

Message from Curt Sumner, Executive Director, ACSM, Regarding LightSquared Issue & Coalition to Save Our GPS Clips

Below is the latest information we have received from the Coalition.

Earlier this week, I participated in a very informative session with Pete Large (Trimble), who was speaking on behalf of the Coalition, during the New York State Association of Professional Land Surveyors (NYSAPLS) conference. Pete's PowerPoint presentation provided good insight into the issues involved with this matter, and we had a good dialog with attendees regarding our need to remain diligent.

This issue has been framed as "LightSquared" in most reporting and correspondence, but the quote (shown immediately below) taken from one of the articles included in the Coalition's most recent report (also below) points out that this may not go away even if LightSquared isn't able to continue on.

However, I understand that the new investors, including Icahn, haven't stopped believing that they will be able to overcome the opposition of the GPS community, and ultimately gain approval on the back of (what was described to me as) their greater "sophistication" and financial resources compared to Harbinger. Indeed, part of Mr. Falcone's objective in his FCC meeting may have been to suggest that the FCC would have to deal with less cooperative owners of the assets in the future, if they delay approval and allow LightSquared to fall into bankruptcy.

Thanks again to everyone for your continued interest and participation in this matter.

Curt

Coalition to Save Our GPS Clips January 12, 2012

U.S. Sen. Chuck Grassley issued a [press release](#) announcing that he requested documents from three companies that make or use GPS devices regarding their communications with the FCC on an agency waiver granted to LightSquared. "My focus on this investigation has not changed, and I am aware of no allegations concerning the communications of the GPS community with the FCC about the LightSquared waiver. I am simply making this request consistent with the statement my office made in October 2011," Grassley wrote to Trimble, John Deere, and Garmin.

[TR Daily](#), [Communications Daily](#), [Broadcasting & Cable](#) and [Bloomberg News](#) all reported on the Grassley development. Bloomberg included comment from the companies:

- Trimble is "happy to support Senator Grassley's oversight," Jim Kirkland, general counsel, said in an e-mailed statement. Deere, which has expressed concern that LightSquared's service may interfere with tractors guided by GPS, will produce documents, Kenneth Golden, a spokesman, said by phone. Garmin "is pleased to supply Senator Grassley with relevant information," Ted Gartner, a spokesman, said by phone.

[TR Daily](#) reported on a panel discussion at 2012 International CES where the LightSquared/GPS matter was discussed:

- Neil Fried, chief majority telecommunications counsel for the House Energy and Commerce Committee, said: “In our view it’s really an engineering question, and we hope the FCC sticks with” addressing it on engineering grounds.
- Rick Kaplan, chief of the FCC’s Wireless Telecommunications Bureau said: “The ball is actually in NTIA’s corner” as it develops a recommendation for the FCC based on follow-up testing on interference between LightSquared operations and general location/navigation GPS devices. He added, “We’ll see what we get back.” He added, however, that “the larger issue is what lessons we can learn” from the LightSquared-GPS dispute. “Obviously nothing the FCC is going to do will jeopardize GPS,” he said. The issue is whether “we [are] getting the most efficient use out of both receivers and transmitters?”

[TMF Associates MSS Blog](#) has a piece on LightSquared investors and their views on the future of the company.

[National Journal](#), [The Hill](#), [FINalternatives](#) and [POB Online](#) continue to report that Philip Falcone, CEO of the hedge fund that controls LightSquared, and two other representatives of the company met with the FCC to urge it to approve LightSquared 's planned network.

A cite list and links to the full text of these and other articles follow.

