



DOCKET FILE COPY ORIGINAL BFT TRAINING UNLIMITED, INC.

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FEB 17 1999

FCC MAIL ROOM

February 16, 1999

Secretary
Federal Communications Commission
445 12th Street SW
Washington, D.C. 20554

Dear Secretary:

Pursuant to WT Docket No. 98-228 (Commission Opens Filing Window For Commercial Operator License Examination Managers), BFT Training Unlimited, Inc. hereby encloses the attached Commercial Operator License Examination Manager Certification Request.

Please feel free to contact me with any questions, comments or responses at:

BFT Training Unlimited, Inc.
DBA Elkins Institute
1318 Redwood Way, Suite 220
Petaluma, California 94954

1-(707) 792-5678 - Phone
1-(800) 821-0906 - Phone
1-(707) 792-5677 - Fax
dbyrd@elkinstraining.com - E-mail.

Respectfully submitted,


J. David Byrd
CEO

No. of Copies rec'd 6 Originals
List A B C D E

Business, Financial, & Technical Training
www.elkinstraining.com

Elkins Training Company, Elkins Institute and Byrd Marketing Group are subsidiaries of BFT Training Unlimited, Inc.

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Commercial Operator License Examination Manager
Certification Request
(WT Docket No. 98-228)

BFT Training Unlimited, Inc. (BFT), pursuant to Federal Communications Commission WT Docket No. 98-228 (Commission Opens Filing Window For Commercial Operator License Examination Managers), hereby requests that Elkins Institute, a division of BFT, be certified as a Commercial Operator License Examination Manager for the Federal Communications Commission. To justify this certification, the following information requested by WT Docket No. 98-228 is respectfully submitted:

(1) "a description of the entity requesting to be certified and its qualifications"

History – BFT was chartered as a Texas corporation (see Charter Number 01433802 – Certificate of Incorporation – Appendix 1) on February 14, 1997, with the express purpose of conducting business, financial and technical training, and related licensing and certification.

On March 6, 1997, BFT filed with the Texas Secretary of State under the assumed name of Elkins Training Company (see Assumed Name Certificate – Appendix 2) and began conducting regular technical training classes throughout the United States, primarily in Boston, New York, Washington D.C., Miami, New Orleans, Houston, Dallas, Long Beach, Oakland and Seattle. Elkins Training Company quickly gained a national reputation for providing quality instruction with highly credentialed instructors and with an emphasis on learning, not just passing exams. In fact, graduates could feel confident of passing practically any exam in the subject matter studied.

On March 17, 1997, BFT filed with the Texas Secretary of State under the assumed name of Elkins Institute (see Assumed Name Certificate – Appendix 3), and, by cooperative agreements with Elkins Institute, Inc. and its former owner, Bill Elkins, took over all FCC COLEM responsibilities. BFT's CEO, J. David Byrd, had formerly worked for Elkins Institute, Inc., and had directed the FCC operation including its COLEM duties, since June, 1995. In early 1997, Elkins Institute, Inc., began experiencing severe financial difficulties, and for financial remuneration, turned over the FCC COLEM function to BFT under Mr. Byrd's direction.

On May 19, 1997, due to the continued financial difficulties of Elkins Institute, Inc. and its former shareholders, BFT acquired the right, title, and interest of all tangible and intangible assets of Elkins Institute, Inc. from the United States Bankruptcy Court for the Northern District of Texas County, Dallas, Division I (see Assignment of Interest – Appendix 4). BFT was specifically interested in the FCC COLEM rights of Elkins Institute, Inc., and, through a transfer from James Cunningham, the Bankruptcy Trustee over the In re: Elkins Institute, Inc. liquidation proceeding, assumed, among other items, all records, functions, and activities of the FCC COLEM responsibility, obligations, rights and privileges. For over a year, BFT's new division of Elkins Institute functioned properly and without incident under the direction of CEO,

Business, Financial, & Technical Training
www.elkinstraining.com

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J. David Byrd. At the time of BFT's purchase of assets from the Bankruptcy Trustee, BFT was unaware that the FCC had not been notified of the Elkins Institute, Inc. bankruptcy proceeding. The former shareholders of Elkins Institute, Inc. were retained to facilitate an orderly transition. In spite of the bankruptcy proceeding, BFT paid all properly related past debts of Elkins Institute, Inc. as they pertained to the FCC COLEM licensing activities (approximately \$100,000), thereby maintaining the reputation of the Elkins Institute, Inc. COLEM and the FCC. This was beneficial to BFT's future business interest and the "public interest" by preventing the failure of over thirty percent (30%) of the FCC's capacity to provide commercial operator licensing examinations in the United States. BFT greatly enhanced the public good serving as the silent "white knight" for FCC interest in the United States.

These actions were consistent with BFT's vision of serving the national interest.

On May 1, 1998, Elkins Training Company became one of the first organizations to obtain the United States Coast Guard Approved Course for the "70-Hour GMDSS Course" (see Certificate of Approval – Appendix 5). This was in large part because of the reputation BFT had obtained through quality training classes conducted by its division, Elkins Training Company; by above-reproach testing abilities through its division, Elkins Institute; and by its intense contributory involvement with the GMDSS Implementation Task Force in designing the 70-Hour GMDSS Course through the efforts of BFT's CEO, Mr. Byrd. One additional corollary: As a result of Byrd's capacity as Subcommittee Chairman of the U. S. Coast Guard Question Pool for the National GMDSS Training Task Group of the U. S. GMDSS Implementation Task Force, he subsequently became the author of the 500+ question GMDSS Question Pool adopted by the U. S. Coast Guard for the 70-Hour GMDSS Model Course.

Of note is the fact that the U. S. GMDSS Implementation Task Force has formally recommended to the FCC that the FCC recognize graduates of the 70-Hour Model Course for the issuance of the FCC GMDSS Operator's license (which was favorably received by the FCC) - a decision which is pending (see Letter to FCC re USCG Approved course as criteria for GOC – Appendix 6). This idea was proposed by J. David Byrd (see National GMDSS Training Task Group, paragraph 5 – Appendix 7), and there has been mention of someone in the FCC and/or USCG receiving the "Hammer Award" for ideas of government efficiency. This idea came from a thorough and deliberative analysis between Mr. Byrd and Richard L. Swanson, Maritime Advisor in the International Bureau of the FCC, who serves with Mr. Byrd on the GMDSS Implementation Task Force and its GMDSS Training Task Groups.

Most recently, BFT has been honored by the United States Department of State and the United States Coast Guard, by the naming of its CEO (Mr. Byrd), as a member of the United States Delegation to the International Maritime Organization (IMO), a United Nations Organization, as a Private Sector Advisor at the IMO Subcommittee on Standards of Training and Watchkeeping: 30th Session, in London, January 25-29, 1999. (See United States Department of State – Appendix 8.)

BFT, through its division, Elkins Training Company, has been actively involved in the U. S. Coast Guard's analysis of the feasibility (specifically the how-to) of privatizing certain aspects of the USCG Mariner Licensing and Documentation (MLD) program. BFT's CEO, Mr. Byrd, has been extensively consulted by the USCG and was invited to attend the public meeting on October 22-23, 1998 in New Orleans. BFT submitted an analysis paper to the USCG

recommending a workable program that would address all the factions and concerns reiterated at the public meeting. (See USCG – 1998 – 1448 Mariner Licensing and Documentation – Appendix 9). Of special note, a careful reading of Appendix 9 reflects BFT’s attitude and history of working with everyone in the industry from individuals to private, union, and academy schools, to governmental authorities, in doing what’s right and beneficial for all. In addition to desiring to run a profitable business, BFT is especially committed to serving the public good, and genuinely believes that when all parties, individuals, schools, unions and government work together in raising the standards of technical education, licensing, and certification - that everyone is served and productivity, efficiency, safety, and environmental protection are enhanced.

