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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of:	)	
Amendment of the U.S. Table of Frequency Allocations to Designate the 2500-2520 and 2670-2690 MHz Frequency Bands for the Mobile-Satellite Service	)	RM-9911

OPPOSITION OF WORLDCOM, INC.

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Dated: August 28, 2000

SUMMARY

WorldCom, Inc. ("WorldCom") hereby opposes the Petition for Rulemaking ("Petition") filed by the Satellite Industry Association ("SIA") to allocate on a co-primary basis the 2500-2520 and 2670-2690 MHz frequency bands for the mobile-satellite service ("MSS"). WorldCom has a vital interest in the frequency bands that are the subject of the Petition, having recently invested over $1 billion for the rights to use portions of this spectrum throughout the United States in order to provide advanced fixed wireless broadband services to unserved and underserved markets.

The Petition completely ignores the significant public interest benefits associated with the existing and planned usage of the 2.5 - 2.7 GHz band by incumbent MMDS and ITFS licensees. As a result of the Commission's order authorizing the use of the 2.5 - 2.7 GHz band for two-way digital communications, WorldCom and others are now ready to deploy advanced fixed wireless services that will not only compete with other broadband services but also provide millions of Americans with the first high-speed "pipe" into their homes and businesses. These services are ideal for reaching people in rural and other markets unserved or underserved by DSL and cable modem services, thereby helping to narrow the "digital divide."

In any spectrum allocation rulemaking proceeding, one of the Commission's top priorities is to determine how a proposed allocation will affect current users of the frequency bands under consideration. Despite the importance of this issue to the Commission's consideration of proposed new allocations, SIA has failed to make *any* showing in its Petition as to the extent to which MSS operations in the 2.5 – 2.7 GHz bands will or will not cause harmful interference to incumbent MMDS and ITFS licensees, and vice versa. SIA's omission is

particularly troubling in light of the serious interference concerns that typically arise from any proposed co-frequency operation of ubiquitous satellite and point-to-multipoint terrestrial wireless services. This lack of information is a fatal defect of the Petition and warrants its dismissal without any further action by the Commission.

SIA has also failed to demonstrate a real need for any additional MSS spectrum. According to SIA, the fact that numerous companies have obtained MSS licenses and many others have filed MSS applications demonstrates that additional MSS spectrum allocations are in the public interest. MSS has not been, however, the kind of success in the marketplace that was originally envisioned. While some analysts several years ago projected that there would be high demand globally for MSS, the reality today is quite different. Two of the best financed MSS systems have filed for bankruptcy protection while others are struggling to obtain subscribers and/or the financing necessary to construct and operate their systems. The marketplace has spoken and analysts have dramatically reduced their estimates and projections for the MSS industry.

Further, MSS systems already have access to approximately 171 MHz of spectrum in the United States, including the recently allocated 2 GHz MSS bands. Most of this spectrum is also allocated globally. While SIA asserts that the 2500 - 2520 MHz and 2670 - 2690 MHz bands are needed for the satellite component of future "Third Generation" mobile services, virtually all of the currently allocated MSS spectrum has also been identified for use by the satellite component of IMT-2000. Thus, the MSS industry can readily use existing spectrum allocations to provide the satellite component of Third Generation mobile services in the United States.

WorldCom urges the Commission to reject the Petition and not to institute a proceeding to allocate MSS in the 2500 - 2520/2670 - 2690 MHz bands. SIA has failed to submit any supporting information to demonstrate that the operation of MSS in the requested bands would not interfere with the important MMDS/ITFS services currently allocated and now being deployed there. Further, with the number of MSS operators decreasing and with the remaining operators chasing after a small number of subscribers, there simply is not a pressing need for the Commission to allocate more spectrum to MSS.

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OPPOSITION OF WORLDCOM, INC.