1. COMMUNICATIONS DAILY, January 12, 2012 Thursday, CAPITOL HILL, SECTION: CAPITOL HILL, LENGTH: 312 words
2. Congressional Documents and Publications, January 11, 2012, Grassley Seeks Information from GPS Community Related to FCC, LightSquared Inquiry; Sen. Chuck Grassley (R-IA) News Release, SECTION: U.S. SENATE DOCUMENTS, LENGTH: 316 words
3. FierceBroadbandWireless, January 11, 2012 Wednesday 11:53 PM EST, T-Mobile likely to deploy HSPA+ 84 but not ruling out LTE, LENGTH: 443 words
4. TR Daily, HILL, ADMINISTRATION OFFICIALS OPTIMISTIC ABOUT INCENTIVE AUCTIONS, 1041 words, 11 January 2012
5. TR Daily, GRASSLEY SEEKS INFO FROM GPS FIRMS ON LightSquared CONTACTS WITH GOVERNMENT, 392 words, 11 January 2012
6. Bloomberg, Grassley Queries Deere, GPS Makers on Contacts With LightSquared, By Todd Shields | January 12, 2012 12:01AM ET
7. National Journal, LightSquared Financier Personally Asks FCC For Approval, By Josh Smith, January 11, 2012
8. Broadcasting & Cable, Grassley Seeks GPS Info, Will not remove hold threat on new FCC commissioners until he receives internal information requested earlier, By John Eggerton -- Broadcasting & Cable, 1/11/2012 5:47:52 PM
9. FINalternatives, Falcone Meets With FCC On LightSquared, Jan 11 2012 | 4:01pm ET
10. The Hill, LightSquared huddles with FCC amid reports of cash problems, By Brendan Sasso, 01/11/12 11:01 AM ET
11. POB Online, LightSquared Owner Urges FCC to Work Toward Resolution , Posted: January 11, 2012

12. TMF Associates MSS Blog, 01.11.12Don't stop believin'...???, Posted in Financials, Inmarsat, LightSquared, Operators, Regulatory, Spectrum at 3:05 pm by timfarrar

Excerpts/Links to Full Text of Articles

COMMUNICATIONS DAILY, January 12, 2012 Thursday, CAPITOL HILL, SECTION: CAPITOL HILL, LENGTH: 312 words

Sen. Chuck Grassley, R-Iowa, asked GPS companies about their communications with the FCC related to the agency's waiver grant to LightSquared. Grassley sent letters Wednesday to Garmin, Trimble and John Deere seeking communications between each GPS company or its lobbyists "and the FCC, White House, or Department of Commerce regarding LightSquared's waiver."

Grassley's office said "the GPS community has already indicated its willingness to comply fully with the requests." Grassley previously asked LightSquared and the company's investor Harbinger for documents about their communications with the FCC and White House, but they had refused because Grassley had not made a similar request to the GPS community, Grassley's office said. LightSquared and Harbinger had agreed to comply with Grassley's request but "have delivered only a portion of the documents so far," Grassley's office said. Grassley is blocking the FCC nominations of Jessica Rosenworcel and Ajit Pai because the agency hasn't given him documents on communications among the commission, White House and Harbinger (CD Jan 11 p3). Trimble supports Grassley's "oversight of the process for consideration of LightSquared's proposal to fundamentally change the use of mobile satellite spectrum to high powered terrestrial only wireless services," said Trimble General Counsel Jim Kirkland, who is also a leader in the Save Our GPS Coalition. "From the start of this process, Trimble and other affected companies, GPS users, and affected government agencies have been clear and consistent in expressing grave concerns about the potential for severe interference to critical GPS uses. Trimble's communications with government decision makers are entirely in line with these concerns, and will provide Senator Grassley a more complete picture of the information that was made available to these decision makers."

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Congressional Documents and Publications, January 11, 2012, Grassley Seeks Information from GPS Community Related to FCC, LightSquared Inquiry; Sen. Chuck Grassley (R-IA) News Release, SECTION: U.S. SENATE DOCUMENTS, LENGTH: 316 words

WASHINGTON - In keeping with a pledge, Sen. Chuck Grassley today asked for documents from three companies that make or use Global Positioning System devices regarding their communications with the Federal Communications Commission on an agency waiver granted to the wireless company LightSquared.

Grassley's letters to Garmin, Trimble and John Deere come after he asked LightSquared and Harbinger Capital for documents regarding their interaction with the FCC and the White House. LightSquared and Harbinger declined to provide documents, saying Grassley had not made a similar request of the GPS community.

In October, Grassley's office said that if it meant LightSquared and Harbinger are going to respond fully to Grassley's request for documents, then Grassley would make document requests to Garmin, Trimble

and John Deere. After weeks of negotiations, LightSquared and Harbinger agreed to comply with Grassley's document request. However, LightSquared and Harbinger have delivered only a portion of the documents so far.

