



December 1, 2000

Dear Secretary-General Utsumi:

I would like to take this opportunity to congratulate you and the ITU Strategic Planning Unit for capturing the relevant aspects of IP Telephony in the draft Report, and for enabling the Membership to provide comments and suggestions in preparation for the upcoming World Telecommunications Policy Forum next March.

PanAmSat, a satellite provider of fast, reliable, scalable, and secure video broadcast services for sixteen years, has two Internet based offerings. The first is *NET-36*, which provides a satellite-based Internet Broadcast Network that enables content providers to broadcast digital and streaming media to DSL providers, cable headends, ISPs and broadband wireless providers worldwide. The second, *SPOTbytes Internet Connections*, is a bundled package, offering backbone network operators, international ISPs and corporate customers a one-stop shopping resource for satellite space segment, gateway transmission services and a dedicated Internet backbone connection. *SPOTbytes Internet Connections* can replace a more expensive or less flexible fiber-based connection or supplement existing IP capacity to provide for network diversity and efficiency. With this flexibility, we believe that satellites will play an increasingly important role in the provision of IP based services such as voice and video to all countries and regions of the world.

As the Report indicates, IP Telephony is just one of many IP based applications that are available today including data transfer, video streaming, web browsing, etc. As we proceed to the next stages in preparation for the Policy Forum, we need to be careful in the approach to regulatory or policy matters. The Opinions and suggestions stemming from the WTPF may be focused on VoIP, but may have unnecessary consequences for other types of IP services. It is critical that the Report recognizes and the WTPF recognize these distinctions.

For example, the Policy Section of the Report mentions that regulators make distinctions between voice and data services as a means of basing regulations. Historically, voice services have been more heavily regulated than data. In an IP context, this could cause harmful consequences if all IP based services, such as video are regulated as traditional voice. Furthermore, the "functionally equivalent" (page 12, section 3.18/3.19) approach should be applied with caution so that it does not lead to over regulation of new, improved services as regulators try to classify newer services as being equivalent to traditional services.

In the section addressing cross-border issues (paragraph 3.36), the Report acknowledges that the issues for creating favorable market conditions for investment and installation of IP based networks should be addressed. PanAmSat, as a provider of satellite capacity of internet services, believes that the Report and its Opinions should emphasize the steps for creating a favorable

market environment, such as regulatory measures and market access conditions, for the long-term development of IP networks worldwide. This type of dialogue during the WTPF and discussion in the Report would be of considerable value to network providers, regulators, ISPs and consumers alike.

Again, PanAmSat would like to thank you for this opportunity to comment on this draft Report and we look forward with enthusiasm to participating in the WTPF next March 2001.

Regards,

Matthew Botwin  
Manager, Regulatory Affairs  
PanAmSat Corporation