Pursuant to Section 1.405 of the Commission's Rules,[1] WorldCom, Inc. ("WorldCom") hereby opposes the Petition for Rulemaking filed by the Satellite Industry Association ("SIA") in the above-captioned proceeding.[2] WorldCom has a vital interest in the frequency bands that are the subject of the Petition, having recently invested over $1 billion for the rights to use portions of this spectrum throughout the United States in order to provide advanced fixed wireless broadband services to unserved and underserved markets.[3] In its Petition, SIA fails even to acknowledge the incumbent users of this spectrum, let alone submit

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1 47 C.F.R. § 1.405 (1999).

2 *In the Matter of the U.S. Table of Frequency Allocations to Designate the 2500-2520/2670-2690 MHz Frequency Bands for the Mobile-Satellite Service*, Petition for Rulemaking, filed April 28, 2000 ("Petition"). This Opposition is being timely filed in accordance with *"Comment Invited on Third Generation Wireless/IMT-2000 Petitions,"* Public Notice, DA 00-1673 (rel. July 28, 2000).

3 WorldCom's access to this spectrum emanates from its role as a licensee for Multichannel Multipoint Distribution Service ("MMDS") and/or a lessee of channels from Instructional Television Fixed Service ("ITFS") licensees in more than 160 markets in the United States.

any studies attempting to demonstrate that Mobile-Satellite Service ("MSS") systems could share these bands on a non-interference basis with existing MMDS/ITFS licensees. Further, SIA provides no concrete evidence or studies demonstrating that MSS operators actually need additional spectrum. Indeed, the recent failures of several high-profile MSS projects in the commercial marketplace provide substantial evidence that additional MSS allocations are not needed in the United States for the foreseeable future. Accordingly, the Commission should reject the Petition as inadequate on its face and not institute the requested rulemaking proceeding.

I. SIA HAS COMPLETELY IGNORED SIGNIFICANT PUBLIC INTEREST BENEFITS ASSOCIATED WITH THE EXISTING AND PLANNED USAGE OF THE MMDS/ITFS BANDS

The Petition completely ignores the existing and planned usage of the 2.5 - 2.7 GHz band by the incumbent MMDS and ITFS licensees. Most notably, pursuant to the Commission's 1998 Order authorizing the use of this spectrum for two-way digital communications, incumbent licensees are beginning to deploy fixed wireless broadband services.[4] The Commission has just recently opened its first filing window for applications to use MMDS/ITFS spectrum for two-way services. Deployment of fixed wireless broadband services will accelerate rapidly after the Commission begins granting these two-way authorizations – which should occur very shortly after the closing of this filing window.

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[4] *See In the Matter of Amendment of Parts 21 and 74 to Enable Multipoint Distribution Service and Instructional Television Fixed Service Licensees to Engage in Fixed Two-Way Transmissions,* 13 FCC Rcd. 19112 (1998) ("*Two-Way Report and Order*"). Prior to the *Two-Way Report and Order,* the spectrum had been used primarily for the delivery of one-way video programming (so-called "wireless cable").

WorldCom and others have made it abundantly clear that they will use this spectrum for advanced fixed wireless services that will not only compete with other broadband services but also provide millions of Americans with the first high-speed "pipe" into their homes and businesses. These services are ideal for reaching people in rural and other markets unserved or underserved by DSL and cable modem services, thereby helping to narrow the "digital divide" and satisfying the Congressional mandate to "encourage the deployment on a reasonable and timely basis of advanced telecommunications capability to all Americans."[5]

As the Commission is well aware, the 40 MHz of spectrum that is the subject of the Petition is an integral part of the 2.5 - 2.7 GHz MMDS/ITFS band. In its *Two-Way Report and Order*, the Commission identified this spectrum as ideally suited for two-way services, including high-speed Internet data applications,[6] and amended its Rules "to enhance the ability of MMDS and ITFS licensees to provide two-way service [to] benefit commercial operators, educational institutions and the public."[7] As the Commission recognized at the time:

> The rules we adopt today will also provide significant benefits to consumers. A new, competitive group of players will now enter the market for high speed two-way communications service. Both individual and business consumers will be able to use the high-

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[5] 47 U.S.C. § 157.