To read more click [here](#).

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FierceBroadbandWireless, January 11, 2012 Wednesday 11:53 PM EST, T-Mobile likely to deploy HSPA+ 84 but not ruling out LTE, LENGTH: 443 words

LAS VEGAS--With its newly awarded breakup fees of \$3 billion in cash and \$3 billion in AWS spectrum, T-Mobile USA is now scurrying to figure out the best technology road map for its network and, according to its CTO Neville Ray, that plan will likely include deploying HSPA+ 84 or possibly even LTE.

As a result of AT&T's (NYSE:T) decision last month to no longer pursue its \$39 billion acquisition of T-Mobile USA from parent Deutsche Telekom due to growing opposition from regulators and competitors, T-Mobile received a breakup package that included \$3 billion in cash, some roaming agreements with AT&T, and a large package of AWS spectrum in 128 Cellular Market Areas (CMAs), including 12 of the top 20 markets.

In an interview with FierceWireless, Ray indicated that the company could deploy HSPA+ 84 but does face some hurdles. "The network will be ready and can support HSPA+ 84 mid-year," Ray said. "But devices are the difficulty. We are working with the OEMs."

He added that although chipmaker Qualcomm (NASDAQ:QCOM) has said that it will not produce HSPA+ 84 enabled chipsets until the second quarter of 2013, there are other chipmakers that are willing to fill that gap because they see an opportunity. "There is some scale with HSPA+ 84," he said.

However, Ray didn't rule out the possibility that T-Mobile will deploy LTE. "There is some potential opportunity for LTE if we decide to do that," he said, adding that the company could look at refarming some of its 1900 MHz spectrum.

To read more click [here](#).

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TR Daily, HILL, ADMINISTRATION OFFICIALS OPTIMISTIC ABOUT INCENTIVE AUCTIONS, 1041 words, 11 January 2012

LAS VEGAS - Congressional and administration officials today expressed optimism that legislation will be passed this year to authorize the voluntary reallocation of some current broadcast spectrum for commercial mobile broadband service through incentive auctions.

Speaking during a panel discussion at 2012 International CES, Neil Fried, chief majority telecommunications counsel for the House Energy and Commerce Committee, said that "the odds are good" that incentive auction authorization "will be part of the further [payroll tax reduction and unemployment benefits] extension coming up in the new year." He added, "I'm still optimistic."

Last month, the House passed a one-year extension with incentive auction authority and other spectrum provisions (TRDaily, Dec. 13, 2011), but that legislation (HR 3630) stalled in the Senate, so both chamber ended up approving a two-month extension before lawmakers went home for the holidays last month.

Tom Power, deputy chief technology officer-telecommunications at the White House's Office of Science and Technology Policy, on detail from the National Telecommunications and Information Administration, said, "I kind of share Neil's perspective. ... It really does have to happen." He added, "There really is consensus to get something done."

Industry representatives also expressed hope for incentive auctions, although disagreements about the exact form of such auctions were evident.

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TR Daily, GRASSLEY SEEKS INFO FROM GPS FIRMS ON LightSquared CONTACTS WITH GOVERNMENT, 392 words, 11 January 2012

Sen. Charles E. Grassley (R., Iowa), ranking member of the Senate Judiciary Committee, asked three Global Positioning System equipment manufactures today to provide any information on communications their firms or representatives of their firms had with the FCC, White House, or Commerce Department regarding a conditional FCC waiver granted to LightSquared, Inc.

"My focus on this investigation has not changed, and I am aware of no allegations concerning the communications of the GPS community with the FCC about the LightSquared waiver," the senator said in letters to the chief executive officers of Trimble Navigation Ltd., Deere & Company, and Garmin International, Inc. "I am simply making this request consistent with the statement my office made in October 2011."

The lawmaker was referring to a commitment he gave LightSquared and Harbinger Capital Partners, which controls LightSquared, that he would make the same document requests of the GPS firms as he did LightSquared and Harbinger (TRDaily, Oct. 6, 2011). The companies initially declined to provide any of the requested documents but implied they might if Sen. Grassley made a document request of GPS manufacturers (TRDaily, Oct. 20, 2011). In his letters to the GPS companies, the senator said LightSquared and Harbinger "finally began providing some of the requested documents" on Dec. 12. But in a statement today, Mr. Grassley's office said "LightSquared and Harbinger have delivered only a portion of the documents so far."

