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Satellite Division
International Bureau
In the matter of

MVS USA, Inc.

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

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File No. SES-STA-20070205-00192 (Call Sign E050348)

ORIGINAL
FILED/ACCEPTED

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Federal Communications Commission
Office of the Secretary

REPLY

Mobile Satellite Ventures Subsidiary LLC (“MSV”) hereby files this Reply to the Oppositions filed by MVS USA, Inc. (“MVS”) and Inmarsat Ventures Limited (“Inmarsat”) to MSV’s Petition to Deny the above-referenced application of MVS for a new grant of Special Temporary Authority (“STA”) to operate 5000 Broadband Global Area Network (“BGAN”) terminals using an Inmarsat satellite, Inmarsat 4F2 at 52.75°W, for which coordination is not complete.¹ In its Petition, MSV explained that MVS’s previous STA grant for BGAN operations expired one month ago, thereby requiring the International Bureau (“Bureau”) to treat the MVS application as a request for a new STA. *MSV Petition* at 2-3. While MVS claims that it filed “several” previous renewal requests which are pending,² those requests sought authority for only a sixty-day period, with the latest renewal request seeking authority ending on January 7, 2007. *MSV Petition* at 2-3. Given that MVS’s previous BGAN STA grant expired prior to MVS’s

¹ See MVS USA, Inc., Application for New Special Temporary Authority to Operate BGAN Terminals with Inmarsat 4F2, File No. SES-STA-20070205-00192 (Call Sign E050348) (February 2, 2007); Mobile Satellite Ventures Subsidiary LLC, Petition to Deny, File No. SES-STA-20070205-00192 (Call Sign E050348) (February 7, 2007) (“*MSV Petition*”); MVS USA, Inc., Opposition, File No. SES-STA-20070205-00192 (Call Sign E050348) (February 22, 2007) (“*MVS Opposition*”); Inmarsat Ventures Ltd., Opposition, File No. SES-STA-20070205-00192 (Call Sign E050348) (February 22, 2007).

² See *MVS Opposition* at 2. MVS attempts to claim that its now-expired STA is still in effect by citing Section 558(c) of Title 5 of the United States Code which pertains to “timely” filed renewal applications. 5 U.S.C. § 558(c). Because MVS’s most recent BGAN STA application was not timely filed – indeed, it was filed a month late – MVS’s previous STA grant has expired and thus this provision pertaining to renewals does not apply here.

above-referenced application filed on February 5, 2007, the Bureau must treat the MVS application as a request for a new STA and assess whether MVS has provided “extraordinary circumstances” justifying a grant.

As MSV explained in its Petition, MVS has provided no evidence that it actually operated or sold any terminals pursuant to its previous STA grant or that it has a reasonable expectation of operating or selling any terminals in the future (let alone 5000 terminals, as its application requests). *MSV Petition* at 2-3. In its Opposition, MVS does not even attempt to refute this fact. As such, there is no public interest justification for granting the MVS STA request, especially considering that the authorization of far more BGAN terminals than needed disservices the public interest by depriving Inmarsat of any incentive to satisfy its obligation to coordinate its Inmarsat 4F2 satellite. *Id.*³ Grant of this STA would not outweigh the harm that will result from the negative impact on the L band coordination process resulting from the authorization of an excessive number of BGAN terminals and from permitting satellite operators such as Inmarsat to cause interference to other satellite operators, to bypass the frequency coordination process, and to undermine the Commission’s application process. *Id.*⁴

³ Indeed, in the year since Inmarsat’s BGAN service was initiated, Inmarsat has been able to obtain only 7,119 BGAN subscribers *worldwide*. While MSV is not aware of any publicly available figures on the number of BGAN terminals deployed in the United States (and Inmarsat has failed to provide any such figure in the record of this or any other proceeding), it is safe to assume that only a fraction of the 7,119 BGAN terminals activated worldwide today are used in the United States, a number far less than the 25,000 BGAN terminals authorized for use in the United States pursuant to STA. See Exhibit A (attaching excerpts from Inmarsat Group Limited’s Form 6-K filed with the U.S. Securities and Exchange Commission (“SEC”) on February 27, 2007, available at: <http://www.sec.gov/Archives/edgar/data/1291398/000119312507040636/0001193125-07-040636-index.htm>)

⁴ In their Oppositions, MVS and Inmarsat incorporate by reference pleadings from previous proceedings. MSV hereby incorporates by reference its pleadings as filed in those previous proceedings. See *Mobile Satellite Ventures Subsidiary LLC, Petition for Clarification*, File No. SES-STA-20060310-00419 et al (June 12, 2006); *Mobile Satellite Ventures Subsidiary LLC*,

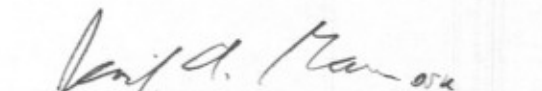
Conclusion

MSV urges the Bureau to protect the existing and reliable services MSV currently provides by acting consistently with the views expressed herein and in the *MSV Petition*.