[6] *See Two-Way Report and Order*, 13 FCC Rcd. at 19117. This spectrum is primarily being used today for the provision of either one-way distance learning service to students or wireless cable service to subscribers. *Id.* It has been estimated that there are approximately one million homes currently being served with multichannel video programming service from MMDS/ITFS wireless cable systems. *See Wireless Cable-Private Cable Investor*, at 6 (Nov. 5, 1999). In addition, there are over 70,000 registered receive site locations in the United States being served with programming by approximately 1,275 ITFS licensees. *See The Case for Preserving the 2.5 GHz Band for MMDS and ITFS: A Joint Report of the WCA and the NIA*, at 5 (April 2000).

[7] *Two-Way Report and Order*, at ¶ 6.

> speed and high-capacity data transmission and Internet service that will be available through the new systems. Also, consumers will be able to take advantage of new video-conferencing, distance learning and continuing education opportunities . . . . Most importantly from a consumer perspective, there will be another choice of provider for these services, helping to drive down the costs in a more competitive market.[8]

The public benefits envisioned by the Commission are now coming to pass, and will accelerate rapidly in the next 12 months. In 1999, WorldCom alone invested over $1 billion to obtain access to MMDS/ITFS spectrum in over 160 markets – more than half of which are in non-major metropolitan areas. WorldCom now has the ability to serve more than 31 million households across the United States (approximately 30% of all U.S. households). When the Commission opened its first two-way filing window, WorldCom filed applications to operate in more than 60 markets – many of which are second and third tier markets in terms of population.

In anticipation of its wide-scale deployment of fixed wireless broadband services, WorldCom has commenced trials of first-generation MMDS technology in Jackson, MS, Baton Rouge, LA and Memphis, TN. In Dallas and Boston, WorldCom is working with major equipment vendors (including Cisco, Motorola and ADC Telecommunications) to test second-generation MMDS technologies. WorldCom is on track to roll out commercial service in Memphis in the fourth quarter of this year.

Other MMDS operators are moving forward rapidly too. Sprint Corporation also invested over $1 billion in MMDS assets in 1999, and has already rolled out commercial fixed wireless broadband service in Phoenix and Tucson.[9] Indeed, the Commission has recently

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[8] *Id.* at ¶ 9.

[9] *See Kagan Broadband, at 1* (March 8, 2000); Smith, "Laying the New Broadband Foundation," *Wireless Week*, at 24 (Feb. 28, 2000); "Nucentrix To Offer Wireless To Dell

(continued...)

recognized that "many wireless cable companies have begun to focus on offering high-speed Internet Access and telephony instead of television programming, and have shown early success in these endeavors."[10]

SIA's failure to acknowledge the existing MMDS and ITFS allocations in the frequency bands it has identified as well as the significant investment already made and contemplated by incumbent licensees infects the remainder of its Petition. Nowhere in the Petition is there any reference to, let alone studies of, the interference potential to incumbent users if the Commission were to make a co-primary MSS allocation in the 2.5 – 2.7 GHz band. Clearly, this lack of information is a fatal defect of the Petition and warrants its dismissal without any further action by the Commission.

(...continued)

Customers," *Wireless Cable Investor*, at 4 (Mar. 9, 2000); Bonisteel, "Sprint Launches First Broadband Wireless Service," *Newsbytes* (May 8, 2000) ("Sprint Corp. today announced the first commercial launch of its broadband wireless service, offering residential and business customers in Phoenix, Ariz., multi-megabit Internet access at rates comparable to its high speed dial-up and cable modem competition."); "MMDS Industry Gears Up on Standards Issues, Spectrum Planning," *Communications Daily* (April 3, 2000) ("Broad array of MMDS license holders and equipment manufacturers is working on standard-setting issues for gear that will deployed on much wider scale later this year by companies such as MCI WorldCom. . .and Sprint."); "MCI, Sprint Reveal Pact to Pave MMDS Deployment," *Communications Today* (July 11, 2000) ("The merger failure, however, didn't pull the rug from under the two long distance giants' MMDS plans. By including other carriers in their guidelines for deploying MMDS systems, they'll have more compatible networks as neighbors, and more reasons for customers to buy their services.")

