

Thank you for allowing me this opportunity to request the transfer of license be denied.

The honorability of the stock market is in chaos with public individuals and government employees up to and including the President of the United States voicing deep concerns regarding credibility and theft. Until the FCC feels confident no “intentional” destruction of Globalstar LP was done (which would therefore create the demise of its publicly traded partner Globalstar Telecommunications LTD), I feel the transfer of such a license would be to use the FCC as a tool in a scheme to command a monopoly.

Craig McCaw's involvement with New Globalstar Corporations majority holder ICO (the transferee) is well known, as is Mr. McCaw' involvement with other telecom companies such as NEXTEL. Two years ago at the “Space Commerce 2001” on March 27, 2001 Mr. Armand Musey (the Satellite Communications analyst for Solomon Smith Barney) stated in a reference to Mr. McCaw,

“ He’s clearly making some kind of a land grab for satellite spectrum. And satellite spectrum of which has been sort of earmarked for telephony at this point.”.

Nine months later, in an article published in “Telephony Online” (Dec 3, 2001) the writers quote Eugene Signorini, wireless analyst for “The Yankee Group”. Mr. Signorini states,

“NEXTELS strategy on spectrum all along has been getting it on the cheap – they’ve been very selective on how they’ve gone about gathering spectrum, and they avoided auctions.”.

Prior to the FCC transferring such a valuable license I believe it would be in the public's best interest to determine if the companies involved in the transaction have come to this juncture appropriately, or if it was deliberately at the expense of a publicly traded company in a market the public views as "crooked". I request the determination to be made, for much of what has been presented by the parties doesn't make sense and appears to fit a plan of,

*"land grab for spectrum", "getting it on the cheap",
and "avoiding auctions".*

I'm sure the FCC remembers Nexwaves license auctioned off around 15 Billion dollars. It doesn't pass common sense that ICO should be able to purchase 80% of Globalstars spectrum license (as well as the rest of the complete company) for 55 Million, unless of course something is amiss. Another thing amiss is Globalstars drastic need for finances. The Official Creditors Committee in their response to 03-136 (pg 2) stated,

*"Globalstar suffered from the same economic conditions
that drove hundreds of communication companies into
bankruptcy".*

However, a closer examination of Globalstar leads more to such things like Globalstar refusing to sell phones, even when paid in advance. One such example is a letter filed in Globalstars bankruptcy case in US Bankruptcy Court Delaware 02-10499 (doc 547). Said doc is a letter written by George E Harris, partner of StarMD LLC, to the acting US TRUSTEE stating Globalstar "REFUSED" to provide StarMD with phones,

*"even though StarMD, LLC showed valid purchase orders
and offered to pre-pay 100% of the invoice prior to
shipping."*

StarMD LLC also states on the same page, it had previous to this incident

“notified Globalstar’ senior management forward looking sales projections, which anticipates 10,000 phone sales in 2003 with accompanying 24 month service plans.”

Mr. Harris was later quoted in a press release on Dec 6, 2002 on Business Wire:

“You would think a company in bankruptcy would welcome the additional business that we were bringing to them.”

This doesn't make Globalstar sound like it was an innocent victim of the times. It DOES make Globalstar sound like it wanted to create a balance sheet that would depict a desperate financial need for such things as “Debtor in Possession” financing like ICO provided, and perhaps falsely creating a need for an “expeditious” transfer of the FCC license

Another example of what appears to be Globastar intentionally keeping their profits down is presented in their bankruptcy proceedings, US Bankruptcy Court Delaware, case #02-10499 court doc 571 regarding a half Billion dollars. In this court document Mr. Curcio (President and CEO of Venture Partners) describes a half a billion dollar memorandum of understanding he was able to obtain from the South Korean military. On page 3 Mr. Curcio states:

“The proposed memorandum of understanding thru further talks with K.I.M.S., is for 50,000 Globalstar handunits, which are ready to be shipped and are in

inventory. It provides for \$3000/yr per unit for a period not less than three (3) years and would possibly be extended in addition to adding more units. This contract would be prepaid at the beginning of each annual period in the form of an irrevocable letter of credit to be placed in a US bank in the amount of \$150 US Million totaling \$450 US Million over a three (3) year period to the New Globalstar.”

It certainly displays a “want” for the Globalstar phones and Globalstar satellite usage, but strangely it takes a person working outside the Globalstar organization to seek out and obtain this type of agreement. There’s a whole world out there and the debtors, instead of obtaining similar half a billion dollar contracts are instead selling 80% of the company for 55 Million? To do so doesn’t make sense unless the profits are intentionally being kept as low as possible. Add to this the fact one of the founding partners of Globalstar L.P. (Qualcomm) stopped providing such products as data modems which in turn prevented huge profit potential two years ago by preventing In Flight Network and Airshow from using the Globalstar system. Both IFN and Airshow pulled out of the agreements. Pulling products which results in large contracts being lost? Had Qualcomm not discontinued the data modem at that time, Globalstar very well may not even be in bankruptcy court and New Globalstar (ICO) wouldn’t be here asking for a transfer of the spectrum license. How does Qualcomm’ timing of discontinuing the data modem compare to when some form of Mr. McCaw started showing interest in Globalstar and its spectrum license that is asked

to be transferred? I believe the possibility of the intentional demise of Globalstar presents itself, which may have resulted in a type of public stock market manipulation the public and the president are against, and the FCC should not assist in, either knowingly or unknowingly. To do so would be wrongfully rewarding such unconscionable business behavior.

Also, perhaps Globalstar's immediate need for ICO/Mr. McCaw's help may not be as "desperate" as indicated by the OCC in spite of actions to slow Globalstar's growth. For example, the OCC in their reply (on pg 5) state,

"system usage almost doubled in the last calendar year.

This growth is impressive considering that Globalstar has been operating without an advertising budget"

(Could Globalstar' lack of an advertising budget be a way to keep Globalstar' finances desperately in need of DIP financing from ICO?). But there are other possibilities that may defy OCC's outlook for Globalstar. Such as: an order that was placed months ago for one million Aero-Astro data modems that utilize the Globalstar network; the Operating Report of Globalstar LP for last month (JUNE 03) which described the reason for a significantly higher equipment revenue for Globalstar/Canada USA/Europe as being;

"a large sale of multi-channel products, not in forecast".

The possibilities of ATC if founding partner Qualcomm should release it's version of the ATC phone (Qualcomm had it on their web-site after the ATC announcement by the FCC, but pulled it immediately. Why?) ; Globalstar's inclusion by AEEC in Arinc 743A re aircraft and Airbus' utilization; SeaTel, Cisco, Homeland Defense, . Even Globalstar Canada, in

comments to the FCC in a different matter (namely spectrum sharing, IB docket NO. 01-185 and IB docket No. 02-364), stated:

“minutes of use in Canada have increased four-fold over the past two years. At current growth rates, we forecast a need to expand the number of frequencies in use in our Gateways within the next twelve months.”

In conclusion, I would like to point out the US Bankruptcy Courts approval of ICO investment in Globalstar is not a certainty, thereby not necessitating an “expeditious” transfer of the spectrum license. The bankruptcy court decision is under appeal (US Bankruptcy Court Delaware, Case 02-10499 doc 917). I request the FCC carefully examine how Globalstar and New Globalstar Company (majority owner ICO) came to be where they now stand before the commission, and if the FCC can satisfy itself the request of the two parties is truly in the public’s best interest, or was it made available via the manipulation of a company at a publicly traded company’s expense for the monopolistic opportunity of a few. I believe the FCC abhors such actions, and should not partake in rewarding if this be the case.