Respectfully submitted,



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Dated: March 6, 2007

Reply, File No. SES-STA-20060310-00419 et al (June 29, 2006); Letter from Jennifer A. Manner, Mobile Satellite Ventures Subsidiary LLC, to Ms. Marlene H. Dortch, FCC, File No. SES-LFS-20050826-01175 et al (November 22, 2006); Letter from Jennifer A. Manner, Mobile Satellite Ventures Subsidiary LLC, to Ms. Marlene H. Dortch, FCC, File No. SES-LFS-20050826-01175 et al (December 18, 2006); Letter from Jennifer A. Manner, MSV, to Mr. John Giusti and Mr. Julius Knapp, FCC (June 20, 2006); Letter from Jennifer A. Manner, MSV, to Ms. Marlene H. Dortch, FCC, File No. SES-MFS-20051122-01614 (Call Sign E000180) et al (June 20, 2006); Letter from Jennifer A. Manner, MSV, to Mr. John Giusti and Mr. Julius Knapp, FCC (July 18, 2006); Letter from Jennifer A. Manner, MSV, to Ms. Marlene H. Dortch, FCC, File No. SES-MFS-20051122-01614 (Call Sign E000180) et al (July 18, 2006).

Exhibit A

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

**Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934**

February 27, 2007

333-115865-06

Inmarsat Group Limited

(Exact name of Registrant as specified in its charter)

Inmarsat Group Limited

(Translation of Registrant's name into English)

England and Wales

(Jurisdiction of incorporation or organization)

**99 City Road, London
United Kingdom, EC1Y 1AX**
(Address of principal executive office)

333-115865-06

Inmarsat Finance plc

(Exact name of Registrant as specified in its charter)

Inmarsat Finance plc

(Translation of Registrant's name into English)

England and Wales

(Jurisdiction of incorporation or organization)

**99 City Road, London
United Kingdom, EC1Y 1AX**
(Address of principal executive office)

333-115865

Indicate by check mark whether the Registrant files or will file annual reports under cover Form 20-F or Form 40-F.

20-F 40-F

Indicate by check mark whether the Registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b) (1):-

Indicate by check mark whether the Registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b) (7):-

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

Revenues

Revenues for 2006 were \$500.1m, an increase of \$9.0m, or 1.8%, compared with 2005. Revenues excluding subsidiaries disposed of increased by 4.4%, from \$479.2m to \$500.1m.

The table below sets out the components of our total revenue for each of the periods under review.

	<u>2006</u> <u>(unaudited)</u> <u>(US\$ in millions)</u>	<u>2005</u> <u>(audited)</u>	<u>Increase/</u> <u>(decrease)</u> <u>%</u>
Revenues			
Maritime sector:			
voice services	100.9	102.0	(1.1)
data services	183.8	165.1	11.3
Total maritime sector	284.7	267.1	6.6
Land sector:			
voice services	19.2	23.6	(18.6)
data services	96.9	98.2	(1.3)
Total land sector	116.1	121.8	(4.7)
Aeronautical sector	30.7	22.7	35.2
Leasing (incl. navigation)	60.3	60.9	(1.0)
Total mobile satellite communications services	491.8	472.5	4.1
Subsidiaries disposed of in 2005	—	11.9	
Other income	8.3	6.7	23.9
Total revenue	500.1	491.1	1.8

('000s)

Active terminals ^{(1) (2)}

	<u>2006</u>	<u>2005</u>
Maritime	139.5	122.6
Land	80.8	76.9
Aeronautical	7.7	6.8
Total active terminals	228.0	206.3

(1) Active terminals are the number of subscribers (R-BGAN and BGAN) or terminals that have been used to access commercial services at any time during the preceding twelve-month period (other services except handheld) registered as at 31 December. Active handheld terminals are the average number of terminals active on a daily basis during the period.

(2) Active terminals as at 31 December 2006 include 9,922 ACeS terminals and 7,119 BGAN subscribers (as at 31 December 2005: nil and nil, respectively). The average daily active number of handheld SIM cards was 13,904.

During 2006, revenues from mobile satellite communication services were \$491.8m, an increase of \$19.3m, or 4.1%, compared with 2005. Growth has been strong as a result of continued success in services such as Fleet and Swift 64; the launch of BGAN in December 2005; and we have additionally seen a revenue contribution from handheld services since September 2006. This growth has been partly offset by lower demand for our services in the Middle East and competition from other technologies. The maritime, land, aeronautical and leasing sectors accounted for 57.9%, 23.6%, 6.2% and 12.3% of total revenues from mobile satellite communication services respectively during 2006. Revenues for 2006 reflect the increased volume discounts arising from the merger of Stratos and Xantic which was completed on 14 February 2006. Revenues for 2005 included the effect of the relief work arising out of the Asian tsunami of 26 December 2004. We do not consider that our revenues in 2006 have benefited from any 'one-off' or event-type revenues.

CERTIFICATE OF SERVICE

I, Sylvia A. Davis, a secretary with the law firm of Pillsbury Winthrop Shaw Pittman LLP, hereby certify that on this 6th day of March 2007, I served a true copy of the foregoing by first-class United States mail, postage prepaid, upon the following:

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