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July 26, 2000

*JOINT PRESS RELEASE*

**U.S. DEPARTMENT OF STATE  
FEDERAL COMMUNICATIONS COMMISSION**

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**AGREEMENT SIGNED WITH MEXICO FOR SATELLITE DIGITAL AUDIO SERVICE  
(DARS) AND WIRELESS COMMUNICATIONS SERVICES (WCS) USE OF  
THE 2310-2360 MHz BAND**

The United States and Mexico have reached an agreement delineating provisions for the coordination and use of frequencies by Satellite Digital Audio Radio Services (DARS) and Terrestrial Services including the Wireless Communications Services (WCS) in the border area. The Agreement covers the use of the band 2310-2360 MHz. The Agreement has been in the process of negotiation for the past two years and its signing is a major step toward establishing long term stability for DARS, WCS and other terrestrial systems operating in the border area. Furthermore, it provides a reference upon which future service developments in the border area may be based.

The Agreement was signed for the United States by Malcolm R. Lee, United States Coordinator, International Communications and Information Policy of the Department of State, and Ari Q. Fitzgerald, Deputy Chief of the International Bureau, FCC on behalf of Chairman William E. Kennard. Signing for Mexico were Jorge Silberstein Tenenbaum, Under Secretary of Communications of the Secretariat of Communications and Transportation (SCT) and Jorge Nicolin Fischer, Chairman of the Federal Telecommunications Commission (COFETEL). The signing took place at SCT Headquarters in Mexico City. The negotiating team included representatives of the State Department and FCC's International and Wireless Telecommunications Bureaus.

State's Malcolm Lee remarked, "This agreement will benefit both U.S. and Mexican consumers. It is a significant step forward in the introduction of new nationwide radio programming with compact disc quality sound. The agreement stands as a positive example of U.S. and Mexican bilateral cooperation in the area of radio spectrum management."

This agreement, complementing arrangements already in place with Canada, permits operation of U.S. DARS systems in a portion of the 2310-2360 MHz band (S-band). "The agreement provides the U.S. with the ability to offer U.S. consumers high quality audio services directly from the satellite, while safeguarding the operation of existing and future terrestrial services authorized in the S-band," said FCC Chairman William E. Kennard.

The United States has licensed two satellite DARS providers. The two licensees, Sirius Satellite Radio and XM Satellite Radio plan to provide satellite-based nationwide radio service on a subscription basis. Both companies plan to offer service next year. The Agreement affords Sirius and XM the opportunity

to fulfill the promise of satellite DARS in the United States by providing continuous, nationwide radio programming with compact disc quality sound. Satellite DARS has the potential to increase the variety of programming available to the listening public and offer niche programming to listeners with special interests. In addition, satellite DARS has the technological potential to provide a wide range of audio programming options to areas of the country that have historically been underserved by terrestrial radio.

The Wireless Communications Service (WCS) was created in 1997 by the Commission to provide licensees of spectrum in the 2305-2320 and 2345-2360 MHz bands with broad flexibility in the types of services that they could offer. Permitted services extend to any fixed, mobile, radiolocation or broadcast-satellite (sound), consistent with the services for which this spectrum is allocated. WCS licenses for these bands, which are for 52 Major Economic and 12 Regional Economic Areas, were initially assigned in 1997 through the use of competitive bidding processes. Uses of this spectrum include point-to-point and point-to-multipoint fixed microwave links, fixed and mobile telephone and internet access, high-speed two-way data, and video distribution services. Other services may well be developed and implemented considering the flexibility that the rules provide to the WCS licensees.

The Agreement identifies certain band segments across the full border for each country's satellite DARS and establishes levels of protection to be provided to and from terrestrial users within those designated satellite bands. The Agreement also identifies band segments that are solely for use by terrestrial services and sets protection levels for their compatible cross-border coexistence. For satellite DARS, the U.S. is permitted to operate satellites in the bands 2320-2324.2 MHz, 2328.3-2332.5 MHz, 2332.5-2336.225 MHz and 2341.285-2345 MHz; while Mexico can operate satellites in the 2317-2320 MHz, 2324.25-2328.25 MHz, 2336.75-2340.75 MHz and 2350-2353 MHz bands. Use of DARS terrestrial repeaters by U.S. operators is permitted in the 2324.3-2328.3 MHz and 2336.225-2341.285 MHz bands with applied protection limits to Mexican satellite services, while Mexican DARS repeaters may be deployed in any of the four bands identified above for their satellites using protection levels set for terrestrial operations. Bands that are identified strictly for non-DARS terrestrial use are 2310-2317 MHz, 2345-2350 MHz and 2353-2360 MHz. The Agreement allows for operators in both countries to enter into joint operating arrangements to expand service areas and avoid transborder conflicts. The FCC and SCT are to be notified of such arrangements, which are subject to review and approval by the respective agencies.

The principal provisions of the new Agreement are:

- Each Administration shall have designated bands for its own national satellite licensing plans.
- The satellite signal/service of each country's licensee(s) is protected at the border against use by the other country's terrestrial users.
- Satellite transmissions by either country's DARS licensees are limited to maximum power flux density (pfd) values to permit terrestrial users on the other side of the border to continue operating with an agreed level of protection from satellite signals at the border.
- Satellite DARS operations may include repeaters to fill in, but not extend, their service areas.
- The satellite DARS service of one country may not be offered for sale in the territory of the other country.
- Terrestrial stations in both DARS and non-DARS bands are permitted to operate at pfd levels defined in the Agreement without any further bilateral measures required. If a licensee seeks to operate at

levels higher than those specified in the Agreement, a coordination process has been created to permit consideration of such requests by the other Administration.

- Existing terrestrial operations not in compliance with applicable pfd limits in the Agreement will be allowed to continue operations on a temporary basis but may be required to modify their technical parameters to meet the relevant pfd limits based on timetables specified in the Agreement

The texts signed Monday remove a number of administrative barriers that had restricted the advancement of new DARS and WCS implementation by the Commission and the licensees during the negotiations interval. Thus, the development of both the satellite and terrestrial services can now proceed in a timely and efficient manner. Separate from the Agreement, each Administration agreed to remove its outstanding objection to the other Administration's pending satellite notifications, and to notify the International Telecommunication Union accordingly.

At the same ceremony the United States and Mexico also signed a joint work program setting forth major spectrum and telecommunications issues that the two governments plan to address this year. The work program resulted from collaborative efforts taken at the U.S.-Mexico High Level Consultative Commission on Telecommunications.

The full text of the DARS agreement has been placed on file at the Commission Reference Center located on the Courtyard (CY) Level of 445 12<sup>th</sup> St., S.W. and will be available on the FCC website as soon as an approved electronic version can be finalized. Copies are available from International Transcription Service at (202) 857-3800.

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