Currently, BFT, through its division, Elkins Institute, has approximately 150 Designated Examiners throughout the United States, in practically every state and abroad on U. S. territories, with experience coordinating FCC testing of all FCC commercial licensing. Until the events of the past few weeks (which are not related directly to this application), BFT has been conducting approximately 30% of all FCC commercial licenses in the U.S. These sites include private schools, community colleges, academies, and universities. BFT has the affiliations to add an additional 150 Designated Examiners almost immediately, where pockets of need develop or become apparent. Exams are administered in both written and computer means depending on various needs and abilities of both Designated Examiners and Examinees. Elkins Institute operates as a separate administrative entity in establishing guidelines, writing exams, and ensuring security, honesty and integrity of testing. Exams are given by appointment and/or are regularly scheduled. BFT has the staff and systems available to process license applications both by written methods and by electronic filing to the FCC. BFT maintains an active web page which can be available by cross linking to the FCC to further enhance the FCC’s mission of promulgating availability of test sites throughout the United States. BFT’s Elkins Institute also publishes study guides and has a national distribution for all FCC Commercial License Elements (1,3,7,8 9), and still provides study questions and answers for FCC Elements 5 & 6.

Additionally, through its division, Elkins Training Company, BFT currently conducts license preparatory classes for all actively sought-after FCC commercial licenses, i.e., Elements 1,3,7,8, and 9. Elkins Training Company also conducts the U. S. Coast Guard approved “70-Hour GMDSS Course” in Massachusetts, Florida, New Orleans, Texas, California, and Washington, serving the maritime needs of the United States on its Atlantic Coast, Gulf Coast and Pacific Coast. Elkins Training Company is the largest provider of the “70-Hour GMDSS Course” in the nation, serving individuals’ and companies’ licensing and certification needs throughout the country.

Elkins Training Company has also procured many exclusive contracts with Fortune 500 companies and national unions to conduct GMDSS licensing and training, including ARCO Marine, Inc. and the Radio Officers Union (ROU). In addition, Elkins Training Company has contractual training partnerships with many private and public institutions such as Maritime Professional Training in Fort Lauderdale, Florida and Massachusetts Maritime Academy in Buzzards Bay, Massachusetts, to exclusively provide GMDSS training for their students as well as administer associated licensing and USCG certification testing.

In summary, BFT is eminently qualified to be certified as a COLEM with the FCC through its division, Elkins Institute. BFT possesses the experience and ability to administer qualification

examinations both by means of computer and by written examinations, can provide a nationwide testing availability with existing administration infrastructure, can provide a high frequency of available examinations virtually any time by appointment and scheduling, and can begin administering examinations immediately upon the FCC's granting of a Memorandum of Agreement ("MOA").

(2) "how it will prevent any conflicts of interest"

BFT and its divisions, Elkins Institute and Elkins Training Company, have always striven to be above reproach in ensuring there are no conflicts of interest between "Designated Examiners," both for FCC exams as well as U. S. Coast Guard exams. In relation to BFT's Elkins Institute's FCC testing functions, Elkins Institute functions as a separate operational entity but is under the direct control of BFT's CEO (Mr. Byrd) with BFT's corporate staff in Petaluma, CA providing direct support, back-up, and guidance.

Elkins Institute is the testing entity, as differentiated from the training entity - which is Elkins Training Company. Elkins Institute's operational center is located at 17430 Campbell Road, S. 230, Dallas, TX 75252, where it has been since it was originally certified as an FCC COLEM in 1993. A separate operational staff works at that location, compiling FCC exams for its Designated Examiners and developing systems to ensure there is integrity, honesty, and no conflict of interest in all testing matters. All prospective Designated Examiners must submit complete packages of application prior to approval, and are highly scrutinized to determine their relevant understanding and involvement with FCC testing, their reputation, and their commitment to honesty and integrity in their profession. To ensure there is no conflict of interest within our own training company, Elkins Training Company, within other training companies, schools and organizations that teach courses or with all our Designated Examiners, we maintain the integrity of the licensing and documentation system to ensure that (i) those who are licensed are who they say they are, (ii) license candidates are given a test they have not seen or "specifically" prepared for, and (iii) that such candidates do not cheat.

BFT's Elkins Institute has been for over two (2) years successfully testing candidates with few incidents or problems. Proper candidate identification is accomplished through driver's license and social security verification, proof of which accompanies the test and application when it's mailed to Elkins Institute.

We have fired a minimum number of Designated Examiners for infractions, and BFT believes that there are three primary factors in that regard: First, the DEs receive implicit instructions, both written and verbal at the time a contract relationship is entered. They know exactly what we expect and exactly what the FCC rules and policies are, as that relates to their performance. All it takes is one time - anything that smacks of dishonesty, and they are finished with us. That kind of risk is foolhardy to them financially. Secondly, we maintain ongoing contact with DEs, both by phone and in writing. Such contact promotes a sense of accountability, as well as team spirit. And third, examinees are provided survey forms to complete anonymously concerning all aspects of the testing experience, including honesty.

In summary, BFT is able to prevent any conflict of interest between its training company, Elkins Training Company, located in BFT's corporate headquarters in Petaluma, California, and its testing company, Elkins Institute, located in Dallas, Texas. This physical separation facilitates

integrity of functions within BFT, which in effect yields a physical “Chinese wall” due to thousands of miles of separation. The Dallas office is responsible for constantly revamping FCC exams and changing them in the field. At any particular exam sitting, an examinee will not have had prior knowledge of that exam, nor have been prepared for that exam. There will always be at least two (2) different exams that an examinee might receive at the point of testing.

BFT’s training entity, Elkins Training Company, takes great pride in conducting FCC commercial license preparation classes that are taught by some of the highest-credentialed instructors in their fields. Our classes focus on “teaching” students about the subject material, and we are confident that our students, as a whole, are prepared to successfully take Elkins Institute’s prepared and anonymous exams, or any other appropriate FCC exam anywhere. Our focus is on education and learning, not just passing exams - believing that when instruction is complete, exams are passed more easily.

Finally, our rigorous screening and reevaluation of our Designated Examiner network, as described above, serves as an additional “Chinese wall” to ensure honesty, integrity and prevention of conflicts of interest.

(3) “its proposed fee structure”

BFT’s Elkins Institute proposed to maintain the same fee structure it always has utilized, i.e., \$25.00 per exam element, with a minimum of \$50.00 per test sitting.

Summary of Qualifications

Although previously discussed under (1) above, below is a delineation of the four (4) factors listed in WT Docket No. 98-228 entitled “The Commission will consider the following factors in deciding whether to certify an applicant as a COLE manager”:

1. “Experience and ability to administer qualification examinations both by means of computer and by written examinations”
 - a. BFT’s CEO has been supervising the COLE Manager function since 1995, and even more directly since early 1997, when BFT took complete control of all Elkins Institute functions, thus establishing both experience and ability. During this time, approximately 30% of all FCC commercial licenses in the United States have been conducted under Byrd’s direct guidance. BFT’s mission is greatly facilitated by an extremely competent and dedicated core staff. (See Our Company – Appendix 10).
 - b. BFT is a leader in the communications industry and is actively involved and concerned with maintaining high standards for individual licencees and companies, as well as teaching and testing institutions. BFT’s CEO, Byrd, travels at BFT’s expense throughout the country and abroad for U. S. interest, to work on various committees and with governmental agencies to “raise the tide of excellence” in communications within the United States and the United States involvement throughout the world. This endeavor includes work with certain members of the FCC, the U. S. Coast Guard, and U. S. interest with the International Maritime Organization as partially described above in (1).

BFT is and has been relied upon for quality training and testing / certification with hundreds of major corporations such as ARCO, Mobil, Exxon, Shell Pacific Bell, GTE, Boeing, McDonald Douglas, Santa Fe Railroad, etc. The list includes academy graduates of Massachusetts Maritime Academy, California Maritime Academy, Texas A & M Center for Marine Training and Safety, and others. It includes numerous national unions and hundreds of other smaller companies, organizations and groups. An example of how we are viewed within the industry is exemplified in the attached E-mail from the Military Sealift Command. (See Erroneous Information Promulgated by Joe Allen / Mercomms – Appendix 11).