[10] *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993; Annual Report and Analysis of Competitive Market Conditions With Respect to Commercial Mobile Services*, 14 FCC Rcd 10145, 10259-60 , 10271-72 (1999); *Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996*, 14 FCC Rcd 2398, 2428 (1999).

II. SIA HAS FAILED TO DEMONSTRATE THAT AN MSS ALLOCATION IN THE 2.5 - 2.7 GHZ BAND WILL NOT CAUSE HARMFUL INTERFERENCE TO INCUMBENT MMDS/ITFS USERS

SIA has not even attempted to demonstrate that an MSS allocation for the 2.5 – 2.7 GHz band will not cause harmful interference to incumbent MMDS/ITFS users. Since the burden is clearly on SIA to make such a showing, the Commission must reject the Petition as inadequate on its face.

In any spectrum allocation rulemaking proceeding, one of the Commission's top priorities is to determine how a proposed allocation will affect current users of the bands under consideration. For example, in the recently released *2 GHz Order*, the Commission concluded that it would allocate MSS spectrum at 2 GHz only after a careful consideration of the use of the spectrum by the incumbent Broadcast Auxiliary Service ("BAS") and Fixed Service point-to-point microwave stations and the feasibility of relocating each service to other frequency bands.[11] Similarly, in allocating spectrum for the non-geostationary low-Earth orbit MSS systems ("Big LEO"), the Commission considered the ability of Big LEO systems to share spectrum with the Radio Determination Satellite Service ("RDSS").[12]

The impact that a proposed reallocation will have on incumbent users clearly is at the forefront of the Commission's decision-making process. Despite the importance of this issue to the Commission's consideration of proposed new allocations, SIA has utterly failed to make

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[11] *See Amendment of Section 2.106 of the Commission's Rules to Allocate Spectrum at 2 GHz for Use by the Mobile-Satellite Service*, FCC 00-233 (rel. July 3, 2000).

[12] *See Amendment of Section 2.106 of the Commission's Rules to Allocate the 1610-1626.5 MHz and the 2483.5-2500 MHz Bands for Use by the Mobile-Satellite Service, Including Non-geostationary Satellites*, 9 FCC Rcd. 536 (1994).

any showing in its Petition as to the extent to which MSS operations in the 2500-2520 and 2670-2690 MHz bands will or will not cause harmful interference to MMDS and ITFS licensees, and vice versa.[13] Indeed, as previously noted, SIA does not even mention that the 2.5 - 2.7 GHz bands are currently being utilized by a large number of MMDS and ITFS licensees.

SIA's omission is particularly troubling in light of the serious interference concerns that typically arise from any proposed co-frequency operation of ubiquitous satellite and point-to-multipoint terrestrial wireless services. For example, in the recently released *18 GHz Order*, the Commission concluded that sharing between terrestrial and satellite systems was not feasible, noting that:

> The vast majority of commenters agreed with our tentative conclusion that co-frequency sharing between terrestrial fixed service and ubiquitously deployed FSS earth stations in the 18 GHz band is not feasible, and that the public interest would be best served by separating these operations into dedicated sub-bands.[14]

SIA acknowledges that international Radio Regulation No. S9.11A requires coordination between MSS and terrestrial systems operating in the 2.5 – 2.7 GHz band.[15] Yet, in its Petition, SIA does not provide any studies to show that such coordination and/or sharing is

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[13] Any such interference analysis must now take into account the fact that MMDS/ITFS is a two-way service with the potential for interference from MSS uplinks and downlinks into both the hub-to-receiver and receiver-to-hub transmission paths.

[14] *See In the Matter of Redesignation of the 17.7-19.7 GHz Frequency Band, Blanket Licensing of Satellite Earth Stations in the 17.7-20.2 GHz and 27.5-30.0 GHz Frequency Bands, and the Allocation of Additional Spectrum in the 17.3-1.8 GHz and 24.75-25.25 GHz Frequency Bands for Broadcast Satellite-Service Use*, FCC 00-212 at ¶ 17 (rel. June 22, 2000).

