



PUBLIC NOTICE

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December 28, 2005

AUTHORIZATIONS GRANTED

Applications of Space Imaging LLC (Assignor) and ORBIMAGE License Corp. (Assignee) for Approval of the Assignment of FCC Licenses and Authorizations Held by Space Imaging LLC to ORBIMAGE License Corp.

IB Docket No. 05-293

By the Chief, International Bureau:

By this action, we grant Space Imaging LLC (“Space Imaging” or “Assignor”), pursuant to Section 310(d) of the Communications Act of 1934, as amended (the “Act”),¹ approval to assign space and earth station licenses to ORBIMAGE License Corp. (“ORBIMAGE” or “Assignee”). Hereinafter, the assignment applications will be referred to as the “Applications” and the parties to the transaction will be referred to as the “Applicants.”²

On October 6, 2005, the Applicants filed Applications pursuant to Section 310(d) of the Act, seeking consent to assign space and earth station licenses held by Space Imaging to ORBIMAGE.³ Specifically, the Applicants request approval to assign Space Imaging’s authorization to operate an imaging satellite, IKONOS, (FCC Call Sign S2144), and six earth stations to ORBIMAGE.⁴ The Applicants also request the assignment of all associated Special Temporary Authorizations (“STAs”) and applications for new, modified, or extended authority that may be filed or granted prior to the consummation of the proposed transaction. In addition, the proposed transaction includes the acquisition by ORBIMAGE of Space Imaging’s library of archived images, its employment relationships with many of its employees, and its customer base, including international relationships. The Applications were placed on Public Notice on October 27, 2005, and no comments were filed.⁵

¹ 47 U.S.C. §310(d).

² See SAT-ASG-20051006-00197 and SES-ASG-20051013-01405.

³ The Applications were filed on FCC Form 312 for assignment of the satellite space station license (SAT-ASG-20051006-00197) and for assignment of the earth station licenses (SES-ASG-20051013-01405).

⁴ Space Imaging has been authorized by the FCC to communicate with the Non-U.S.-licensed satellites listed on Space Imaging’s various earth station authorizations. Currently, Space Imaging receives remotely-sensed data from Indian satellites IRS-ID and IRS-P6 and from European satellite ERS-2. In addition, Space Imaging’s C-band earth station located in Thornton, CO, holds an ALSAT designation and therefore is authorized to communicate with Non-U.S.-licensed satellites appearing on the Commission’s Permitted List.

⁵ See Public Notice, Pleading Cycle Established, IB Docket No. 05-293, DA 05-2846 (released Oct. 27, 2005).

The International Bureau finds, upon consideration of the record, that grant of the Applications will serve the public interest, convenience, and necessity.⁶ Based on our review of the record, we find no evidence to suggest that the Assignee, ORBIMAGE, lacks the basic qualifications to hold Space Imaging's licenses.⁷ Further, the record contains no evidence that the proposed assignment would harm competition in any relevant product or geographic market.⁸ Space Imaging's IKONOS satellite is expected to go out of service in the first quarter of 2008.⁹ In 2002, Space Imaging's owners, Lockheed Martin Corporation and Raytheon Company, decided that they would not make any further funding at that time, and recognized that replacement satellites would be funded only if Space Imaging were successful in obtaining additional financing.¹⁰ In March 2003, the National Geospatial Intelligence Agency ("NGA") announced its NextView program, whose purpose is to support development of commercial satellite imagery through subsidies for the engineering, construction and launch of the next generation of imagery satellites. In September 2003, NGA awarded a contract to DigitalGlobe, and in September 2004, NGA awarded a contract to ORBIMAGE in its NextView Second Vendor program. Space Imaging was not awarded a NextView contract.¹¹ The satellites that will be put into service with this program will have a higher resolution, 0.5 meters or better, than earlier satellites. Without additional funding from its owners, and without a NextView contract, it is unlikely that Space Imaging would continue operations after its IKONOS satellite ceases operation. Since Space Imaging is unlikely to continue operations after first quarter 2008, and would be unable with its IKONOS satellite to provide the 0.5 meter resolution of the next generation of imagery satellites, the proposed transaction is unlikely to harm competition.