BFT also has the experience and the ability within its own organization and its appointed Designated Examiners of administering both written and computer-generated exams, depending upon the various needs and abilities of both Designated Examiners and Examinees.

2. “Area applicant is willing to administer examinations”

BFT’s Elkin’s Institute has sites throughout the United States that are willing and able to administer examinations. As described in (1) above, we have approximately 150 Designated Examiners throughout the United States and at U. S. territories abroad, with experience coordinating FCC testing of all FCC commercial licensing, including FCC Elements 1,3,5,6,7, 8 and 9 to include the Morse Code test. We have a more extensive network of DE’s than any other COLEM in the U. S. with capacity and staff to add up to 150 additional new sites almost immediately, where pockets of need develop or become apparent. Our existing infrastructure is truly national and makes FCC exams readily available throughout the entire United States. We are greatly facilitated through our existing relationships and administrative infrastructure, with private schools, colleges, academies, and universities throughout the country.

3. “Frequency of examinations that applicant is prepared to offer at each examination point”

BFT’s Elkins Institute, through its many Designated Examiners throughout the United States, makes FCC exams frequently available. Prospective examinees can schedule exams upon request by appointment as well as take them at regularly-scheduled exam times at schools. Special priority is given to individuals needing licensing related to their employment or other personal need.

4. “Length of time before an applicant can begin administering examinations”

BFT’s Elkins Institute can begin administering examinations, as is evident from the above discussion, immediately.

In conclusion, BFT, through its division, Elkins Institute, is eminently qualified and available to administer FCC commercial license examinations as an FCC Certified COLEM that will guard against conflicts of interest; be structured with an inexpensive and familiar fee structure; be made available by written and computer means; be available on a truly nationwide basis by an existing administrative infrastructure; be frequent in exam availability; and be available immediately nationally.

Any questions, comments, or responses should be directed to:

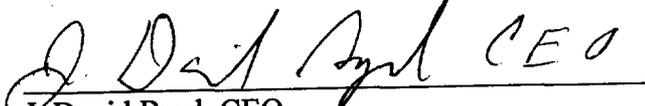
J. David Byrd, CEO
BFT Training Unlimited, Inc.
DBA Elkins Institute
1318 Redwood Way, Suite 220
Petaluma, California 94954

1-(707) 792-5678 - Phone
1-(800) 821-0906 - Phone
1-(707) 792-5677 - Fax
dbyrd@elkinstraining.com - E-mail

Respectfully submitted this 16th day of February, 1999.

BFT Training Unlimited, Inc.

By:



J. David Byrd, CEO





The State of Texas

Secretary of State

CERTIFICATE OF INCORPORATION

OF

BFT TRAINING UNLIMITED, INC.
CHARTER NUMBER 01433802

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS, HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF INCORPORATION FOR THE ABOVE NAMED CORPORATION HAVE BEEN RECEIVED IN THIS OFFICE AND ARE FOUND TO CONFORM TO LAW.

ACCORDINGLY, THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS CERTIFICATE OF INCORPORATION.

ISSUANCE OF THIS CERTIFICATE OF INCORPORATION DOES NOT AUTHORIZE THE USE OF A CORPORATE NAME IN THIS STATE IN VIOLATION OF THE RIGHTS OF ANOTHER UNDER THE FEDERAL TRADEMARK ACT OF 1946, THE TEXAS TRADEMARK LAW, THE ASSUMED BUSINESS OR PROFESSIONAL NAME ACT OR THE COMMON LAW.

DATED FEB. 14, 1997

EFFECTIVE FEB. 14, 1997



A handwritten signature in black ink, appearing to read "Antonio O. Garza, Jr.".

Antonio O. Garza, Jr., Secretary of State





The State of Texas

Secretary of State

MAR. 6, 1997

**ALAN C. SUNDSTROM COMPANY
4949 WESTGROVE DR, STE. 140
DALLAS ,TX 75248**

**RE:
BFT TRAINING UNLIMITED, INC.
CHARTER NUMBER 01433802-00**

**ASSUMED NAME:
ELKINS TRAINING COMPANY**

FILE DATE: FEB. 28, 1997

DEAR SIR OR MADAM,

**THE ASSUMED NAME CERTIFICATE FOR THE ABOVE REFERENCED INCORPORATED
BUSINESS OR PROFESSION HAS BEEN FILED IN THIS OFFICE. THIS LETTER
MAY BE USED AS EVIDENCE OF THE FILING.**

**IN ADDITION TO FILING WITH THE SECRETARY OF STATE, CHAPTER 36 OF
THE TEXAS BUSINESS AND COMMERCE CODE REQUIRES FILING OF THE ASSUMED
NAME CERTIFICATE WITH THE COUNTY CLERK IN THE COUNTIES IN WHICH THE
REGISTERED OFFICE AND THE PRINCIPAL OFFICE OF THE CORPORATION ARE
LOCATED.**



VERY TRULY YOURS,

A handwritten signature in black ink, appearing to read "A. Garza, Jr." with a stylized flourish at the end.

Antonio O. Garza, Jr., Secretary of State





The State of Texas

Secretary of State

MAR. 25, 1997

ALAN C SUNDSTROM
17430 CAMPBELL RD, STE 225
DALLAS ,TX 75252

RE:
BFT TRAINING UNLIMITED, INC.
CHARTER NUMBER 01433802-00

ASSUMED NAME:
ELKINS INSTITUTE

FILE DATE: MAR. 17, 1997

DEAR SIR OR MADAM,

THE ASSUMED NAME CERTIFICATE FOR THE ABOVE REFERENCED INCORPORATED BUSINESS OR PROFESSION HAS BEEN FILED IN THIS OFFICE. THIS LETTER MAY BE USED AS EVIDENCE OF THE FILING.

IN ADDITION TO FILING WITH THE SECRETARY OF STATE, CHAPTER 36 OF THE TEXAS BUSINESS AND COMMERCE CODE REQUIRES FILING OF THE ASSUMED NAME CERTIFICATE WITH THE COUNTY CLERK IN THE COUNTIES IN WHICH THE REGISTERED OFFICE AND THE PRINCIPAL OFFICE OF THE CORPORATION ARE LOCATED.



VERY TRULY YOURS,

A handwritten signature in black ink, appearing to read "A. Garza, Jr.", written over a horizontal line.

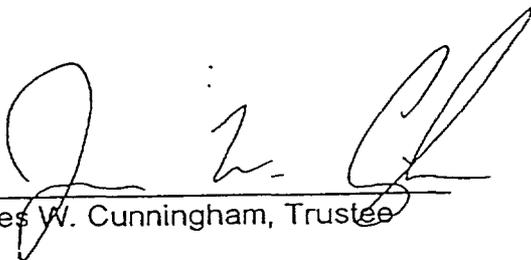
Antonio O. Garza, Jr., Secretary of State



ASSIGNMENT OF INTEREST

PURSUANT TO the terms of the Notice of Intent to Sell Assets filed on April 23, 1997, by the Trustee in the bankruptcy cases styled *In re Elkins Institute, Inc.* and *In re Elkins Interactive Training Network, Inc.*, case nos. 397-30518-SAF-7 and 397-30517-SAF-7, pending in the United States Bankruptcy Court for the Northern District of Texas County, Dallas, Division, I, James W. Cunningham, Trustee, TRANSFER, CONVEY, and ASSIGN to BFT Training Unlimited, Inc. of 17430 Campbell Road, Suite 230, Dallas, Texas, any and all right, title, and interest that these bankruptcy estates may now own or have any future claim of ownership in and to those assets attached hereto as "Addendum A".

SIGNED on 5/19, 1997.


James W. Cunningham, Trustee

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on May 19th, 1997, by James W. Cunningham, Trustee.




