

January 22, 2008

FILED ELECTRONICALLY WITH ECFS

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, D.C. 20554

**Re: Notice of Ex Parte Presentation
In the Matter of Stratos Global Corporation and Robert M. Franklin, Trustee
WC Docket No. 07-73, DA 07-2257**

Dear Ms. Dortch:

On Friday January 18, 2008, representatives for Stratos Global Corporation ("Stratos") (Richard Harris and Alfred Mamlet) and Inmarsat Finance III Limited ("Inmarsat Finance") (Diane Cornell, John Janka and Justin Lilley), met to discuss the above-referenced proceeding with Aaron Goldberger from Chairman Martin's office.

The attached materials (distributed at the meeting) formed the basis for the discussion between Stratos, Inmarsat Finance, and Mr. Goldberger. The meeting included discussion of the Commission's Order of December 7, 2007 ("Order"), the parties implementation of that Order, the December 13, 2007 Vizada Petition for Expedited Clarification or Correction of the Order, and the December 21, 2007 Joint Opposition to Vizada's Petition.

Stratos and Inmarsat Finance are submitting this Notice of Ex Parte Presentation out of an abundance of caution, even though the Commission's Order in the above-referenced proceeding is final and "no longer subject to administrative reconsideration or review or to judicial review." 47 C.F.R. § 1.1206(a).

Respectfully submitted,

_____/s/
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Counsel for Stratos Global Corporation

Counsel for Inmarsat Finance III Limited

Attachment

cc: Aaron Goldberger - by email
Best Copy and Printing, Inc. - by email

Stratos Order

WC Docket No. 07-73, DA 07-2257

January 18, 2008



Status

- FCC granted consent on 7 Dec. 2007
- Transaction closed 11 Dec. 2007
- VIZADA filed “Petition for Clarification” on 13 Dec. 2007
 - expressly stated that it was not seeking reconsideration
- No one filed for reconsideration or appeal

VIZADA Wants to Stifle Competition

- VIZADA and Stratos are competing MSS distributors
- VIZADA controls distribution of a significant amount of Inmarsat services
 - VIZADA owns the former Telenor and France Telecom MSS businesses
- In its request, VIZADA
 - seeks to stifle Stratos as a competitor
 - seeks leverage over Inmarsat in renewing a distribution agreement that expires in April 2009
 - takes language from the FCC consent out of context
 - tries to relitigate the adequacy of the Trust's terms

The FCC Approved the Trust Agreement

- The FCC
 - reviewed requirements for Trust, including restrictions on communications with Trustee and directors (¶ 45)
 - found that Trust met FCC precedents (¶ 46)
 - concluded that one limited exception allowing a director, who was also a Stratos officer, to have “ordinary course” communications was “reasonable” (¶ 48)
 - expressly found that the Trust and the Trustee would have both de jure **and** de facto control (¶ 37)

Scope of “Ordinary Course” Exception to Director Prohibition

- Commission acknowledged that “ordinary course” exception to the strict prohibition on communications with directors relates only to Stratos CEO, because he is the only officer that is also a director (¶¶ 47-48)
- While discussing this “ordinary course” exception, Commission “remind[ed]” parties of limited purpose of this exception in Trust Agreement (¶ 48)
- FCC did not say it was imposing any additional prohibition on communications beyond those in Trust Agreement

Existing Restrictions Maintain Control With the Control Group

- All parties are required to abide by the contractual terms of the Trust
- Communications with those in control of Stratos (Trustee and the Board) are constrained
- FCC required Stratos and Inmarsat to keep records of communications (§ 48)

VIZADA's Proposal Would Chill Normal Communications

- VIZADA asks that *all* Stratos and Inmarsat personnel limit communications to historical types, and keep records of *each* such communication
- This would chill normal interactions between the companies
 - At least 30 Stratos personnel communicate regularly with Inmarsat, many on a daily basis
 - Many personnel will be reluctant to place a call or send an e-mail without clearing it first with the GC's office
 - This could harm major Stratos customers, like DoD, and First Responders
 - VIZADA has already suggested they will demand an audit of Stratos' communications with Inmarsat

VIZADA's Proposal Would Prohibit Communications the FCC Permits

- Precedent recognizes that even large investors interact closely with companies without engaging in unauthorized transfers of control. *Lockheed Martin*, 14 FCC Rcd 15816, (¶¶ 31-37) (1999); *AMRC*, 16 FCC Rcd 21431, ¶ 10 (2001)
 - This is true even when investors have board seats, employees who are officers, and contractual and other legal rights *not present here*
- Merely communicating with Stratos officers and employees **would not constitute control** under Commission precedent
 - Commission Order stressed that “influence” and “control” are not the same thing (¶ 57), *citing News Int'l*, 97 FCC 2d 349, ¶ 16 (1984)

VIZADA's Assumptions Are Unfounded

- VIZADA does not dispute that the Trustee has *de jure* control
- VIZADA asks the Commission to impose further conditions because it **assumes** that Inmarsat will assert de facto control
- Inmarsat has no right or mechanism by which it could assert control
- When addressing *de facto* control, the Commission
 - does not speculate about how people may act in the future
William S. Paley, 1 FCC Rcd 1025, 1026 (1986)
 - does not assume that people will act in a manner inconsistent with their representations, or will be controlled in a manner different from the contract terms presented to the FCC
Order at ¶ 56; *News Int'l*, 97 FCC 2d 349, ¶ 17, 21 (1984)
 - requires a showing of actual conduct that has not occurred here
VisionStar and Echostar VisionStar, 16 FCC Rcd 19187, ¶¶ 24-26 (2001)

Conclusion

- The Commission expressed no competition or other policy concerns with the transaction
- Inmarsat must obtain FCC consent ***again*** if it elects to acquire control of Stratos by exercising its option
- There is no basis for granting the relief VIZADA requests