



December 29, 2008

VIA ECFS

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, DC 20554

Re: Applications for Consent to the Transfer of Control of
Iridium Carrier Services LLC, Iridium Satellite LLC, and
Iridium Constellation LLC, as Amended
(IB Docket No. 08-232)

Dear Ms. Dortch:

International Communications Group, Inc. (“ICG”), pursuant to Public Notice DA 08-2574,¹ hereby submit these comments in support of the above-referenced transfer of control applications (the “Applications”) filed by Iridium Holdings LLC, Iridium Carrier Holdings LLC (collectively, “Iridium”) and GHIL Acquisition Corp. (“GHIL” or “New Iridium”).² In the proposed transaction, “Iridium Satellite [LLC], Iridium Constellation [LLC], and Iridium Carrier Services [LLC] will become a direct or indirect wholly-owned subsidiary of Iridium Holdings [LLC], which, in turn, will become a 99.4 percent direct subsidiary of [GHIL],” which is a publicly-traded special purpose acquisition company.³

ICG, a value-added service provider using Iridium’s network, supports the proposed transaction because it will result in a much stronger financial structure for Iridium. However, as a condition precedent to FCC approval of the Applications, ICG urges the adoption

¹ *Iridium Holdings LLC and Iridium Carrier Holdings LLC, Transferors, and GHIL Acquisition Corp., Transferee, Seek FCC Consent to the Transfer of Control of Iridium Carrier Services LLC, Iridium Satellite LLC, and Iridium Constellation LLC*, Public Notice, DA 08-2574 (rel. Nov. 26, 2008).

² See File No. ITC-T/C-20081021-00471; File No. SES-T/C-20081021-01353; File No. SES-T/C-20081021-01350; File No. SES-T/C-20081021-01351; File No. SES-T/C-20081021-01352; File No. SAT-T/C-20081021-00208.

³ File No. SAT-T/C-20081021-00208, Exhibit E at 2-3.

of certain, narrowly-tailored safeguards in the public interest to ensure continued third-party innovation and competition in the delivery of mobile satellite services (“MSS”).

Historically, MSS providers, including Iridium, have faced significant financial challenges to achieve marketplace success.⁴ Today, as described in the Applications, at the wholesale level, Iridium generally provides service through a worldwide network of more than 150 partners and distributors. This resale network is an important factor in Iridium’s economic success to date. In particular, this worldwide network includes certain value-added service providers who design, build and sell products and solutions utilizing Iridium’s service. Among other things, such value-added service providers offer voice, data and Internet applications to specific industry segments directly, including the general aviation and air transportation markets. Such value-added resale promotes the highest and most efficient use of the spectrum through competition in the development of new and innovative applications, thereby ensuring a competitive and robust market for the delivery of MSS in the U.S. and abroad.

As the MSS marketplace exists today, certain market segments are served almost exclusively by value-added service providers. Iridium is a unique supplier of MSS to these value-added service providers and to the niche industries they serve. While there are five MSS systems operating in the U.S., none of these systems offers global MSS in direct competition with Iridium. Iridium “is the only provider of truly global satellite voice and data communications solutions with complete coverage of the entire Earth, including oceans, airways and even Polar Regions.”⁵ The ubiquitous nature of Iridium’s service sets it apart from other MSS providers. Furthermore, the customer entry costs in certain market segments, including equipment and installation of Iridium service, are significantly lower than other MSS providers (an estimated 75% or more reduction in cost). Recurring service costs on Iridium are also significantly lower. Iridium’s customers, particularly in the general aviation and air transport industries, cannot find similar global coverage at the low prices offered by Iridium from other MSS providers. Therefore, continued common carrier service by New Iridium to value-added service providers serving these unique submarkets would be in the public interest.

