

EXHIBIT 1

Request For Confidential Treatment

Pursuant to Sections 0.457 and 0.459 of the Commission's rules,¹ Globalstar, L.P. ("Globalstar") requests the Commission to withhold from public inspection and accord confidential treatment to Exhibit 2 of the accompanying application for experimental authorization (the "Application"). Exhibit 2 contains highly sensitive commercial and technical information, which customarily would be guarded from competitors. The disclosure of this information likely would cause substantial competitive and financial harm to Globalstar, and is therefore exempted from mandatory disclosure under Exemption 4 of the Freedom of Information Act ("FOIA Exemption 4")² and Section 0.457(d) of the Commission's rules.³

In support of this request for confidential treatment and pursuant to the requirements under Section 0.459(b) of the Commission's rules, Globalstar provides the following information:

(1) *Identification of information for which confidential treatment is sought:*

Exhibit 2 to the Application.

(2) *Identification of the circumstances giving rise to the submission:*

The information for which confidential treatment is sought is being submitted in response to Question 7 of FCC Form 442, which requires a narrative statement describing the complete program of research and experimentation proposed under the Application.

(3) *Explanation of the degree to which the information is commercial or financial, or contains trade secrets or is privileged:*

Exhibit 2 contains elements of Globalstar's business plan with respect to certain technical details, including equipment specifications, regarding potential new services and equipment provided in connection with the Globalstar mobile satellite service ("MSS") system.

¹ 47 C.F.R. §§ 0.457, 0.459.

² 5 U.S.C. § 552(b)(4). *See Public Citizen Health Research Group v. FDA*, 704 F.2d 1280, 1290-91 (D.C. Cir. 1983).

³ 47 C.F.R. § 0.457(d).

- (4) *Explanation of the degree to which the information concerns a service that is subject to competition:*

Exhibit 2 contains highly sensitive information concerning Globalstar's MSS offerings, which are subject to competition from a number of other MSS systems. The Commission has acknowledged that there are a number of other companies offering MSS in North America, including Inmarsat, Iridium, and Orbcomm.⁴ Globalstar and other global MSS operators also face additional competition from regional MSS operators, such as AceS (Asia) and Thuraya (Middle East).

- (5) *Explanation of how disclosure of the information could result in substantial competitive harm:*

Disclosure of the information in Exhibit 2 could provide Globalstar's competitors with direct information as to Globalstar's new services and equipment, material elements of which have not been publicly disclosed. Knowledge of the unique technical specifications of Globalstar's experimental program could allow competitors to benefit from Globalstar's efforts and develop or improve upon similar equipment and services, while avoiding research and development expenses.

- (6) *Identification of any measures taken by the submitting party to prevent unauthorized disclosure:*

Globalstar has instituted a company policy prohibiting employees from divulging any company proprietary or confidential, which would include the subject matter of the Application.

- (7) *Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:*

Information contained in Exhibit 2 is not generally available to the public. Consistent with and except as provided under appropriate nondisclosure agreements, there has been no disclosure of this information to any third parties.

- (8) *Justification of the period during which the submitting party asserts that material should not be available for public disclosure:*

Globalstar requests confidential treatment of Exhibit 2 for an indefinite period. During the operational life of the Globalstar system, equipment manufacturers and MSS competitors could use the otherwise confidential information to their competitive advantage and to Globalstar's detriment.

⁴ See *Motient Services Inc. and TMI Communications and Co., LP and Mobile Satellite Ventures Subsidiary LLC*, 16 FCC Rcd 20469, 20477-78 ¶ 24 (IB 2001).

(9) *Any other information that the party believes useful in assessing the confidentiality request:*

The information contained in Exhibit 2 qualifies for confidential treatment under FOIA Exemption 4, which sets forth a two-prong standard for protecting information that both: (1) constitutes trade secrets and commercial or financial information, and is (2) privileged or confidential.⁵ The term “commercial” in the first prong of the standard includes not only information regarding basic commercial operations, but also “information about work performed for the purpose of conducting a business’s commercial operations.”⁶ Information provided voluntarily satisfies the standard’s second prong as being “confidential” if “it is of a kind that the provider would not customarily release to the public.”⁷

As for the first prong of the FOIA Exemption 4 standard, Exhibit 1 contains technical details and elements of Globalstar’s business plans with respect to potential new services and equipment provided in conjunction with Globalstar’s commercial MSS system. As such, the information involves work performed for the purpose of conducting commercial operations.

As for the second prong of the FOIA Exemption 4 standard, the information in Exhibit 2 is not of the type customarily released to the public precisely because such information could be used to Globalstar’s competitive disadvantage. Where disclosure could result in competitive harm to the information provider, the Commission generally finds that the information is confidential.⁸ Disclosure of the information in Exhibit 2 would provide Globalstar’s competitors with insight

⁵ See 5 U.S.C. § 552(b)(4).

⁶ See *Southern Company*, 14 FCC Rcd 1851, 1860 ¶ 17 (WTB 1998) (citing *Public Citizens Research Group v. FDA*, 704 F. 2d 1280, 1290 (D.C. Cir. 1983)); see also *Examination of Current Policy Concerning the Treatment of Confidential Information Submitted to the Commission*, 13 FCC Rcd 24816, 24818 ¶ 3 (1998).

⁷ *Southern Company*, 14 FCC Rcd at 1860 ¶ 17.

⁸ See, e.g., *Southern Company*, 14 FCC Rcd at 1860 ¶ 17 (upholding confidentiality for applicant’s list of sites and construction information because “other businesses could use this comprehensive data to [the applicant’s] competitive disadvantage”); *Jeffrey A Krause On Request for Inspection*, 11 FCC Rcd 10819, 10820 ¶ 4 (1996) (recognizing confidential status of technical aspects and design of equipment used in provision of interactive video and data service because release of such information would likely cause substantial competitive harm in that it would “lessen the value of their technologically innovative product by enabling others to utilize the information to develop similar products”); *Ward & Mendelsohn, P.C.*, 88 FCC2d 1049, 1052 (1981) (upholding confidentiality of sales contracts for satellite transponders because “competition exist[ed] among the sellers to secure advantages in negotiating the terms and conditions of transponder sales”).

into Globalstar's business plans and development of new services and equipment. The courts have held that information is confidential under FOIA Exemption 4 for voluntarily submitted information if it is of the kind that the provider itself would not customarily release to the public. As stated above, Globalstar's customary practice, as evidenced by its internal non-disclosure policies, is to prohibit public release of this type of highly sensitive information.⁹

In order to provide adequate protection from public disclosure, the Commission should strictly limit distribution of copies of Exhibit 2 within the Commission on a "need to know" basis. In the event that any person or entity outside the Commission requests disclosure of Exhibit 2, Globalstar requests that it be so notified immediately so that it can oppose such request or take other action to safeguard its interests as it deems necessary.

⁹ See *Critical Mass Energy Project v. NRC*, 975 F. 2d 871, 879 (D.C. Cir. 1992) (holding that the test for determining confidentiality under FOIA Exemption 4 is an objective one, under which "the agency invoking Exemption 4 must meet the burden of proving the provider's custom"); *Mobile Relay Associates*, 14 FCC Rcd 18919, 18922-23 ¶ 8 (WTB 1999) (upholding confidentiality of applicant's customer lists, in part, because applicant showed "the care it takes to protect this information, including policies that prohibit the information from normally leaving its business premises or being made available to third parties")