



PUBLIC NOTICE

Federal Communications Commission
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Washington, D.C. 20554

News Media Information 202 / 418-0500
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DA 05-2715

Released: October 14, 2005

CONSTELLATION, LLC, CARLYLE PANAMSAT I, LLC, CARLYLE PANAMSAT II, LLC, PEP PAS, LLC, AND PEOP PAS, LLC, TRANSFERORS, AND INTELSAT HOLDINGS, LTD., TRANSFEREE, SEEK FCC CONSENT TO TRANSFER CONTROL OF LICENSES AND AUTHORIZATIONS HELD BY PANAMSAT LICENSEE CORP. AND PANAMSAT H-2 LICENSEE CORP.

IB Docket No. 05-290

Pleading Cycle Established

Comments/Petitions Due: November 14, 2005
Responses/Opposition Due: November 29, 2005
Replies Due: December 6, 2005

I. INTRODUCTION

Constellation, LLC (“Constellation”), Carlyle PanAmSat I, LLC (“Carlyle PanAmSat I”), Carlyle PanAmSat II, LLC (“Carlyle PanAmSat II”), PEP PAS, LLC (“PEP PAS”), and PEOP PAS, LLC (“PEOP PAS” and, collectively with Constellation, Carlyle PanAmSat I, Carlyle PanAmSat II, and PEP PAS, the “Transferors”), Intelsat Holdings, Ltd. (“Intelsat” or the “Transferee”), and PanAmSat Holding Corporation (“PanAmSat” and, together with the Transferors and the Transferee, the “Applicants”) have filed a series of applications (“Applications”) pursuant to section 310(d) of the Communications Act of 1934, as amended (the “Act”),¹ seeking Commission approval to transfer control of Commission licenses held by two subsidiaries of PanAmSat to Intelsat.² PanAmSat is the indirect parent of PanAmSat Licensee Corp. and PanAmSat H-2 Licensee Corp. (collectively, the “PanAmSat Licensees”), which hold authorizations to operate non-common carrier fixed-satellite service satellites using

¹ 47 U.S.C. § 310(d).

² In addition to the five transfer of control applications, the parties have filed five applications seeking special temporary authority (“STA”) to continue certain satellite operations in accordance with the terms of existing STAs following the proposed transfer of control to Intelsat.

the C- and Ku-bands, as well as authorizations for numerous non-common carrier earth stations that transmit and/or receive signals in those frequency bands.³

II. THE PARTIES

The Transferors. The Transferors collectively own approximately 58 percent of the stock of PanAmSat.⁴ The Transferors together exercise control over PanAmSat and the PanAmSat Licensees through their control of a majority of PanAmSat's board of directors. The Transferors are owned by investment funds associated with three U.S. private investment firms: Kohlberg Kravis & Roberts Co. L.P.; TC Group, L.L.C., d/b/a/ The Carlyle Group; and Providence Equity Partners, Inc.⁵

The Transferee. Intelsat is an entity organized under the laws of Bermuda and ultimately controlled by private equity fund groups advised by or associated with: Apax Partners Worldwide LLP and Apax Partners, L.P.; Apollo Management V, L.P.; MDP Global Investors Limited; and Permira Advisers LLC.⁶ Through subsidiaries, Intelsat indirectly controls multiple

³ Attachment A lists the file numbers and associated call signs for the Applications.

⁴ Constellation holds approximately 26% of PanAmSat's stock; Carlyle PanAmSat I and Carlyle PanAmSat II together hold approximately 16% of the stock; and PEP PAS and PEOP PAS together hold approximately 16% of the stock.

⁵ In 2004, the International Bureau approved the transfer of control of PanAmSat to the Transferors. See *Applications of The News Corporation Limited and The DIRECTV Group, Inc. (Transferors) and Constellation, LLC, Carlyle PanAmSat I, LLC, Carlyle PanAmSat II, LLC, PEP PAS, LLC and PEOP PAS, LLC (Transferees) for Authority to Transfer Control of PanAmSat Licensee Corp.*, IB Docket No. 04-209, Public Notice, DA No. 04-2509, 19 FCC Rcd 15424 (Int'l Bur. 2004). Later in 2004, the International Bureau granted the Transferors the authority to interpose PanAmSat Holding Corporation into the chain of ownership of PanAmSat Licensee Corp. See *PanAmSat Licensee Corp.*, File No. SAT-T/C-20040924-00190, Grant of Authority, Public Notice, Report No. SAT-00249, DA No. 04-3222, 19 FCC Rcd 19697, 19698 (Int'l Bur. 2004); *PanAmSat Licensee Corp.*, File Nos. SES-T/C-20040924-01456, -01457, and -01458, Grant of Authority, Public Notice, Report No. SES-00649 (Int'l Bur. Oct. 6, 2004), at 36. During early 2005, PanAmSat held a public offering that resulted in the sale of approximately 42% of its stock. See, e.g., *PanAmSat Holding Corporation Prices Initial Public Offering at \$18.00 Per Share*, News Release (Mar. 16, 2005), <http://www.shareholder.com/pa/ReleaseDetail.cfm?ReleaseID=158908>. In mid-2005, PanAmSat Licensee Corp. assigned one of its satellite licenses to sister subsidiary PanAmSat H-2 Licensee Corp. See *PanAmSat Licensee Corp.*, File No. SAT-ASG-20050727-00148, Grant of Authority, Public Notice, Report No. SAT-00318, DA No. 05-2435 (Int'l Bur. Sept. 9, 2005), at 1.