As Iridium realizes the benefits of this transaction, it should not be allowed to enter into exclusive arrangements with providers of terminal equipment that would have the effect of harming competition in various distinct MSS submarkets where value-added service providers now serve Iridium subscribers. Accordingly, competition and a robust market for the

⁴ Several MSS licenses were reorganized out of bankruptcy in the past decade, including ICO (2000) (*see U.S. Electrodynamics, Inc.*, Order and Authorization, 15 FCC Rcd 8610 (2000)); Iridium (2002) (*see Applications of Space Station System Licensee, Inc., Assignor and Iridium Constellation LLC, Assignee for Consent to Assignment of License Pursuant to Section 310(d) of the Communications Act*, Memorandum Opinion, Order and Authorization, 17 FCC Rcd 2271 (2002)); Orbcomm (2002) (*see Application of Orbital Communications Corporation and Orbcomm Global, L.P. (Assignors) For Consent to Assign Non-Common Carrier Earth and Space Station Authorizations, Experimental Licenses, and VSAT Network to Orbcomm License Corp. and Orbcomm LLC (Assignees)*, Order and Authorization, 17 FCC Rcd 4496 (2002)); and Globalstar (2004) (Janet Rae-Dupree, *Globalstar out of bankruptcy, ‘enthusiastic’ about prospects*, SILICON VALLEY / SAN JOSE BUSINESS JOURNAL, May 14, 2004, available at <http://www.bizjournals.com/sanjose/stories/2004/05/17/story6.html>).

⁵ Iridium Company Profile at <http://www.iridium.com/about/about.php>.

development and distribution of innovative MSS in the U.S. and abroad would be furthered if New Iridium:

(1) is obligated to provide open access to the technical specifications of its terminal equipment, handsets, and devices to permit third-party developers to design and market competitive handsets, equipment, devices and value-added services; and

(2) is prevented from entering into handset and terminal equipment licensing or manufacturing agreements, or any other agreements, exclusive or otherwise, that have the effect of preventing third-party handsets, equipment, devices and value-added services from reaching MSS consumers.

The Commission has long recognized the benefits of open network access and competition in equipment design and manufacture. MSS consumers should continue to enjoy competition in specialized equipment or devices bundled with Iridium service, so long as such equipment or devices do not harm the network.⁶ Indeed, the Commission has applied such a pro-competition policy in the public interest approvals of other recent transactions, including the Sirius/XM merger,⁷ and Sprint/Clearwire joint venture.⁸ Moreover, the open-platform requirements placed on entrants in the 700 MHz Band C Block spectrum reflect this pro-competition policy.⁹

Value-added service providers play an important role in expanding and developing MSS globally through innovative communications applications and customized service to important market segments. Exclusive arrangements restricting or eliminating market access by value-added service providers would create anticompetitive “walled gardens” that would limit such innovation and harm consumers. Therefore, New Iridium should be obligated to continue to provide open network access to third-party developers and value-added service

⁶ See, e.g., *Hush-a-Phone Corp. v. FCC*, 238 F.2d 266 (D.C. Cir. 1956); *Use of the Carterfone Device in Message Toll Telephone Service*, 13 FCC 2d 420 (1968).

⁷ *Applications for Consent to the Transfer of Control of Licenses XM Satellite Radio Holdings Inc., Transferor To Sirius Satellite Radio Inc., Transferee*, Memorandum Opinion and Order and Report and Order, 23 FCC Rcd 12348, 12405 para. 128 (2008) (conditioning merger on open access to satellite radio device manufacturers, and prohibition against the merged entity “preventing such devices, and any features such devices might contain, from reaching consumers, through exclusive contracts or otherwise”).

⁸ *Sprint Nextel Corporation and Clearwire Corporation Applications For Consent to Transfer Control of Licenses, Leases, and Authorizations*, Memorandum Opinion and Order, FCC 08-259 para. 96 (rel. Nov. 7, 2008) (conditioning approval of proposed transaction on voluntary network openness).

⁹ *Service Rules for the 698-746, 747-762 and 777-792 MHz Bands*, Second Report and Order, FCC 07-132 para. 195 (rel. Aug. 10, 2007) (requiring licensees in the 700 MHz band C Block “to allow customers, device manufacturers, third-party application developers, and others to use or develop the devices and applications of their choice”).

providers. The narrowly tailored conditions proposed herein will ensure continued competition and innovation in the MSS market. The Commission should grant the Applications with either the conditions proposed herein, or with comparable voluntary commitments from New Iridium.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "L. Scott Trainum". The signature is written in a cursive, flowing style.

L. Scott Trainum,
Chief Executive Officer
International Communications Group, Inc.