[15] *See* Petition at 2.

possible. The need for such interference/sharing studies before any allocation can be made is reinforced by the outcome of the 2000 World Radiocommunication Conference ("WRC-2000"). Resolution [Com5/26] (WRC-2000) on the "Use of additional frequency bands for the satellite component of IMT-2000," specifically recognizes "that services such as . . . fixed (including point-to-multipoint distribution/communications systems) . . . are in operation or planned in the band 2,500-2,690 MHz, or in portions of that band," and "that studies of potential sharing and coordination between the satellite component of IMT-2000 and . . . other high-density applications in other services such as point-to-multipoint communication/distribution systems . . . are not finished."[16]

III. SIA HAS NOT DEMONSTRATED A REAL NEED FOR ANY ADDITIONAL MSS SPECTRUM

In its Petition, SIA simply asserts, without providing any concrete evidence, that additional MSS spectrum is necessary because there is a "growing demand for [MSS] services" and the "vast majority of [MSS] spectrum is, or is about to be, in use."[17] According to SIA, the fact that numerous companies have obtained MSS licenses and many others have filed MSS applications demonstrates that there is a real need for additional MSS spectrum in the

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[16] Resolution [Com5/26] (WRC-2000). This Resolution goes on to resolve "that this identification of frequency bands for the satellite component of IMT-2000 does not preclude the use of these bands by any applications of the services to which they are allocated and does not establish priority in the Radio Regulations." *Id.*

[17] *See* Petition at 3-4.

marketplace.[18] In reality, MSS has not been a success in the marketplace and does not need more spectrum.

While some analysts had projected that there would be high demand globally for MSS, the reality today is quite different. At the time the Commission licensed Big LEO systems in the United States, the MSS industry was viewed as a "multi-billion dollar industry" that would "generat[e] opportunities for economic growth in a variety of markets."[19] Indeed, many of the Big LEO applicants at the time believed that "by 2001 the demand for [MSS] user transceivers will be 1.3 million in the United States and 4.7 million worldwide."[20] Less than six years later, however, the marketplace has spoken and most analysts have dramatically reduced their estimates and projections for the MSS industry.[21] A significant reason for these reduced projections is the elimination of much of the potential market for MSS as a result of the expansion of the geographic coverage areas of terrestrial mobile wireless systems.

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[18] *Id.* at 5-6.

[19] *Amendment of the Commission's Rules to Establish Rules and Policies Pertaining to a Mobile Satellite Service in the 1610-1626.5/2483.5-2500 MHz Frequency Bands*, 9 FCC Rcd. 5936, ¶ 4 (1994).

[20] *Id.*

[21] *See* "Panelists Influence of Big LEO Failures on Industry," *Satellite Today* (June 16, 2000) ("Globalstar, and Iridium before it, had high expectations for subscriber ramp up, hoping for 500,000 customers in the first year. Considering it took three years for the wireless industry to hit 1 million subs, and given the pricing of satellite services, it is unlikely that the satellite telephony providers will ever reach that point."); "The MSS Meltdown: An Industry Up for Grabs?" *VIA SATELLITE* (Nov. 10, 1999) ("Roger Rusch, president of consulting firm Telastra, has been telling people for years that the big projections for MSS users are overblown. Rusch has been on the satellite conference circuit using charts that show all the well-known market estimates that predict a 30-40 million subscriber market for satellite MSS, with his own projection falling several notches below. Iridium's early results appear to vindicate him.")

Iridium LLC and ICO Global Communications -- two of the most prominent, and best-financed, operators in the MSS marketplace – filed for bankruptcy protection in the past two years.[22] Mobile Communications Holdings, Inc. ("MCHI") and Constellation Communications, Inc. are still struggling to find funding to construct their systems.[23] Globalstar Telecommunications Ltd., the only currently operating Big LEO system, is suffering its own financial difficulties, including its recent default on a $250 million bank credit facility,[24] and its severely lagging customer base.[25] Motient (formerly AMSC Subsidiary Corporation) has also had significant start-up problems and now appears to be positioning itself in the marketplace as a low data rate service provider and not a satellite company.[26] Little LEO's are doing no better,

