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October 26, 1999

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S. W., Room TW-A325
Washington, D.C. 20554

Re: **EX PARTE**
IB Docket 99-81, RM 9328; ET Docket 95-18

Dear Ms. Salas:

On October 25, 1999, Richard DalBello, vice president of government affairs for North America; Francis Coleman, director of regulatory affairs, and the undersigned, all representing ICO Global Communications ("ICO") and Norman Leventhal of Leventhal, Senter & Lerman, representing the ICO USA Service Group, met with Ari Fitzgerald, legal advisor to Chairman William Kennard, and Linda Haller of the International Bureau to discuss the positions set forth in the parties' previous filings in the above-captioned proceedings. The representatives' briefing also focused on approaches for providing low cost mobile satellite service to unserved and underserved areas, including tribal lands, as set forth in the attached outline.

Pursuant to Section 1.1206(b)(1) of the Commission's rules, six copies of this letter are provided to the Secretary for inclusion in the record in the above-captioned proceedings.

Very truly yours,


Cheryl A. Tritt

Attachment

cc: Ari Fitzgerald
Linda Haller

ICO Global Communications

Richard DaBello
VP, Government Affairs



Pricing comparisons: wireline to MSS



High Population Density



Low Population Density



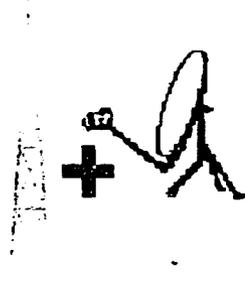
Wireline

<\$.01



Wireless

\$.10 - .30



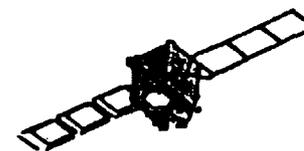
VSAT+Local Loop

\$.10 - .30



VSAT

\$.25 - .50



INMARSAT

\$3



ICO

\$1 - \$3

(Retail price per minute)

Different solutions depending on usage and density

Usage	Low	Wireless Local Loop	ICO/ Wireless Local Loop	ICO
	Med	Fixed/ VSAT	Wireless Local Loop	ICO/ Wireless Local Loop
	High	Fixed/ VSAT	Fixed/ VSAT	Wireless Local Loop/ Fixed
		High	Med	Low
		Population Density		

VSAT payphone characteristics

- Capex \$3,000 to \$5,000 per site
- Requires high traffic threshold (5,000 min per month) to make payphone economical
- Tariff examples
 - Indonesia - \$0.10 / min local, \$0.30 /min long dist
 - Thailand - \$ 0.01 / min local, \$0.06 / min long dist
 - Peru & Chile - \$0.15 to \$0.20 / min
- VSAT is attractive to PTT's where remote population exceeds 1,500 potential users - driving down airtime costs and allowing sufficient traffic to amortise hub capex



- Global solution for companies with remote sites in multiple countries - one stop shop
- Instant solution - pay and plug in for immediate voice and 9.6 kbit data services
- Address remote sites where VSAT is an uneconomical solution
- Low cost telephone with target retail price \$900
- MSS is the only solution in markets unserved by Regional GEOs and uneconomical for VSAT solution
- Interim affordable solution for customers on a long-term waiting list for fixed network roll-out



- Satisfies Universal Service Obligation in an economical and timely fashion
- Addresses needs of remote villages where VSAT hub investment (\$500k - \$1m) is uneconomical (typically 500 and fewer inhabitants)
- Prepaid solution supported
- Payphone is ruggedised against vandalism and harsh environments
- Minimum power requirements