Notary Public, State of Texas

Addendum A

Tangible Assets

Computers and Monitors

- (9) 486 DX4-100 IBM
- (1) 486 DX4-100 Impression
- (1) 486 DX4-100 Dell
- (5) 486 DX4-100 Maxtech
- (4) 486 DX2-50 AST
- (1) 486 DX2-66 IBM
- (2) 486 DX2-66 Dell
- (1) 486 DX2-66 Intel

CBT & Phone System 386 DX-16 IBM

Telephone System (Teleco)

Copier Xerox 5034

Backup Power for Phones (GDA)

Dictaphone Transcribers

Credit Card System

Telephone Headsets

VCR/TV

VCR/TV

Phone jacks and cable (CVW)

Fax Machine

Keypad (One Touch)

MS Windows Software

Windows 95 Resource Kit

Network Cables

ZRAM for computers

US Logic 8 Port (Ethernet Hub)

4 MB 72 PIN MEM Modules

WYSECOM 28.8 Fax/Data Modem

Computer and Telephone Hardware

Automatic Document Feeder

Micratek Flatbed Scanner

2 Modems for Server

MSLC #1 Card

Telesystems Hardware

National Telesystems, Inc. Service

PC Anywhere Software

Computer Cables and connectors

IBM Network Card

CNET Ethernet / Combo Card

OEM Package

Smart UPS 450 Power Supply SU 450

Jet Fax & Laser Printer

Credit Card Terminal, Printer and Cable

Intangible Assets

All corporate names, logos, symbols, telephone numbers, affiliations, relationships, licenses, goodwill, or any other benefit accruing to both corporations, both past, present or future.





CERTIFICATE OF APPROVAL



It is my pleasure to inform you that the

70-HOUR GLOBAL MARINE DISTRESS AND SAFETY SYSTEM (GMDSS) COURSE

course offered by

Elkins Training Company

*is hereby recognized as an approved training course as outlined in Subpart C of Part 10, Title 46, Code of Federal Regulations.
This approval is valid through the expiration date below, unless sooner surrendered or revoked as set forth in 46 CFR 10.302.*

May 1, 1998
Approved

May 1, 2000
Expires

Gerald P. Miantz
for Chief, Marine Personnel Division



Subject:

Letter to FCC re USCG Approved course as criteria for GOC.

Date:

Fri, 6 Nov 1998 17:33:04 -0500

From:

Jack.Fuechsel@comsat.com

To:

dbyrd@elkinstraining.com

CC:

chris.krusa@marad.dot.gov, rswanson@fcc.gov, cgcomms@comdt.uscg.mil

As you are all aware, we have been coordinating a draft of a letter to the FCC urging recognition of completion of a Coast Guard approved GMDSS course as qualifying for issuing the FCC GMDSS Operator License in lieu of paying for another exam.

The final version was dated 5 November and is in the mail to FCC, copy to NMC and Joy Alford of FCC. A copy of the final text is attached for info.

U.S. GMDSS IMPLEMENTATION TASK FORCE

Captain Jack Fuechsel, Exec. Director
7425 Elgar Street
Springfield, VA 22151
5 November 1998

Dan Phythyon
Chief, Wireless Bureau
Federal Communications Commission
1919 M Street N.W.
Washington, DC 20554

Dear Mr. Phythyon,

The National GMDSS Implementation Task Force was chartered by the U.S. Coast Guard to supplement government functions in expediting the implementation of the Global Maritime Distress and Safety System (GMDSS) now being introduced by the International Maritime Organization. The Task Force membership is broad-based including government authorities, commercial vessel owners and operators, training institutions, service agents, manufacturers and maritime labor organizations. We have previously forwarded several Task Force recommendations to the Coast Guard and FCC on GMDSS issues. I am writing at the request of the Task Force GMDSS Training Group to call your attention to a Training and Licensing problem which we believe can be resolved through amended administrative procedures.

The FCC now requires that at least two operators on board GMDSS ships hold the FCC's GMDSS Operator Certificate (GOC). While recommended, training is not required for this license provided the candidate can pass the FCC COLEM exam, a multiple choice test drawn from a question pool. Separately, the U.S. Coast Guard, as the administrator for implementation of the revised IMO Treaty on the Standards of Training, Certification, and Watchkeeping (STCW-95) will require that effective 1 February 2002, all masters and mates hold the FCC GOC license and qualify for a Coast Guard GMDSS endorsement certifying

competence in the operation of GMDSS communications systems. Training is a prerequisite for this Coast Guard certification process which is administered by the Coast Guard's National Maritime Center (NMC).

The NMC requires a training program of at least 70 hours duration including both theoretical examinations and practical demonstration of ability to operate GMDSS equipment. The NMC adopted a Task Force developed U.S. Model GMDSS Course based on the International GMDSS Model Course approved by the IMO. The NMC also approved a Task Force developed companion question pool of 500 questions keyed to the Model Course for use in administering the theoretical examinations. The NMC additionally accepted the offer by the Question Pool Subcommittee of the Training Task Group, to keep the pool current through a continuing review process involving the GMDSS teaching institutions, all of which are represented on the Training Task Group. Since the FCC COLEM exam and the Coast Guard theoretical exam are based on the same material, it would be less of a burden on these candidates if they did not have to take and pay for, a second written exam to obtain the FCC license.

It has become apparent that the separate requirements of the FCC and the Coast Guard for GMDSS credentials are becoming very confusing to both operators and administrators. The FCC will no doubt wish to continue its requirement for the GOC since some vessels required to comply with GMDSS rules have been exempted from the STCW-95 requirements. Since the Coast Guard's mandatory 70 hour training coupled with the written exam and practical demonstration of competency clearly exceeds the minimum FCC requirements, the Task Force recommends that the FCC issue the GOC without examination to graduates of Coast Guard approved GMDSS training courses.

The GMDSS Training Group approved this request at its meeting on 1 October 1998 with the concurrence of the Coast Guard NMC representative and the Chairman, MARAD's training specialist. It is hoped that this simple and logical change can be incorporated in FCC procedures. If the proposal is agreed in principal, detailed administrative procedures can be worked out between your staff and the NMC staff. The Task Force stands ready to assist as may be desired by either party and offers to utilize it's resources to promulgate any new policy to interested parties.

Sincerely,

JACK FUECHSEL

Copy to: Ms Joy Alford, FCC
Commanding Officer, USCG National Maritime Center

file: trfcc-1.wpd/txt



NATIONAL GMDSS TRAINING TASK GROUP

Summary Record of 1 October 1998 Meeting

1. The following documents were distributed and are available on request:
 - Summary record of the 24 June 1998 Training Task Group meeting
 - Revised GMDSS Information Bulletin on Tonnage
 - Draft Task Force proposal on changes to FCC Rules
 - Congressional letters to FCC and Coast Guard requesting GMDSS relief for F/V
 - Comsat publicity brochures on AMVER/SEAS, SafetyNET, and GMDSS
 - STCW Mandatory Minimum Requirements for Certification of GMDSS Radio Personnel

2. The Training Task Group meeting was attended by the following:

Ed Brady	Coast Guard
Richard Bragg	American Radio Assoc
David Byrd	Elkins Institute
Roger Cook	Ship Analytics
Mike Franklin	Marad
Jack Fuechsel	GMDSS Task Force
John Kelly	Radio Officer
Chris Krusa	Marad
Jim McCoy	MITAGS
Anthony Murray	USCG National Maritime Center
T. J. O'Brien	Radio Officer
Gerard Pannell	STAR Center
Mark Perry	Marine Safety International
Charles Pillsbury	MITAGS
Ralph Sponar	United Radio
Richard Swanson	FCC

3. The Summary Record of the 24 June Training Task Group meeting was approved and Jack Fuechsel reported on the Task Force meeting of 4 August.

4. Capt. Pillsbury provided a progress report on his training subcommittee which has been working on a Model Course for Restricted GMDSS Operator training. This is moving along and should be ready for distribution to interested parties by about 1 November. At that point it will be appropriate to develop a companion question pool, pass to the Task Force for approval, seek follow-up approval by the FCC and the Coast Guard's NMC including placement on appropriate web sites, and request promotion by the Recreational and Commercial Vessel Task Groups.

