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June 27, 2000

Magalie Roman Salas, Esquire
Secretary
Federal Communications Commission
The Portals
445 12th Street, S.W.
Washington, D.C. 20554

Re: **WRITTEN EX PARTE PRESENTATION**
Transfer of Control of COMSAT Corporation
and its Subsidiaries: File Nos. 0005-EX-TC-2000;
0006-EX-TC-2000; 0007-EX-TC-2000; 0008-EX-TC-2000

Dear Ms. Salas:

On May 30, 2000, the Litigation Recovery Trust ("LRT") filed with the Commission a "Petition for Protective Orders" in connection with the pending applications of COMSAT Government Systems, LLC ("CGS-LLC"), a wholly-owned subsidiary of Lockheed Martin Corporation ("Lockheed Martin"), and COMSAT Corporation ("COMSAT") for a transfer of control of COMSAT. For reasons discussed below, CGS-LLC and Lockheed Martin urge the Commission to dismiss the LRT Petition as procedurally defective. More importantly, LRT has raised no substantive issue appropriate for FCC consideration in the context of the pending transfer applications.

First, the LRT Petition is procedurally defective because it was not filed by the pleading deadline established by the Commission for this proceeding. Specifically, interested parties were required to file petitions or comments concerning the transfer applications on or before May 4, 2000.¹ The LRT Petition, which shows an FCC date-stamp of May 30, 2000, was filed nearly a month after the May 4 deadline, without a prior request for extension of time and without any explanation as to why the filing deadline could not be met. Moreover, while the transfer applications involve a "permit-but-disclose" proceeding under the Commission's *ex parte* rules,

¹ See FCC Public Notice, Report No. SAT-00040, released April 4, 2000; see also Section 25.154 (a)(2) of the Commission's rules, which provides that "[p]etitions to deny, petitions for other forms of relief, and other objections or comments must ... be filed within thirty (30) days after the date of public notice announcing the acceptance for filing of the application..." 47 CFR § 25.154 (a)(2).

the LRT Petition failed to comply with basic procedural requirements applicable to such *ex parte* filings.² For these reasons, the LRT Petition is procedurally flawed and should be dismissed as an unauthorized and impermissible filing.

Second, while LRT fully supports grant of the transfer applications, it requests the adoption of certain "protective orders" and other relief. In effect, the LRT Petition is nothing more than a compilation of past and pending FCC proceedings brought by LRT and its associates against COMSAT, together with a request that the FCC address those matters in connection with the transfer applications. However, LRT's past allegations have no nexus to the Lockheed Martin/COMSAT applications or to the public interest factors supporting their grant. In fact, most of LRT's allegations previously have been found by the Commission to be meritless.³ To the extent any matters described in the LRT Petition remain pending before the Commission, either on reconsideration or otherwise, the Commission should address such issues in other proceedings.⁴ Indeed, the FCC's general practice is not to burden merger or transfer applications with unrelated claims, but rather to address such matters in other, more appropriate proceedings.⁵ Accordingly, the LRT Petition should be dismissed without further consideration, and LRT should not be permitted to delay FCC action on the pending transfer applications.

Pursuant to Section 1.1206 of the Commission's rules, an original and seven copies of this letter are being filed with the Secretary for association with the above-referenced application.

² See Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206.

³ See *In re COMSAT Corporation, Memorandum Opinion and Order*, 13 FCC Rcd 2714 (1998). Many of these claims also have become moot with passage of the ORBIT Act and the sale of certain COMSAT businesses.

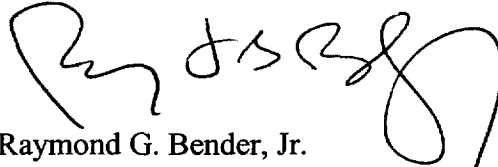
⁴ It is well settled that the Commission may defer specific matters that come before it to a proceeding better suited to consider the issue. See *In re Lockheed Martin Corporation, et al, Memorandum, Order and Authorization*, 14 FCC Rcd 15816, 15840 (1999). Indeed, the courts have afforded the FCC broad discretion to choose how best to address particular issues that confront it. See generally *MCI Telecommunications Corp. v. FCC*, 917 F.2d 30, 42 n.14 (D.C. Cir. 1990) ("FCC acted well within its discretion" when deferring an issue to a proceeding better suited to consider the issue).

⁵ See e.g., *Craig O. McCaw, Transferor, and American Telephone and Telegraph Company, Transferee, For Consent to the Transfer of Control of McCaw Cellular Communications Inc. and its Subsidiaries, Memorandum Opinion and Order*, 9 FCC Rcd 5836, 5920 (1994), *aff'd SBC Communications, Inc. et al., v. FCC*, 56 F.3d 1484 (D.C. Cir. 1995); *Contel Corporation, Transferor, and GTE Corporation, Transferee, For Consent to Transfer of Control of Authorizations held by Contel Subsidiaries, Memorandum Opinion and Order*, 6 FCC Rcd 1003, 1005 (1991).

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Should any question arise with regard to this matter, kindly communicate with the undersigned.

Very truly yours,



Raymond G. Bender, Jr.
Counsel for COMSAT Government Systems, LLC
and Lockheed Martin Corporation

RGB/db

cc: James Ball, Esquire
Sasha Field, Esquire
James Burtle, Esquire