

EX PARTE OR LATE FILED

ORIGINAL

ORIGINAL

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

1440 NEW YORK AVENUE, N.W.

WASHINGTON, D.C. 20005-2111

TEL: (202) 371-7000

FAX: (202) 393-5760

http://www.skadden.com

FIRM/AFFILIATE OFFICES

BOSTON
CHICAGO
HOUSTON
LOS ANGELES
NEWARK
NEW YORK
PALO ALTO
SAN FRANCISCO
WILMINGTON

BEIJING
BRUSSELS
FRANKFURT
HONG KONG
LONDON
MOSCOW
PARIS
SINGAPORE
SYDNEY
TOKYO
TORONTO

DIRECT DIAL
202-371-7604

May 18, 2000

RECEIVED
MAY 18 2000
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

VIA HAND DELIVERY

Magalie Roman Salas, Secretary
Federal Communications Commission
The Portals, 12th Street Lobby
445 12th St., SW, Counter TW-A325
Washington, DC 20554

Re: Written *Ex Parte* Submission
IB Docket No. 99-81 /
ET Docket No. 95-18
RM-9328

Dear Ms. Salas:

Pursuant to Section 1.1206(b)(1) of the Commission's rules, enclosed herewith please find six copies of an ex parte letter from David Otten, President and CEO of Celsat America, Inc. ("Celsat"). Mr. Otten's letter responds to certain assertions made by William Wallace, counsel to Globalstar, L.P., in his ex parte letter submitted on April 27, 2000.¹ As Mr. Otten demonstrates in the enclosed letter, Celsat's 2 GHz MSS system will be fully 3G compatible.

Please direct any questions concerning this matter to the undersigned.

Very truly yours,



Brian Weimer

No. of Copies rec'd 0+6
List ABCDE

¹ See Letter to Magalie Roman Salas from William Wallace, counsel to Globalstar, filed April 27, 2000 in IB Docket No. 99-81.

Magalie Roman Salas
May 18, 2000
Page 2

cc: Ari Fitzgerald
Adam Krinsky
Mark Schneider
Peter Tenhula
Bryan Tramont
Donald Abelson
Thomas Tycz
Karl Kensinger
Howard Griboff
Christopher Murphy
Alexander Roytblat

**CELSAT AMERICA, INC.
532 SOUTH GERTRUDA AVENUE
REDONDO BEACH, CA 90277**

May 18, 2000

Magalie Roman Salas, Secretary
Federal Communications Commission
The Portals, 12th Street Lobby
445 12th St., SW, Counter TW-A325
Washington, DC 20554

Re: Written *Ex Parte* Submission
IB Docket 99-81
ET Docket 95-18
RM-9328

Dear Ms. Salas:

I am the President and CEO of Celsat America, Inc., which is an applicant in the Commission's 2 GHz MSS proceeding. I am submitting this letter to clarify certain issues raised in the ex parte letter submitted by William Wallace, counsel to Globalstar, L.P., on April 27, 2000.

In the April 27 letter, Globalstar attempts to undermine the solid evidence submitted by Celsat to the Commission on March 15, 2000 demonstrating that the Celsat MSS system is fully 3G compatible. To this end, Globalstar's letter quotes *a portion* – but not the entirety – of a paragraph from a letter written by Dr. Peter Karabinis, Ericsson's world-renowned expert on mobile satellite systems, which was included as part of Celsat's March 15 submission. While I am certain that the Commission's staff would notice that an excised portion of Dr. Karabinis's letter does not tell the whole story concerning Celsat's 3G compatibility (as Globalstar apparently would have the Commission believe), I think it is important to set the record straight concerning just what Dr. Karabinis stated in his letter to me.

The complete quote from Dr. Karabinis's letter is as follows:

This is to confirm that if Celsat is based on the GMSS (S-GSM) air interface standard, developed jointly by Ericsson and Lockheed Martin, Celsat will be 100% 3G compatible. The GMSS air interface is an open standard and is, by design, a very close derivative of terrestrial GSM. As such, GMSS is capable of specifying and enabling for the satellite mode all high speed packetized data services currently under development for GSM. The evolutionary GSM technologies of GPRS and EDGE, utilizing multi-slot operation, transfer naturally to GMSS and will thus enable Celsat to offer packetized data services up to 115 kbps via S-GPRS, and up to 384 kbps via S-EDGE. (emphasis added)

The underlined language was excised from Globalstar's quotation of the paragraph in its April 27 letter. Globalstar goes on to argue that the Commission cannot be certain whether Celsat is 3G compatible because "GMSS is a joint development by Ericsson and Lockheed Martin and is not an international standard; therefore, its capabilities are not publicly available."¹ As clearly stated in Dr. Karabinis's letter, however, any company can obtain the highly detailed information defining this standard (in Dr. Karabinis's words, "GMSS air interface is an open standard"). To reiterate, Celsat's system design is based on the GMSS air interface standard, and, as stated by Dr. Karabinis, is **100% 3G compatible**.

The fact that the GMSS air interface is an open standard underscores another troubling aspect of Globalstar's April 27 letter. Globalstar continues to push the Commission to adopt its proprietary and confidential air interface standard, apparently so that the Commission will mandate Globalstar's "all-shared band plan" which Globalstar introduced in its comments on the service rules portion of this proceeding. Not even one of the 2 GHz applicants has supported Globalstar's "all-shared band plan" (including the CDMA applicants who presumably could share spectrum with one another and Globalstar). As the attached chart clearly shows, however, all applicants (except Globalstar) accept the Commission's allocation of 3.88 MHz. No doubt most, if not all, applicants would like to obtain more spectrum. But – contrary to Globalstar's

¹ Letter to Magalie Roman Salas from William Wallace, counsel to Globalstar, L.P., submitted on April 27, 2000, at p. 2.

assertions in its April 27 letter – all applicants (except Globalstar) have stated that they will accept 3.88 MHz.

There is one final aspect of Globalstar's April 27 letter worth noting with which Celsat wholeheartedly agrees. Globalstar states that “[t]he public interest is clearly not served by licensing MSS systems that are neither economically viable nor competitively desirable in the marketplace.”² In light of the fact that **Celsat’s phones will be very inexpensive and Celsat will sell its service for eight cents a minute**, licensing Celsat will certainly introduce an economically viable competitor into the mobile satellite service marketplace. Celsat urges the Commission to do so as soon as possible. Thank you.

Respectfully submitted,

A handwritten signature in cursive script that reads "David Otten".

David Otten

² Id. at p. 3.

Eight of Nine Applicants Accept the FCC Spectrum Assignment Methodology

APPLICANT

Boeing

Celsat

Constellation

ICO

Inmarsat

Iridium

MCHI

TMI

Globalstar

February 17, 2000 Comments

Accepts FCC spectrum assignment methodology. Requests some refinements.

Only reject