There was also discussion of the Task Group's role in assessing the acceptability of simulators in GMDSS training. Several had been reviewed previously and there was a pending request to evaluate the Ship Analytics simulator. In general it had been agreed that simulators were very helpful in the training process but all required supplemental aids for functions that could not be simulated. Subsequent to the meeting, it was determined that the NMC would appreciate the Task Group's assistance in identifying simulators being offered for GMDSS training with an assessment of the ability of each of them to meet all training competencies in the model course. In response to a question Tony indicated that 10 GMDSS training courses had been approved by NMC and were posted on the web site <http://www.uscg.mil/hq/g-m/marpers/pers.htm>. Since new course approvals are being granted frequently at this time, it is important to keep the web site current.

5. There a review of Dave Byrd's role as Chairman of a Subcommittee to maintain the new question pool which supports the Coast Guard approved GMDSS Model Course. He is being supported in a continuing project to update questions in the pool by other members of the Task Group including Joe Allen, Richard Bragg, Bill Eney, Jim Fitzpatrick, Mike Malloy, Jim McCoy, John Page, Chuck Pillsbury, and Paul Zerafa. In congratulating Dave and his group on a job well done, there was discussion of whether the FCC might be receptive to recognizing successful completion of a Coast Guard approved 70 hour course as qualifying for issuance of the FCC GMDSS Operator Certificate without separately passing the FCC exam. This will be explored informally and if no problems are raised, will be formally proposed to the FCC.

6. Ed Brady of the Coast Guard and Richard Swanson of the FCC discussed correspondence directed to the Chairman of the FCC and the Commandant of the Coast Guard asking for relief from GMDSS requirements for fishing vessels. The correspondence was from 4 senators and a group calling itself the Fishing Industry Task Force on GMDSS/DSC. Copies of the correspondence were distributed and are available to others on request. Basically, the contention is that fishing vessel owners were not adequately informed of the rule making, that GMDSS is too expensive, that the Coast Guard has not completed the shore network installations, and that GMDSS is not needed by fishing vessels in Alaska because they watch other frequencies. They also express concern that SOLAS ships will discontinue the watch on 2182 khz. It is not yet known what decision will be forthcoming but the Industry Task Force has requested an early decision in view of the impending GMDSS compliance date. In view of the heightened involvement of the fishing industry in GMDSS matters, the eight regional Fishery Management Councils have been added to the Task Force mailing list.

7. The Coast Guard also reported that the MF-DSC installations already completed at selected Group offices would be turned off pending a resolution of the interface problems

reported earlier. MF-DSC and HF-DSC are operational at all Coast Guard Comm. Stations.

8. Several questions posed to the FCC and the Coast Guard at this meeting and the meeting of the Commercial Vessel Group the proceeding day are recapitulated here for the information of others:

(a) It was noted that the ITU at WRC 97 adopted Rule S32.5B: "Any GMDSS shipboard equipment which is capable of transmitting position coordinates as part of a distress alert message and which does not have an integral electronic position-fixing receiver shall be interconnected to a separate navigation receiver, if one is installed, to provide that information automatically". This becomes effective 1 January 1999 and is complimentary to a prospective IMO rule which also provides that the position must be entered manually if a receiver is not fitted.

(b) Another ITU decision affecting all vessels which voluntarily fit GMDSS equipment was reported: Article S31 MOD S31.17 Section 8: "(1) Ship stations, where so equipped, shall while at sea, maintain an automatic digital selective calling watch on the appropriate distress and safety calling frequencies in the frequency bands in which they are operating. Ship stations, where so equipped, shall also maintain watch on the appropriate frequencies for the automatic reception of transmissions of meteorological and navigational warnings and other urgent information to ships. However, ship stations shall also continue to apply the appropriate watchkeeping provisions of Appendix S13 (see Resolution 331 (Rev. WRC-97))." and MOD S31.20, Section 9: "Ship earth stations complying with the provisions of this Chapter shall, while at sea, maintain watch except when communicating on a working channel."

(c) Tim Rulon encouraged everyone to visit the new NOAA/NWS home page: <http://www.nws.noaa.gov/om/marine/home.htm> which covers all methods of disseminating marine weather products and includes links to other web sites.

(d) In response to a question involving the status of current exemptions of small passenger vessels from certain FCC rules, it was reported that a blanket extension of those exemptions was being considered.

(e) A question was raised as to whether recreational vessels over 300 tons had any mandatory requirements other than participation in the bridge-to-bridge radiotelephone system. The report from the FCC after checking was that while SOLAS exempts all yachts, the Communications Act of 1934 only exempts yachts below 600 tons from SOLAS. The net opinion is that U.S. yachts over 600 tons should equip for GMDSS and at least two persons on board should hold the GMDSS Operators Certificate.

(f) In response to a question about certifying GMDSS Maintainers for shipboard service, it was acknowledged that since the FCC License does not guarantee competence, the Coast Guard requires further evidence of capability including a description of training courses attended. A maintainer assigned as GMDSS operator in emergencies should also hold the Operator License. An FCC Order listed in the Federal Register 18 September, advises that at-sea maintainers must have the FCC GMDSS Maintainer license by 1 February 1999 and that after that date, the other licenses listed in FCC Rule 80.1074 will no longer be accepted for this purpose.

9. The Group discussed briefly the first draft of proposed changes to the FCC Rules which should be considered to facilitate GMDSS implementation. An ad hoc group working by email had developed the proposal which is now being circulated for comments. Since the Group had not had an opportunity to review the draft before the meeting, they were requested to do so later and submit comments and proposed changes to Jack Fuechsel with the goal of having a final draft for approval by the Task Force at its meeting scheduled for 1 December. Richard Bragg distributed a draft document containing his proposals for GMDSS log keeping and required documents on GMDSS ships. These were not reviewed due to the press of time but members were requested to comment to Jack Fuechsel by 16 November on both the draft report and the log keeping and document proposal to enable incorporation in the next draft of the Rules proposal.

10. Final copies of the new brochures jointly developed with NOAA and the Coast Guard were distributed. There are three brochures entitled "GMDSS For Marine Safety Communications", "SafetyNET, NAVTEX, and NBDP for Broadcasting Marine Safety Information", and "AMVER/SEAS in Pursuit of Safety at Sea". Copies are available on request. The Task Group thanked Comsat, NOAA, and the Coast Guard for their efforts in bringing the brochure development to a conclusion and agreed to continue support for the AMVER/SEAS initiative which has proven to be an especially valuable augmentation to GMDSS.

11. The chairman distributed copies of the mandatory minimum requirements for certification of GMDSS radio personnel from the STCW Code and noted that Bill Eglington headed a MERPAC Working Group which was reviewing these standards. While no action was currently indicated, the Group might need to be involved in a further review at a later date.

12. An updated version of the GMDSS Information Bulletin entitled "Tonnage Interpretations for GMDSS Application" was distributed. The update was suggested by the responsible Coast Guard office to add information relative to the applicability for vessels engaged in foreign voyages. The updated Bulletin has been posted on the Coast Guard web site at: <http://www.navcen.uscg.mil/marcomms> and is available in paper copy on request to Jack Fuechsel at 703-941-1935 or gmdss@erols.com.

13. The status of items on the work list for the Task Group was reviewed without change:
- a. Develop a U.S. Model Course for Restricted GMDSS Operator - Chuck Pillsbury
 - b. Prepare recommendations to FCC for revision of Rules for GMDSS - Jack Fuechsel
 - c. Explore insurance discounts if voluntary vessels equip and train for GMDSS - Krusa
 - d. Encourage GMDSS update for RTCM Maritime Radio Users Handbook - Fuechsel
 - e. Monitor the progress and quality of GMDSS training in the U.S. - Chris Krusa
 - f. Monitor the USCG GMDSS theory and FCC GMDSS Question Pools - Dave Byrd
 - g. Monitor US implementation of new IMO/ STCW convention - Chris Krusa
 - h. Monitor IMO guidelines for non-compulsory vessel participation in GMDSS - Fuechsel
 - i. Monitor training guidance on mitigation & cancellation of false alarms - Jack Fuechsel

13. The Training Task Group decided to meet again on Thursday 21 January 1999, tentatively at the STAR Center in Dania Florida subject to working out arrangements.