"Ultimately, the FCC needs to be open and transparent regarding their dealings with LightSquared and Harbinger Capital," Sen. Grassley reiterated in the letters. "There are still numerous questions about the FCC's decision to grant a waiver without transparency in a holiday-shortened time period, and the FCC's awareness of the mounting SEC charges pending against Mr. [Philip] Falcone [Harbinger's CEO] and other Harbinger Capital employees, among other issues."

Sen. Grassley said the GPS companies have indicated they would provide the requested records, which he asked for by Jan. 25.

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Bloomberg, Grassley Queries Deere, GPS Makers on Contacts With LightSquared, By Todd Shields | January 12, 2012 12:01AM ET

(Bloomberg) -- Senator Charles Grassley asked companies claiming service disruption from Philip Falcone's proposed LightSquared wireless network to provide information about their contacts with the U.S. government.

Letters went to navigation-equipment makers Trimble Navigation Ltd. and Garmin Ltd., and farm-gear manufacturer Deere & Co., according to a statement yesterday from Grassley's office. The request was part of a deal with LightSquared to get the company to provide documents about its dealings with the White House and regulators, the statement said.

Grassley, the senior Republican on the Judiciary Committee, is investigating whether the Federal Communications Commission followed proper procedure in granting partial approval last year to LightSquared. U.S. officials are withholding final clearance as they weigh the scope of the Reston, Virginia-based service's disruption of global-positioning system devices that guide airplanes, boats and cars.

"Ultimately, the FCC needs to be open and transparent," Grassley said in the letters. "There are still numerous questions about the FCC's decision to grant a waiver without transparency."

Tammy Sun, an FCC spokeswoman, didn't reply to a telephone call and e-mail yesterday seeking comment.

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National Journal, LightSquared Financier Personally Asks FCC For Approval, By Josh Smith, January 11, 2012

The beleaguered wireless company LightSquared brought out the big guns in a meeting with top Federal Communications Commission officials last week.

Billionaire financier Philip Falcone, who has been the major source of funding for the company, joined LightSquared vice president Jeffery Carlisle to press the commission to approve LightSquared's planned nationwide wireless network.

The proposed network has bogged down because tests show it interferes with global positioning systems, and LightSquared is reportedly running low on cash.

To read more click [here](#).

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Broadcasting & Cable, Grassley Seeks GPS Info, Will not remove hold threat on new FCC commissioners until he receives internal information requested earlier, By John Eggerton -- Broadcasting & Cable, 1/11/2012 5:47:52 PM

Sen. Charles Grassley (R-Iowa) continues to try to collect information from the relevant parties about the FCC's waiver to would-be 4G wholesale wireless broadband provider LightSquared, this time from GPS companies. And according to Grassley's letter to the companies, he has assurances from all that they will comply.

But that still won't be sufficient to remove the hold threat on two new FCC commissioners the senator has pledged until he gets the information from the FCC he has also been seeking.

The senator, concerned about the services potential to interfere with GPS, was rebuffed by the FCC when he asked for internal documents about the waiver process, and by LightSquared and parent, Harbinger Capital, when he asked them for documents regarding their communications with the FCC and Obama Administration.

He has now asked for info from Garmin, Trimble and John Deere, explaining that was because LightSquared and Harbinger had denied his request because he had not made similar requests of the GPS community that opposes LightSquared's waiver.

Grassley says that LightSquared and Harbinger have now agreed to supply documents, but so far have offered up only some of them.

To read more click [here](#).

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FINalternatives, Falcone Meets With FCC On LightSquared, Jan 11 2012 | 4:01pm ET

Harbinger Capital Partners founder Philip Falcone has jumped into the fray, asking the Federal Communications Commission for help to solve the interference problems that have kept the same FCC from approving a Harbinger-backed wireless Internet venture.

Falcone and two representatives of LightSquared met with FCC staffers on Jan. 4, the agency said. The trio explained that "significant investment" has already been made in LightSquared's proposed network—Harbinger is already in for \$3 billion, more than half of the hedge fund's total assets and sought the FCC's help to resolve interference concerns.