⁶ See *Intelsat, Ltd., Transferor, and Zeus Holdings Limited, Transferee, Consolidated Application for Consent to Transfers of Control of Holders of Title II and Title III Authorizations and Petition for Declaratory Ruling Under Section 310 of the Communications Act of 1934, As Amended*, IB Docket No. 04-366, Order and Authorization, DA No. 04-4034, 19 FCC Rcd 24820 (Int'l Bur., WTB and OET 2004) ("*Intelsat-Zeus Order*"). In early 2005, the International Bureau granted authority to interpose Intelsat Subsidiary Holding Company Ltd. into the chain of ownership and modified its foreign ownership ruling to include new Bermuda-based intermediate parent Intelsat Subsidiary Holding Company Ltd. See *Intelsat, Ltd.*, File No. ISP-PDR-20050203-00004, Grant of Authority, Public Notice, Report No. TEL-00884, DA No. 05-479, 20 FCC Rcd 4052, 4053 (Int'l Bur. 2005); *Intelsat North America LLC*, File No. SAT-T/C-20050203-00022, and *Intelsat LLC*, File No. SAT-T/C-20050203-00023, Grant of Authority, Public Notice, Report No. SAT-00276, DA No. 05-594 (Int'l Bur. Mar. 4, 2005), at 1-2; *Intelsat LLC*, File Nos. SES-T/C-20050203-00138, -00139 and -00140, and *Intelsat MTC LLC*, File No. SES-T/C-20050203-00141, Grant of Authority, Report No. SES-00691 (Int'l Bur. Mar. 2, 2005), at 26-27; *Intelsat USA License Corp.*, File No. ITC-T/C-20050418-00279, *Intelsat General Corporation*, File No. ITC-T/C-20050418-00280, and *Intelsat MTC LLC*, File No. ITC-T/C-20050418-0281, Grant of Authority, Public Notice, Report No. TEL-00931, DA No. 05-2192 (Int'l Bur. 2005), at 3-4. During 2005, Zeus Holdings Limited changed its name to Intelsat Holdings, Ltd. See, e.g., *Intelsat USA License Corp.*, Report No. TEL-00931, at 3.

U.S. C- and Ku-band space and earth station authorizations and other ancillary licenses and authorizations. Intelsat's five Commission-licensed subsidiaries are: Intelsat LLC, which holds Title III radio licenses; Intelsat North America LLC, which holds Title III radio licenses; Intelsat USA License Corp., which holds Title II common carrier authorizations; Intelsat General Corporation, which holds a Title II common carrier authorization; and Intelsat MTC LLC, which holds Title III radio licenses (together, the "Intelsat Licensees").

Intelsat owns and operates a global satellite system primarily serving the voice, data, and Internet service requirements of telecommunications and government customers. Intelsat's fleet of satellites offers service in more than 200 countries. Intelsat also provides lifeline connectivity services to less developed areas of the world.⁷

III. THE TRANSACTION

On August 28, 2005, Intelsat's indirect subsidiary Intelsat (Bermuda), Ltd. and Intelsat (Bermuda), Ltd.'s wholly-owned subsidiary Proton Acquisition Corporation ("Merger Sub") entered into a merger agreement with PanAmSat. The merger agreement contemplates that Merger Sub will be merged with and into PanAmSat, with PanAmSat remaining as the surviving entity. Upon completion of the transaction, PanAmSat would be a direct wholly-owned subsidiary of Intelsat (Bermuda), Ltd. and an indirect wholly-owned subsidiary of Intelsat. Post merger, PanAmSat and its subsidiaries would continue as separate corporate entities.