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United States Department of State

Washington, D.C. 20520

January 13, 1999

Mr. David J. Byrd
BFT Training Unlimited
1318 Redwood Way, Suite 220
Petaluma, CA 94594

Dear Mr. Byrd:

This will confirm your invitation to participate as a Private Sector Adviser at the IMO:Subcommittee on Standards of Training and Watchkeeping; 30th Session, in London, January 25-29, 1999.

We know that the views of the private sector can be extremely helpful in international conferences and we appreciate your willingness to assist. In particular, the Head of Delegation will look to you to provide your individual informed views on policy and technical details of matters under discussion, especially as such matters develop during the course of the conference.

You have been asked to participate in this conference as a representative of your private company or one or more private interests which you represent. Accordingly, I must explain certain regulations which apply since you will be participating in this conference as a "private sector adviser (PSA)" and not as an employee of the United States Government.

Most importantly, you must not speak or negotiate for the United States Government at any formal or informal meeting with foreign government officials, although the head of delegation or an accredited United States government employee delegate may call upon you to explain a technical or factual point. You may also obtain information about foreign government views, as requested by the head of delegation. You must comport with these limitations so as not to become subject to the Federal conflict of interest statutes and the Federal ethics regulations applicable to "special government employees" generally.

The head of delegation may solicit your views and information on any matter under consideration, but you will not be required to present any opinion or information which you believe would be inappropriate or prejudicial to your organization's interest.

I draw your attention to the Department of State Final Guidelines on "Participation of Private Sector Representatives on U.S. Delegations" (Federal Register, vol. 44 at 17846, March 23, 1979) which provide further guidance to private sector representatives. In particular, section V (c) provides that private sector representatives "shall not...advocate positions outside of the delegation during a conference or negotiation which would tend to undermine the tactical or substantive positions of the United States as determined by the head of delegation." Of course, you are not prohibited from expressing views on publicly available U.S. positions after the conclusion of the negotiation so long as classified information is not released thereby.

We look forward to your active participation in the delegation's work. The head of delegation will determine when you may attend meetings of the delegation or any meeting with foreign officials.

Should it be necessary to your function, the head of delegation may provide you with classified information up to the level of your security clearance. You are reminded that you may not, by law, divulge this information to anyone not authorized to receive it.

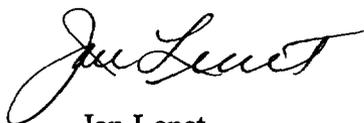
Since the antitrust implications of your role may be pertinent, I enclose a document entitled "Antitrust Guidance Regarding Participation of Private Sector Representatives on United States Delegations to International Negotiations."

For logistical planning purposes, you should be aware that banks at conference sites may not accept personal checks from private sector delegates. In particular, please be advised that alternative financial arrangements must be made if you will be attending a conference in Geneva, Switzerland.

I hope that you understand that the Department of State cannot compensate you or your organization for any expense incurred as a result of your participation on this delegation.

If you have any questions, I would be pleased to assist you.

Sincerely yours,



Jan Lenet
Acting Managing Director
Office of International Conferences
Bureau of International Organization Affairs

Enclosure: As stated.

ANTITRUST GUIDANCE REGARDING PARTICIPATION OF
PRIVATE SECTOR REPRESENTATIVES
ON UNITED STATES DELEGATIONS TO INTERNATIONAL NEGOTIATIONS

You are a private sector representative invited by the Department of State to present views and advice to United States Government officials on matters under discussion or negotiation among the United States and other Governments. Because of the manner in which the Department of State has arranged to obtain your views and advice, your participation in this effort does not create risks of antitrust liability.

Nevertheless, there are four antitrust issues which are relevant to you as you participate in these meetings. Experienced businessmen and women should find them familiar.

First, you should be reminded that, regardless of the fact that the governments involved may contemplate or discuss governmental arrangements restraining or stabilizing trade, these consultations do not provide license to engage in private agreements to fix prices, allocate markets, curb production or engage in similar activities. You should, therefore, be prudent in what you discuss with other private sector representatives so that no arrangements could be created, either explicitly or implicitly.

Second, no United States Government official is authorized to grant you exemptions for conduct that would otherwise violate the antitrust laws (e.g., private agreements). Therefore, you should be careful not to construe statements or comments of any Government official as somehow implicitly encouraging or authorizing you to do anything that would otherwise be illegal.

Third, in general, there is no antitrust objection to your meeting with other private sector representatives on the delegation prior to any meeting with the head of delegation or any of the other Government delegates. However, this is subject to important caveats, since some of these private sector representatives may be officials of competing private entities. You should be aware that an agreement to provide the Government with misleading information, so as to cause it to promote or take anti-competitive action, may amount to an antitrust violation. You should also be aware that agreements among competitors to suppress the views of third parties or otherwise impede their access to Government officials on competitive questions may give rise to an antitrust violation. In any discussions with other private sector representatives these caveats should be borne in mind.

Fourth, you have been or will be advised that you should be careful about disclosing confidential information about the operation of your respective enterprises to your fellow private sector representative delegation members. The sharing and exchanging of such information as your firm's specific or anticipated costs, prices, profit margins or production goals may create antitrust questions, if such exchanges have the effect of "stabilizing" prices or market conditions. Commercially sensitive information may, of course, be separately communicated to the head of delegation or his or her designee, who has assumed the responsibility for using such information on a confidential basis and for disseminating it only in the aggregate. In providing such information, we would advise you to do so only on an individual firm basis, not jointly. Of course, groups of enterprises, such as trade associations, are free to furnish the Government with non-confidential data which they regularly collect from an entire industry or from publicly available sources, or information which has been aggregated by an independent auditor or other independent body.

If any of you, individually or as a group, has serious doubts about the antitrust implications of particular specific activities, the Business Review Procedure of the Antitrust Division (28 C.F.R. Section 50.6) is available to clarify the Division's law enforcement intention with respect to the specific activities involved.

Cleared with:
Antitrust Division
Department of Justice
February 1993
Ref. No. UOICP #1023





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November 5, 1998

Mr. Albert G. Kirchner, Jr.
National Maritime Center
U. S. Coast Guard
4200 Wilson Boulevard, Suite 510
Arlington, VA 22203-1804

Re: USCG-1998-1448
Mariner Licensing and Documentation

Dear Mr. Kirchner:

After attending the 22, 23 October meeting in New Orleans at which all attendees were extended an invitation for further written comment, I am submitting ideas for mutual exploration regarding the feasibility of, and alternatives available for, privatizing certain aspects of the USCG Mariner Licensing and Documentation (MLD) program, specifically, examinations for mariner licenses and merchant mariner documents.

Addressing initiating Fourth Party services in the Coast Guard's MLD program, the concept I introduced at the meeting, I believe, is a valid and workable plan, and on behalf of Elkins, I wish to express our interest in pursuing the management of such an examination process in conjunction with the appropriate USCG authorities.

1. Feasibility of a Privatized Examination System

It is my belief that the entire system can be privatized successfully if the following are of paramount consideration:

- Dissemination of correct information to the mariner
- Multiplicity of test sites, as geographically desirable as possible for mariner
- Accommodation in scheduling appointments
- Friendly customer service approach, including problem solving at the test site
- Test sites staffed with professionals who understand the maritime trade
- Timely examination results
- Cost-conscious fee structure
- Selection of testing entities based on relationship with USCG
- Satisfactory ongoing performance that meets security concerns

As I envision the implementation, this would involve oversight by a national entity, i.e., Elkins, with testing carried out via numerous sites already in existence, primarily those maritime educators with USCG approved courses now in place (those who are 63 FR 26567 compliant). Such a hybrid system could encompass private schools, academies and union schools – any such entity who has a vested interest in the mariner, and a proclivity to want to help him or her.

