the technical information contained in the foregoing. I am familiar with the Commission's rules, and the information contained in the foregoing is true and correct to the best of my knowledge and belief.



Dr. Peter D. Karabinis

Dated: November 23, 2005

PUBLIC COPY (REDACTED)

CERTIFICATE OF SERVICE

I, Sylvia A. Davis, a secretary with the law firm of Pillsbury Winthrop Shaw Pittman LLP, hereby certify that on this 23rd day of November 2005, served a true copy of the foregoing PUBLIC COPY by first-class United States mail, postage prepaid, upon the following:

Roderick Porter*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Gardner Foster*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

James Ball*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Cassandra Thomas*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Karl Kensinger*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Fern Jarmulnek*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Robert Nelson*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Howard Griboff*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Andrea Kelly*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Scott Kotler*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

JoAnn Ekblad*
International Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Alfred M. Mamlet
Phillip L. Malet
Marc A. Paul
Steptoe & Johnson LLP
1330 Connecticut Avenue N.W.
Washington, D.C. 20036
Counsel for Stratos Communications, Inc.

Diane J. Cornell
Vice President, Government Affairs
Inmarsat, Inc.
1100 Wilson Blvd, Suite 1425
Arlington, VA 22209

John P. Janka
Jeffrey A. Marks
Latham & Watkins LLP
555 Eleventh Street, N.W.
Suite 1000
Washington, DC 20004


Sylvia A. Davis

*By Electronic Mail