The terms of the merger agreement provide that each outstanding share of common stock of PanAmSat will be converted into the right to receive \$25.00 in cash, without interest, plus a pro rata portion of any of PanAmSat's regular quarterly dividend that has not been declared (or has been declared with a record date after the closing) with respect to the fiscal quarter in which the merger occurs (but not for the period after the closing of the merger). Consummation of the merger is subject to conditions, including receipt of requisite regulatory approvals, receipt of financing by Intelsat, and adoption of the merger agreement by PanAmSat's stockholders.

Prior to the closing of the transaction, Intelsat (Bermuda), Ltd. is expected to transfer substantially all of its assets and liabilities to Intelsat Intermediate Holding Company, Ltd., a newly-formed wholly-owned subsidiary formed under the laws of Bermuda. This new Bermuda subsidiary then would become the direct parent of Intelsat Subsidiary Holding Company, Ltd. and its subsidiaries, including the five Intelsat Licensees.⁸

⁷ See, e.g., International Telecommunications Satellite Organization, http://216.119.123.56/dyn4000/dyn/docs/ITSO/tpl1_itso.cfm?id=345&lang=english&location= (lifeline connectivity services). Intelsat also provides common carrier service on routes not served by submarine cables. See *Intelsat-Zeus Order*, 19 FCC Rcd at 24835, ¶ 36 (the subsidiaries of Intelsat that hold international section 214 authorizations are treated as "dominant" in their provision of Intelsat space segment capacity for switched voice and private line services on non-competitive, or "thin," U.S. international routes not served by submarine cables); *Intelsat MTC LLC*, File No. ITC-MOD-20050329-00169, Informative Public Notice, Report No. TEL-00946, DA No. 05-2446 (Int'l Bur. Sept. 15, 2005), at 4 (Intelsat MTC LLC, one of Intelsat's three subsidiaries that held international section 214 authorizations, surrendered its authorizations).

⁸ The Applicants advise that the Intelsat Licensees will be filing a separate application requesting Commission approval for the insertion of this new Bermuda-based entity within the chain of ownership of the Intelsat Licensees.

IV. *EX PARTE* STATUS OF THIS PROCEEDING

Pursuant to section 1.1200(a) of the Commission's rules,⁹ the Commission may adopt modified or more stringent *ex parte* procedures in particular proceedings if the public interest so requires. We announce that this proceeding will be governed by permit-but-disclose *ex parte* procedures that are applicable to non-restricted proceedings under section 1.1206 of the Commission's rules.¹⁰

We direct parties making oral *ex parte* presentations to the Commission's statement re-emphasizing the public's responsibility in permit-but-disclose proceedings and remind such parties that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed.¹¹ More than a one- or two-sentence description of the views and arguments presented generally is required.¹² Other rules pertaining to oral and written presentations are set forth in section 1.1206(b) as well.¹³ We urge parties to use the Electronic Comment Filing System ("ECFS") to file *ex parte* submissions.¹⁴

V. GENERAL INFORMATION

The Applications listed in Attachment A have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it determines that the application is defective and not in conformance with the Commission's rules and policies. Final action on these Applications will not occur earlier than thirty-one days following the date of this Public Notice.¹⁵

Interested parties must file comments or petitions to deny no later than **November 14, 2005**. Persons and entities that file comments or petitions to deny become parties to the proceeding. They may participate fully in the proceeding, including seeking access to any confidential information that may be filed under a protective order, seeking reconsideration of decisions, and filing appeals of a final decision to the courts. Responses or oppositions to comments and petitions must be filed no later than **November 29, 2005**. Replies to such pleadings must be filed no later than **December 6, 2005**. All filings concerning matters referenced in this Public Notice should refer to **DA No. 05-2715** and **IB Docket No. 05-290**, as well as to the specific file numbers of the individual applications or other matters to which the filings pertain.

⁹ 47 C.F.R. § 1.1200(a).

¹⁰ *Id.* § 1.1206.

¹¹ *See Commission Emphasizes the Public's Responsibilities in Permit-But-Disclose Proceedings*, Public Notice, 15 FCC Rcd 19945 (2000).

¹² *See* 47 C.F.R. § 1.1206(b)(2).

¹³ *Id.* § 1.1206(b).

¹⁴ *See* discussion *infra*.

¹⁵ *See* 47 U.S.C. § 309(b).

Under the Commission's procedures for the submission of filings and other documents,¹⁶ submissions in this matter may be filed electronically (*i.e.*, though ECFS) or by hand delivery to the Commission's Massachusetts Avenue location.