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2. The effect of such a system on the quality of services, and the costs of these licenses and documents to the mariner

Service in any establishment is only as good as the systems that are set up to deliver it. The attitudes of the service providers will be the key. The question becomes: Who is going to interface with the mariner and what is the motive in that interaction? Is it one which includes altruism or one based on a bottom-line profit only?

A spirit of cooperation and teamwork must be present at every level. Besides testing as a related adjunct to its daily activities, third-party schools are a logical source for creating goodwill with the mariner. The bottom line is the testing would be viewed as a service to the mariner, a service delivered by people who inherently have concern and care (because of their long-term investments in time, energy and resources) about the maritime community as a whole, and the mariner as an individual.

So far as pricing is concerned, USCG testing will not be a particularly huge profit stream for any one company, it appears - ours included. Nor are we married to the idea of an annual minimum billing. If testing were viewed as a service to the mariner, all who participate must do so on the thinnest of profit margins. Elkins, as a national company, could administer or manage the process via a central location, keeping costs down. Additionally, the other entities (testing site providers) who receive their livelihoods from the maritime industry would have compelling reason to keep costs at an absolute minimum, given their mindset of contributing to the overall benefit of the mariner.

3. Maintaining the integrity of the licensing and documentation system to ensure that those who are licensed and documented are fully competent and do not jeopardize marine safety or environmental protection

&

7. Experience of other agencies, professional organizations and service providers in privatizing licensing and similar functions in other professions or industries

(3 and 7 are grouped together for continuity of thought.) Elkins has been successfully testing candidates since the inception of privatization with the FCC in 1993, with few incidents or problems. Proper candidate identification is accomplished through driver's license and social security verification, copies of which often accompany the test and application when it's mailed to Elkins.

We have fired a minimum of Designated Examiners for infractions, and believe that there are three primary factors in that regard: One, the DEs receive implicit instructions, both written and verbal at the time a contract relationship is entered. They know exactly what we expect and exactly what the FCC rules and policies are, as that relates to their performance. All it takes is one time - anything that smacks of dishonesty, and they are finished with us. That kind of risk is foolhardy to them financially. Secondly, we maintain ongoing contact with DEs, both by phone and in writing. Such contact promotes a sense of accountability, as well as team spirit. And third, examinees are provided survey forms to complete anonymously concerning all aspects of the testing experience, including honesty.

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With your proposed privatizing, sufficient penalties could be established which would ensure third-party compliance in overcoming temptations to cheat, to show favoritism, or otherwise jeopardize the licensing of only those who are fully competent. Such penalties could be more extensive than simply revocation of approval, as public safety cannot be compromised under any circumstances.

From the candidates' viewpoint, it has been our experience that the FCC testing function works smoothly for them. Basically, the testing works in this fashion:

- a. Candidate contacts Elkins (referred by FCC) at our toll free number for general information, testing site information and cost. (This information is given verbally, but could be done via internet as well.)
- b. Candidate phones test site point person for appointment, confirms physical location
- c. Fee collected, pencil and paper test (or computerized test) is administered, candidate waits while exam is graded
- d. Answer sheet, appropriate fees and license application forwarded to Elkins
- e. Proof-of-Passing Certificate issued and mailed to candidate within 10 days. At the same time, PPC and license application are submitted to FCC for processing of official license
- f. PPC serves as 90-day temporary license while candidate waits for official license to arrive via US mail from the FCC

I do believe, however, that the integrity of any system must somehow be monitored, via on-site visits, telephone contact and immediate follow-up and action on any complaint.

4. Determine the timing and sequence to implement privatized MLD examinations
&
5. The range of options and arrangements open for providing privatized mariner licensing and documentation examination administration services

Given a network of service providers to carry out the testing function, it is estimated we could coordinate the implementation of exams in a 180-day time period, once a course of action were decided and key issues addressed by the NMC. One such key issue is the role that technology would play.

Although cutting-edge technology exists which would make the testing process far more streamlined (and perhaps the most secure possible), the cost for implementing such a system could preclude (otherwise quality) third-party schools from participating - unless of course, the USCG had funding for such a technological bonanza. And, even if that were the case, if the direction of testing is one of diminishing volume, by virtue of increases in approved courses, how wise a decision is investment of significant dollars toward that end?

These and many other questions would need to be answered before a time-frame could be definitively established. Other pertinent questions: What about availability of reference materials, and at whose cost? Will more advanced exams be administered by a few RECs, or possibly limited to those schools who have world-class facilities and the finest personnel available?

Mr. Albert G. Kirchner, Jr.

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6. Identification of the Coast Guard resources needed to effectively operate and conduct oversight of a privatized system

Oversight of any privatized arrangement includes USCG involvement at some level, in order to achieve your testing objectives, benchmark standards for performance by testing providers, provide future test content, and safeguard the integrity of the entire system. I believe the Elkins' concept could be implemented with a minimum of oversight by USCG, however.

8. Other valuable lessons learned to assist the Coast Guard in determining if privatizing merchant mariner licensing and documentation examination administration can be accomplished in a smooth, effective and cost efficient manner

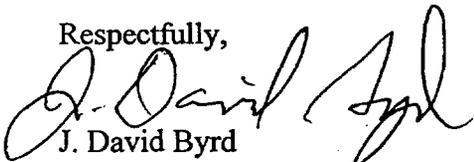
So far as valuable lessons learned, we have seen that any changes with DEs must be announced, explained and transitioned. The more informed both the candidates and the examiners are, the better. Also, on occasion, we must repeat the same message many times before it is acted upon.

It was apparent from the New Orleans meeting that there are multitudes of philosophies: a range of emotions, a host of past experiences, a plentitude of current agendas and you-will-hear-me-like-it-or-not rationales both for - and against - proceeding with privatization. Yours is not an easy task. And as private citizens, we are not necessarily privy to information that bears upon your decisions. What I am proposing is this - a mutual investigation of whether Elkins is a possible solution to the third-party vs. fourth-party dilemma for testing. In other words, we are recommending a combination third-party, fourth-party system.

We are a company with a near 50-year history, a national presence and a network of examiners - a company that has successfully implemented national testing for several years. Additionally, we have extensive understanding of the maritime business, and are familiar with its eccentricities. We enjoy a good reputation and working relationship through various committees, with maritime educators (private, union, and the academies) and would work diligently to cooperate with them in achieving mutual objectives. Most importantly, I submit we have an unsullied motive in desiring to perform the testing function, in that we do not view USCG testing as something to be exploited. Our attitude and reputation is one of working with everyone in the industry, from the individual mariner to private, union, and academy maritime schools, to governmental authorities - both the FCC and USCG - in doing what's right and beneficial for all. When all parties win, we find that we win too!

I would be pleased to discuss this concept further with you and to explore answers to the perplexing questions you face. It has been my experience in business that when a direction is set, the means to get there can be found.

Respectfully,



J. David Byrd
Chief Executive Officer



Our Company:

Among other services, BFT Training Unlimited, Inc. (through its controlled divisions Elkins Institute, Elkins Training Company and Byrd Marketing Group) provides training, licensing and certification in cooperation with the Federal Communications Commission and the U.S. Coast Guard. On May 19, 1997, the name and the licensing rights belonging to Elkins Institute, (established 1952) and Elkins Interactive Training Network were purchased by BFT Training Unlimited, Inc. (BFT) giving strength of name recognition and rich company history. One of only eight COLEMS (Commercial Operator License Examination Managers) in the United States, BFT has over 30% of the market share of all FCC licenses issued. 150 Designated Examiners throughout the United States are affiliated with BFT; several of these are major universities.