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[22] *See* "Lockheed Martin's Improved Results Mask Continuing Launch and Satellite Weakness," *Satellite News* (May 1, 2000) ("The bankruptcies of Iridium LLC . . . and ICO Global Communications and the inability of Ellipso and several other low-Earth-orbit systems to gain full financing and become viable customers for satellite and launch services has left Lockheed Martin in a quagmire."). Even ICO's much publicized merger with Teledesic has not been enough to put its financial troubles behind it. *See* "ICO Short on Funding," *CT Wireless* (July 19, 2000) ("A 'Who's Who' of prominent investors pumped more than $1 billion into ICO-Teledesic Global this month, but the holding company for Craig McCaw's mobile-satellite telecom assets remains well short of its total financing needs exceeding $10 billion.")

[23] "Start-up Ellipso Names New CFO To Find Money For Global Satellite Phone Project," *Satellite News* (Oct. 4, 1999) ("Thakur's departure comes amid industry concerns that late-to-be-licensed mobile satellite phone systems Ellipso and. . .Constellation will not be able to obtain financing. Doubts about their prospects have heightened since the August bankruptcies of mobile phone service frontrunners Iridium LLC. . . and ICO Global Communications. . . .").

[24] "Globalstar Defaults on $250 Million Loan, Forcing Lockheed Martin to Pay Big," *Satellite News* (July 10, 2000).

[25] *See* "Globalstar Falls 9% on Low 2nd-quarter Subscribers," *Bloomberg* (July 20, 2000) ("Chief Executive Bernard Schwartz, for the first time, disclosed the number of Globalstar customers: 13,000. That's well below the 50,000 customers expected. . . ."). Indeed, analysts believe that Globalstar needs 700,000 customers just to break even. *Id.*

[26] *See* "Messaging Success for American Mobile," *Communications Today* (April 24, 2000) ("[AMSC] continues expanding its eLink wireless e-mail messaging service with two

(continued...)

with Orbcomm recently announcing major workforce layoffs due to lagging demand for its services.[27] And while Inmarsat LLC may have been able to increase its subscriber base with the addition of aeronautical and land-based service offerings, a review of Comsat's mobile revenue figures over the past several years reveals anemic growth rates.[28]

In any event, MSS systems already have access to approximately 171 MHz of spectrum in the United States, including the recently allocated 2 GHz band.[29] Most of this spectrum is also allocated globally. Moreover, Inmarsat 1 and 2 satellites use spectrum in an extremely inefficient manner, by providing very large regional beams to serve primarily large

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new network improvements: Internet Messaging Access Protocol compatibility, and the combination of its eLink Messenger services. With the mobile-satellite telecom industry suffering in the wake of Iridium's demise and Globalstar's questionable future, [AMSC] abandoned its original focus on the North American voice market.").

[27] *See* "New Round of Layoffs At Orbcomm Global," *Washington Post* at F9 (Aug. 7, 2000) ("Orbcomm Global LP...will lay off 100 people, the company said Friday...Last month Orbcomm laid off 112 employees...."). "Orbital Woes Continue as Orbcomm Deals with a Cash Shortage," *Mobile Satellite News* (July 13, 2000) ("Low-Earth-orbit satellite operator Orbcomm is in the middle of a cash crunch. The problem is so severe that in an effort to conserve cash, Orbcomm cut 112 jobs, roughly 20 percent of its workforce. . . .")

[28] *See DoJ Probe Slashes Comsat Q2 Earnings*, Communications Today (July 25, 2000) ("Comsat Mobile Communications earned $5.7 million on revenue of $27.0 million during the second quarter, compared with $4.1 million earned on revenue of $30.9 million in the same quarter of last year."); *COMSAT Reports 1999 Earnings*, Cambridge Telecom Report (Feb. 21, 2000) ("Mobile communications revenue was down 30% for the quarter and 27% for the year to $31.6 million and $123.0 million, respectively, from the same periods in 1998."); *Earnings*, Communications Today (April 21, 1999) ("Indeed, Comsat Mobile Communications had income of $4.8 million and revenues of $29.7 million this quarter, compared to income of $8.9 million and revenues of $40.8 million in 1Q98.").

