MIDDLETOWN, Va., Dec 6, 2002 (BUSINESS WIRE) -- StarMD, LLC filed suit today in the Pennsylvania Court of Common Pleas against Globalstar USA, the San Jose based provider of global satellite telecommunications services, for breach of contract and wrongful interference with contractual relations.

StarMD, previously an agent for Globalstar's $4 billion dollar global satellite systems, seeks $47 million dollars in damages.

A copy of the complaint may be obtained by emailing a request to info@starmd.org

The complaint alleges Globalstar USA repeatedly refused to ship hundreds of satellite telephones for which StarMD had found purchasers. Jim Carney, StarMD's counsel said: "StarMD was generating substantial revenue and on track with a program targeted to sell over 10,000 Globalstar phones and service plans in 2003 when Globalstar abruptly stopped shipping phones to StarMD. All attempts by StarMD principals to reach Globalstar's president, Tony Navarra, for an explanation have been unsuccessful."

In a second count, StarMD claims Globalstar USA further interfered with an agreement between Globalstar LP and StarMD to co-market the StarMD StarReach(TM) System that allows Globalstar customers a low cost way to use their satellite telephones inside boats, automobiles and buildings.

"We are baffled by their actions," says George Harris of StarMD. "You would think a company in bankruptcy would welcome the additional business that we were bringing to them. Our new marketing programs were generating about as much new business as the entire US channel. We just don't understand why they would turn away business at this juncture."

Globalstar was formed as a partnership between Qualcomm, Loral, Vodafone and other major telecommunications companies. Their forty-seven (47) satellites costing an estimated $4 billion dollars failed to attract sufficient customers and Globalstar's general partners took the company into voluntary bankruptcy in February, 2002.

Insiders have formulated a plan to re-capitalize Globalstar which is currently under consideration by creditors and new investors under the supervision of the Delaware Bankruptcy Court.

StarMD, based in Middleburg, Virginia distributes telecommunications services to the marine and adventure travel market including satellite telephone sales and rentals.
StarMD, LLC
Lorena Dawson, 410/604-3350
Corporate Communications
info@starmd.org

http://www.prweb.com/releases/2002/12/prweb52238.htm