BFT's function of licensing provision for the maritime and aviation industries encompasses related classes that are held around the globe. Elkins Training Company has one of the few official GMDSS* Coast Guard Approved 70-hour classes in the country and contracts with the finest GMDSS Teachers/Trainers available through various maritime training institutions including the U.S. Merchant Marine Academy, among others.

In addition to being STCW 95 compliant and Coast Guard approved, BFT delivers FCC Preparatory courses and often provides on-site training. BFT is fortunate to enjoy an excellent reputation as a company and offer clients many unique advantages – among them, great flexibility in terms of class locations. Numerous Fortune 500 clients have been serviced, including Arco, Mobil, Military Sealift Command, Santa Fe International, Exxon and many others. A new Petaluma, California BFT location has been procured for the expansion of international business into the Pacific Rim arena.

*GMDSS or Global Maritime Distress & Safety System is a rapid, automated distress reporting system for the maritime community, utilizing Digital Selective Calling radios and the Inmarsat global satellite network, positioned above the Atlantic, Indian and Pacific Oceans, plus a polar orbiting satellite system to locate Emergency Position-Indicating Radio Beacons (EPIRBs). With this Global Positioning System, rapid alerting and identification functions can be performed anywhere, anytime.

The U.S. Coast Guard, in compliance with the International Maritime Organization, has mandated through the STCW 95 convention (Standards for Training, Certification and Watchkeeping) that all deck officers on mandatory GMDSS equipped vessels must have a 70-hour, hands on, classroom delivered training and certification in the GMDSS system by February, 2002.

Key Staff:

J. David Byrd, CEO, oversees the day-to-day operations of BFT, from a background of owning and operating five businesses over two decades. A former Vietnam Army Captain, Airborne Ranger and Jumpmaster, Mr. Byrd was highly decorated prior to his return to the U.S. and subsequent employment as a Financial Consultant with Connecticut General Life Insurance. Since that time, he has owned and managed Byrd Financial Services Company, a financial services firm, as well as the "J" Byrd Ranch, a multi-million dollar farming and horse operation in Gainesville, Florida. In Texas, the companies have included Enterprises of America, Inc., a real estate and financial services company, Willow Bend Leasing, Inc., a leasing operation and Willow Bend Drilling, Inc., an oil and gas exploration company. With a B.S. degree in biology and chemistry from the University of Alabama, he has also completed several courses in biochemistry and molecular biology, working toward his doctorate at the University of Texas at Dallas. Mr. Byrd's affiliation with BFT Training Unlimited began in June, 1995 when his tenure commenced with Elkins Institute. In addition to fulfilling duties as a COLEM for the Federal Communications Commission, he currently serves on the National GMDSS Implementation Task Force for the U.S. Coast Guard, (a prestigious Washington committee which establishes guidelines and policy for U.S. Flag vessels) and is a member of the United States Delegation to the International Maritime Organization (IMO), a United Nations Organization, as a Private Sector Advisor to the IMO Subcommittee on Standards of Training and Watchkeeping.

The President and CFO is **Alan C. Sundstrom**, a CPA with nearly three decades of operations, financial management and consulting experience in manufacturing and distribution companies. Previously the principal in a corporate finance and management consulting practice, Mr. Sundstrom specialized in corporate workout and turnaround situations. During 1993, he was the CFO of Curtis Mathes during their turnaround period. His diverse career has included tenure with Peat Marwick and several international assignments with Texas Instruments. Through Mr. Sundstrom's COO and CFO credentials and background, he has gained international experience in cash management, financial and strategic planning and executive management. His direction and guidance keeps the company on solid financial footing and provides guidance for future growth. Mr. Sundstrom graduated with a B.B.A. from the University of Texas at Austin.

E. Corinne (Green) Byrd, VP, Marketing and Public Relations, joined BFT from The Zig Ziglar Corporation where she served as Director of Marketing & Public Relations, Worldwide. Prior to that time, Byrd was President of a Houston, Texas, Galleria advertising and public relations firm for several years. During her fifteen year marketing career, Ms. Byrd has written, designed and coordinated the production of corporate collateral materials and print advertising campaigns, to include brochures, magazine and newspaper ads, editorial copy for public relations efforts, radio ads, speeches, press releases, proposals and direct mail - in addition to corporate communications of all types for client companies. Her experience has included management of an in-house graphics department, copywriting, package design, product photography, market research, bid collection, press checks, art direction and conceptual work, list management and work with free-lancers, designers and outside vendors to create and coordinate existing and new products.

Key Staff - Continued:

Ms. Byrd has a B.S.B.A. from Chadwick University in Birmingham, Alabama. Among other accomplishments, she gained national attention in 1992 when she won the F. W. Thompson Award for Public Relations Excellence, given by Walter Cronkite (for copywriting acumen and design of six-week marketing campaign).

John Gindling, Chief of Operations, has an interesting and varied background that includes successful business experience in both domestic and international markets (with the government of Austria and private markets in Taiwan, Western Europe and Russia). Gindling has performed product management, market research, advertising, public relations and direct sales efforts for several high-tech industries. A graduate of the University of Notre Dame, he also earned a Bachelor of Foreign Trade degree from the American Graduate School of International Management. Previously affiliated with Lucent Technologies and Datotek, Inc. in Dallas, Texas, Gindling joined BFT in early 1998.

David J. Cierzan, Training Director, affiliated with BFT on August 1, 1997. A twenty-five year veteran in a variety of executive sales and marketing assignments, Mr. Cierzan has orchestrated national sales efforts previously, the most recent as Director of Community College Training on behalf of The Zig Ziglar Corporation. A Rhode Island native, he attended the Air Force Academy, the University of Wisconsin and later Columbia University Graduate School of Business in New York, where he studied Strategic Marketing Management. Mr. Cierzan's background spans the full range of marketing mix disciplines including design, sales forecasting, advertising and public relations. He has managed a national sales staff; performed product management advertising and sales promotion; collected and analyzed market research data; and successfully implemented new product and marketing strategies - from product conception to consumer purchase transaction. He describes his specialties as innovation, team building, and development of creative marketing and sales strategies. His duties at BFTTU focus on enhancing FCC revenue to include enlisting new Designated Examiners and working to augment enrollment in training classes.

Mary Ellen Gherardi, Marketing Director, came to BFT from a Fortune 500 company where she was National Advertising Manager. Her years of experience have included directing the full scope of clients' corporate marketing efforts - from design and advertising to product development, management and complete campaign creation. Ms. Gherardi has a masters in Marketing from the University of Texas at Dallas.

Heidi Conley, Executive Assistant, joined BFT from a biotechnology corporation recently recognized as a top-ten Silicon Valley firm. Her previous experience includes human resource functions, accounting operations, systems implementation, procedures analysis and numerous facets of operations management. As a paraprofessional, she formerly worked in tax control for Peat Marwick, and has also held a key position with a national securities firm. With one previous employer, she had the responsibility to oversee a \$300,000 facilities buildout. On another assignment, she worked in connection with thirteen biotech firms simultaneously. Ms. Conley's undergraduate studies commenced at the University of Hawaii and will conclude in the summer of '99 with a Bachelor of Arts in Business Management from the University of Phoenix in Santa Rosa, CA.



RE: Erroneous Information Promulgated By Joe Allen / Mercomms

Subject: RE: Erroneous Information Promulgated By Joe Allen / Mercomms

Date: Fri, 12 Feb 1999 10:04:53 -0500

From: "Hickman, Kyrm" <Kyrm.Hickman@msc.navy.mil>

To: "dbyrd@elkinstraining.com" <dbyrd@elkinstraining.com>

DAVID:

I have, of course, heard about the Elkins / FCC dispute.

I am writing to say that you have always impressed me with your honesty and integrity and I have always thought of you as a great supporter of the U.S. GMDSS efforts, and none of this dispute changes that.

I am confident that the FCC will resolve this dispute in your favor.

Good luck.

Sincerely,

KYRM L HICKMAN
Director of Training
Military Sealift Command