[29] *See* 47 C.F.R. § 2.106 (indicating an allocation to MSS of: (1) 68 MHz in the 1.5/1.6 GHz bands – 1525-1559/1626-1660 MHz; (2) 33 MHz of Big LEO MSS spectrum – 1610-1626.5/2483-2500 MHz; and (3) 70 MHz in the 2 GHz band – 1990-2025/2165-2200 MHz.).

earth stations. With the retirement of these satellites and the launch of more spectrally efficient Inmarsat 3 satellites, Inmarsat should have more than enough spectrum to serve its relatively modest growth rates. There simply is no need for the allocation of more MSS spectrum in the United States.

While SIA asserts that the 2500-2520 MHz and 2670-2690 MHz bands are needed for the satellite component of future "Third Generation" mobile services, virtually all of the currently allocated MSS spectrum has also been identified for use by the satellite component of IMT-2000.[30] Thus, the MSS industry can readily use existing spectrum allocations to provide the satellite component of Third Generation mobile services in the United States.

Nor should the Commission be swayed by the assertion of SIA that its proposed MSS allocation would serve the public interest by bringing the United States Table of Frequency Allocations into accord with the international table of allocations. The U.S. Table of Frequency Allocations *is* in accord with the international table of allocations, and will remain so whether or not the Commission decides to allocate the bands at issue to MSS. As SIA well knows, these bands are allocated by the ITU on a co-primary basis to the fixed, mobile, MSS (in 2005), and other services. To be in conformance with the ITU Table, the United States need not allocate the spectrum to any, let alone all, co-primary services. Thus, the FCC may continue to allocate the bands exclusively to the Fixed Service and still be in conformance with the ITU Table. SIA misleads the Commission by contending that an allocation to MSS is required by the ITU and by failing to acknowledge that the bands are already allocated on a co-primary basis to the Fixed Service.

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[30] *See* Resolution [COM5/26] (WRC-2000) at resolves 1.

IV. CONCLUSION

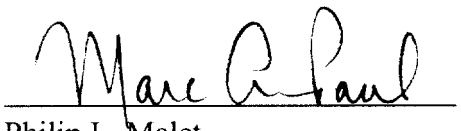
WorldCom urges the Commission to reject the Petition and not institute a proceeding to allocate Mobile-Satellite Service in the 2500-2520/2670-2690 MHz bands. The Petition should be dismissed or denied for at least two reasons. **First**, SIA has failed to submit any supporting information to demonstrate that the operation of MSS in the requested bands would not interfere with the important MMDS/ITFS services currently allocated and now being deployed there. Indeed, the Petition fails even to acknowledge the existence of *any* of the incumbent licensees in the 2500-2520 MHz and 2670-2690 MHz frequency bands. Rather than analyzing the possibility of interference and sharing, SIA has ignored these issues entirely, and by doing so, it can hardly claim that an allocation of MSS in the requested bands is in the public interest.

Second, SIA has failed to demonstrate adequately that there is a real need for the additional MSS spectrum allocations. The MSS industry is currently floundering in the marketplace with two prominent operators recently filing for bankruptcy protection from their creditors, while several others are still struggling to obtain subscribers and/or the funding necessary to construct their systems. While just a few years ago there were lofty projections of millions of MSS subscribers, the reality is that consumer interest in this service is a fraction of these projections. In any event, the Commission has already allocated 171 MHz of spectrum for MSS systems. With the number of MSS operators decreasing and with the remaining operators

chasing after a small number of subscribers, there simply is no need for the Commission to allocate more spectrum to MSS.

Respectfully submitted,

WorldCom, Inc.

By: 

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Dated: August 28, 2000

CERTIFICATE OF SERVICE

I hereby certify that on this 28th day of August, 2000 a true and correct copy of the foregoing Opposition of WorldCom, Inc. was sent via first class mail, postage prepaid (or by hand delivery indicated by a *), to the following:

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