To read more click [here](#).

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The Hill, LightSquared huddles with FCC amid reports of cash problems, By Brendan Sasso, 01/11/12 11:01 AM ET

LightSquared officials met with the FCC last week to discuss a path forward for the company's long-delayed wireless network amid reports that the company is running dangerously low on cash.

Philip Falcone, the billionaire hedge fund manager who has invested heavily in LightSquared, was among the group that met with Federal Communications Commission staffers last week, according to a disclosure form posted on the agency's website.

Falcone, LightSquared Vice President Jeff Carlisle and consultant Ashley Durmer met with FCC Chief of Staff Ed Lazarus, FCC legal adviser Amy Levine and Paul de Sa, chief of the Office of Strategic Planning and Policy Analysis.

The LightSquared representatives urged the FCC to "continue to work toward a resolution that would enable the commencement of commercial service over the LightSquared network," according to the disclosure form. They emphasized the "significant investment" they have already made in meeting the FCC's requirements and that other companies have already signed agreements to use LightSquared's network.

LightSquared has invested billions of dollars in plans to launch a nationwide wireless broadband service, but the company has become embroiled in controversy after tests last year showed its network could interfere with GPS devices. FCC officials have said they will not give the company final approval to launch its network until it can demonstrate it has fixed the interference problems.

The company is beginning to run low on cash, according to numerous media reports. LightSquared must receive regulatory approval for its network by the end of the month or risk losing a \$9 billion contract with Sprint.

To read more click [here](#).

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POB Online, LightSquared Owner Urges FCC to Work Toward Resolution , Posted: January 11, 2012

LightSquared owner Philip A. Falcone of Harbinger Capital Partners made a personal appearance before key members of the FCC on Jan. 4, urging them to work toward a resolution that would allow the LightSquared wireless broadband network to move forward. Falcone was joined by Jeffrey Carlisle, LightSquared's executive vice president for regulatory affairs and public policy, and Ashley Dunner, a Harbinger consultant. According to an FCC filing, the group emphasized "the significant investment that has already been made in reliance on LightSquared's longstanding ancillary terrestrial component (ATC) authority and the Commission-imposed network deployment milestones, as well as the numerous customers that have already committed to use LightSquared capacity." The group said the "scope of the GPS technical issues has been narrowed considerably."

To read more click [here](#).

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TMF Associates MSS Blog, 01.11.12Don't stop believin'...???, Posted in Financials, Inmarsat, LightSquared, Operators, Regulatory, Spectrum at 3:05 pm by timfarrar

Yesterday, LightSquared held an investor call to provide an update on regulatory progress, including Mr. Falcone's meeting last week at the FCC (which failed to gain the attention of the FCC Chairman, unlike Mr. Ergen's visit to the FCC the same day). LightSquared's investors clearly want to know whether there is any prospect of approval being granted, and a Debtwire story on Jan 3 reported that some of the previous investors have lost confidence in a successful resolution of the issue:

Farallon Capital Management dumped its stake in LightSquared's USD 1.6bn first lien loan last month as the telecom company and sponsor Harbinger Capital battle regulatory controversies, according to two buyside sources and a source familiar with the matter. Displaying a greater taste for potential distress,

Icahn Enterprises has emerged as a recent buyer of LightSquared's bank debt in the low 40s, the two buy-side sources said.

The exit of Farallon signals the loss of one of LightSquared's former anchor investors. The California hedge fund was one of the biggest par holders in LightSquared's capital structure, owning more than USD 150m of the Libor+ 1,200 bps term loans the company raised to finance the build out of its 4G long term evolution (LTE) network, the sources said.

The loans were recently quoted at 43-45 from 90-92 at the beginning of August, according to Markit.

However, I understand that the new investors, including Icahn, haven't stopped believing that they will be able to overcome the opposition of the GPS community, and ultimately gain approval on the back of (what was described to me as) their greater "sophistication" and financial resources compared to Harbinger. Indeed, part of Mr. Falcone's objective in his FCC meeting may have been to suggest that the FCC would have to deal with less cooperative owners of the assets in the future, if they delay approval and allow LightSquared to fall into bankruptcy.

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