



March 5, 2008

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: MB Dockets No. 98-120, 00-96, and 07-91

Dear Ms. Dortch:

The Satellite Industry Association (“SIA”) urges the Federal Communications Commission (“Commission”) to ensure that the technological and operational challenges of the satellite industry are reflected in any new HD must carry rules imposed on Direct Broadcast Satellite (“DBS”) providers. SIA is a U.S. based trade association providing worldwide representation of the leading satellite operators, service providers, manufacturers, launch services providers, remote sensing operators, and ground equipment suppliers. SIA is the unified voice of the U.S. satellite industry on policy, regulatory, and legislative issues affecting the satellite business.¹

Satellite companies provide services using finite satellite allocations and spacecraft. Both DBS providers, and the satellite industry generally, maximize their available capacity to compete with terrestrial and other service providers. In order to satisfy HD must carry requirements, satellite operators must use and have access to additional spectrum resources and construct new spacecraft.

Satellite construction is a time consuming and resource-intensive process. From start to finish, a state-of-the-art spot beam satellite takes approximately four years to plan, contract for, design, construct, and launch. In all, it costs on average \$350 million per DBS satellite. In some cases, the satellite construction process may extend beyond four years if there are satellite construction delays or launch failures. In 2007, two of the four principal commercial

¹ SIA Executive Members include: Arrowhead Global Solutions Inc.; Artel Inc.; The Boeing Company; DataPath, Inc.; The DIRECTV Group; Hughes Network Systems LLC; ICO Global Communications; Integral Systems, Inc.; Intelsat, Ltd.; Iridium Satellite LLC; Lockheed Martin Corp.; Loral Space & Communications Inc.; Mobile Satellite Ventures LP; Northrop Grumman Corporation; SES New Skies; and TerreStar Networks Inc. Associate Members include: ATK Inc.; Constellation Networks Corp.; EchoStar Satellite LLC; EMC Inc.; Eutelsat Inc.; Inmarsat Inc.; IOT Systems; Marshall Communications Corp.; New Skies Satellites, Inc.; Spacecom Ltd.; Stratos Global Corp; SWE-DISH Satellite Systems; and WildBlue Communications, Inc.

launch providers able to launch large DBS satellites experienced launch failures.² These failures have resulted in up to a twelve-month delay to launch some commercial satellites. Despite the best efforts of satellite operators, satellite manufacturers, and launch service providers, the process of building and launching a satellite remains a highly technical, expensive, and time-consuming process. Moreover, separate and distinct from the satellite construction process, new spectrum resources will be necessary to satisfy a new DBS carriage obligation. Incorporating and integrating such new spectrum resources into an existing satellite fleet, consumer dish configurations, and ground infrastructure is also a resource-intensive process.

In light of these satellite-specific considerations, SIA asks the Commission to consider proposals that would phase-in any new HD must carry requirements over a minimum of four years from the DTV transition.

Respectfully submitted,

SATELLITE INDUSTRY ASSOCIATION

A handwritten signature in black ink, appearing to read "Patricia Cooper", is written over a vertical red line.

Patricia Cooper
President, SIA

cc:

Michelle Carey
Catherine Bohigian
Amy Blankenship
Rudy Brioché
Rick Chessen
Cristina Pauzé
Monica Desai
Eloise Gore

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Specifically, there was a Sea Launch failure in January and an International Launch Services failure in September. See, e.g., www.nasaspacelight.com (NASASpaceflight.com has acquired a series of images and videos that give a full insight into the failure of Sea Launch's Zenit 3SL, which was attempting to launch the NSS-8 satellite on January 30). The effect of these launch failures can be the addition of costly delays. For example, the EchoStar 11 satellite launch has been delayed approximately twelve months.