- **Electronic Filers:**¹⁷ Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/>. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket number. Parties also may submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- **Paper Filers:** Parties who choose to file by paper must file an original and four copies of each filing.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.

Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.

U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington, D.C. 20554.

One copy of each pleading must be delivered electronically, by e-mail or facsimile, or if delivered as paper copy, by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (according to the procedures set forth above for paper filings), to the Commission's duplicating contractor, Best Copy and Printing, Inc., at fcc@bcpiweb.com or (202) 488-5563 (facsimile).

Additionally, filers may deliver courtesy copies by email or facsimile to the following Commission staff:

¹⁶ See *Implementation of Interim Electronic Filing Procedures for Certain Commission Filings*, Order, 16 FCC Rcd 21483 (2001); see also *FCC Announces a New Filing Location for Paper Documents and a New Fax Number for General Correspondence*, Public Notice, 16 FCC Rcd 22165 (2001); *Reminder: Filing Locations for Paper Documents and Instructions for Mailing Electronic Media*, Public Notice, 18 FCC Rcd 16705 (2003).

¹⁷ See *Electronic Filing of Documents in Rulemaking Proceedings*, GC Docket No. 97-113, Report and Order, 13 FCC Rcd 11322 (1998).

- (1) James Ball, Chief, Policy Division, International Bureau, at james.ball@fcc.gov or (202) 418-2824 (facsimile);
- (2) Kathleen Collins, Policy Division, International Bureau, at kathleen.collins@fcc.gov or (202) 418-2824 (facsimile);
- (3) JoAnn Lucanik, Satellite Division, International Bureau, at joann.lucanik@fcc.gov or (202) 418-0748 (facsimile);
- (4) Marilyn Simon, Satellite Division, International Bureau, at marilyn.simon@fcc.gov or (202) 418-0748 (facsimile);
- (5) Jim Bird, Office of General Counsel, at jim.bird@fcc.gov or (202) 418-1234 (facsimile); and
- (6) Neil Dellar, Office of General Counsel, at neil.dellar@fcc.gov or (202) 418-1234 (facsimile).

Copies of the Applications and any subsequently-filed documents in this matter may be obtained from Best Copy and Printing, Inc., in person at 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, via telephone at (202) 488-5300, via facsimile at (202) 488-5563, or via e-mail at fcc@bcpiweb.com. The Applications and any associated documents are also available for public inspection and copying during normal reference room hours at the following Commission office: FCC Reference Information Center, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. The Applications also are available electronically through the Commission's ECFS, which may be accessed on the Commission's Internet website at <http://www.fcc.gov>. Additional information regarding the transaction will be available on the FCC's Office of General Counsel's website, <http://www.fcc.gov/ogc>, which will contain a fully indexed, unofficial listing and electronic copies of all materials in this docket.

People with Disabilities: To request this Public Notice in accessible formats (computer diskette, large print, audio recording, and Braille) send an email to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

For further information, contact Kathleen Collins, Policy Division, International Bureau, at 202-418-1474.

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Attachment A

List of Licenses

File Number	Licensee	Type of Service & Station Authorization	Lead Call Sign (No. of Call Signs)
SAT-T/C-20050930-00193	PanAmSat Licensee Corp.	Fixed Satellite and Direct to Home Fixed Satellite (C- and Ku-Band)	GAL III-R (23)
SAT-T/C-20050930-00194	PanAmSat H-2 Licensee Corp.	Fixed Satellite (Ku-Band)	S2423 (1)
SAT-STA-20050930-00188	PanAmSat Licensee Corp.	Space Station Special Temporary Authority	S2387
SAT-STA-20050930-00189	PanAmSat Licensee Corp.	Space Station Special Temporary Authority	GAL-3R
SAT-STA-20050930-00190	PanAmSat Licensee Corp.	Space Station Special Temporary Authority	S2422
SAT-STA-20050930-00191	PanAmSat Licensee Corp.	Space Station Special Temporary Authority	CS91004
SAT-STA-20050930-00192	PanAmSat Licensee Corp.	Space Station Special Temporary Authority	Galaxy 14
SES-T/C-20050930-01356	PanAmSat Licensee Corp.	Non-Common Carrier Temporary-Fixed Earth Station (Ku-Band)	E010118 (2)
SES-T/C-20050930-01357	PanAmSat Licensee Corp.	Non-Common Carrier VSAT Earth Station (Ku-Band)	E010280 (3)
SES-T/C-20051004-01371	PanAmSat Licensee Corp.	Non-Common Carrier Fixed Earth Station (C- and Ku-Band)	E000048 (78)

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