Based on the record, the proposed transaction will allow ORBIMAGE to increase the quality of its product with more frequent revisit times and more timely coverage of an area of interest through the integrated operation of multiple imagery satellites, where ORBIMAGE would be able to use the IKONOS satellite, along with its current satellite, Orbview-3, and with its planned OrbView-5 satellite when it is launched in 2007.¹² According to the Applicants, the proposed transaction will also provide benefits through the addition of Space Imaging technical staff, whose expertise and experience is different from

⁶ See 47 U.S.C. § 310(d).

⁷ We note that ownership limitations embodied in Sections 310(a) and 310(b) of the Act do not apply because, pursuant to Section 310(a), no foreign government or representative of a foreign government seeks to hold a license, and Section 310(b) does not apply to non-common carrier licenses such as the ones proposed to be assigned in this case. See 47 U.S.C. § 310(a), (b)(1)-(4).

⁸ Space Imaging and ORBIMAGE, both U.S.-based Earth imaging satellite systems, collect, process and distribute digital imagery of the Earth's land, ocean and atmosphere. The Earth imagery industry consists of businesses that compete globally and includes images of the Earth taken from satellites or airplanes. See Applications, Exhibit F at 7 and n. 9 (citing *Frost & Sullivan*, GIS Software Data and Value-Added Markets, A440-22 (2003) (defining the industry as "World Commercial Remote Sensing Imagery")(Frost & Sullivan Report)).

⁹ Applications, Exhibit F at 6-7.

¹⁰ Applications, Exhibit F at 6. See also, Lockheed Martin, Form 10-K, Annual Report Pursuant to Section 13 of 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2002, filed March 6, 2003, at 68.

¹¹ Applications, Exhibit F at 5-6. See also, ORBIMAGE, Form 10-K, Annual Report Pursuant to Section 13 of 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2004, at 4-5.

¹² Applications, Exhibit F at 11, 12.

that of ORBIMAGES's personnel, allowing the ORBIMAGE to increase the quality of its service.¹³ In addition, approval of the proposed transaction will allow ORBIMAGE to gain access to Space Imaging's archive of images.¹⁴

Therefore, pursuant to Section 310(d) of the Act and section 0.261 of the Commission's rules,¹⁵ the International Bureau hereby grants the Applications listed in Attachment A to this Public Notice, effective upon release of this Public Notice. The assignments shall be completed within 60 days from the date of authorization.¹⁶ Following consummation of the transaction, Applicants shall update any pending applications to reflect the transaction approved by this public notice.¹⁷ Within 30 days of consummation, the Commission shall be notified by letter of the date of consummation and the file numbers of the applications involved in the transaction.¹⁸ As applicable, the Applicants shall follow the Commission's procedures for changes of ownership of satellites on the Permitted List.¹⁹

Pursuant to section 1.103 of the Commission's rules, the grant is effective upon release of this Public Notice.²⁰ Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

¹³ Applications, Exhibit F at 11 – 14.

¹⁴ Applications, Exhibit F at 13.

¹⁵ 47 C.F.R. § 0.261.

¹⁶ *See* 47 C.F.R. § 25.119(f).

¹⁷ *See* 47 C.F.R. § 1.65.

¹⁸ *See* 47 C.F.R. § 25.119(f).

¹⁹ *See* 47 C.F.R. § 25.137(g).

²⁰ 47 C.F.R. § 1.103.

Appendix A
(IB Docket No. 05-293)

<u>File Numbers</u>	<u>Licensee/Call Signs</u>
SAT-ASG-20051006-00197	Space Imaging LLC <i>Call Sign(s):</i> S2144
SES-ASG-20051013-01405	Space Imaging LLC <i>Call Sign(s):</i> E970270, E970354, E000150, E000103, E970271, E960463
SES-MOD-20051021-01433	Space Imaging LLC <i>Call Sign:</i> E970354
SES-MOD-20051021-01434	Space Imaging LLC <i>Call Sign:</i> E972071
SES-MOD-20051021-01435	Space Imaging LLC <i>Call Sign:</i> E970270
SES-MOD-20051021-01436	Space Imaging LLC <i>Call Sign:</i> E960463

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