

August 30, 2004

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-A325
Washington, DC 20554

In the Matter of

Amendment of Part 22 of the Commission's Rules to Benefit the Consumers of Air-Ground
Telecommunications Services, WT Docket No. 03-103

American Airlines offers the following comments regarding the Federal Communications Commission's reexamination of the rules governing the provision of air-ground telecommunications services on commercial aircraft.

American Airlines utilized air-ground voice services in the 800 Mhz band for many years. Due to changes in passenger demand, fueled to a large degree by the proliferation of cellular telephones, the demand for voice services dropped off dramatically. This led American Airlines to suspend passenger voice services.

While the demand for passenger voice services has waned, the demand for data services continues to increase at a dramatic pace. Airline passengers increasingly desire to have data connectivity in flight for services such as email, text messaging, and internet access.

Not only does the demand for data services continue to grow, consumer's expectations of data rates continues to grow in lockstep with what consumers experience in the office and at home through T1, DSL and Cable services.

American Airlines recommends the Commission;

- 1) Retain the 4 Mhz spectrum in the 800 Mhz band for commercial air-ground services.
- 2) Consider the competitive landscape not in context of the 800 MHz air-ground services band as a stand-alone service, but consider the competitive landscape in the broader scope of in flight passenger data connectivity. Data services in the 800 Mhz air-ground band have the potential to offer competitive alternatives to other technologies such as satellite data services.

- 3) Not split up the 4 Mhz spectrum and allocate slices of the spectrum to separate service providers, such that none of the service providers have the bandwidth necessary to meet the current and future broadband expectations of the consumer.
- 4) Not dictate what type of services the spectrum is used for, i.e. voice services versus data services versus cell phone back haul versus email, etc. Passenger demand for various services will change over time, and service providers must have the flexibility to change their service offerings to meet the passenger, the consumer demand. It is expected however that these services will be based on the transport of digital data.

Regards,

Rich Farr
Sr. Manager, Radio Communications
American Airlines