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July 2, 1996

BY HAND DELIVERY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

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Satellite Policy Branch
International Bureau

**Re: GE American Communications, Inc. and STARSYS Global
Positioning, Inc.; Reply to Opposition to Motion to
Dismiss**

Dear Mr. Caton:

Enclosed for filing is an original and four copies of the Reply to Opposition to Motion to Dismiss of GE American Communications, Inc. and STARSYS Global Positioning, Inc. Please indicate receipt by date-stamping the attached copy and returning it to our messenger.

If you have any questions, please contact the undersigned.

Sincerely,



Julie T. Barton

Enclosures

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In re Application of)		
)		
STARSYS GLOBAL)	File Nos.	33-DSS-P-90(24)
POSITIONING, INC.)		42-DSS-AMEND-90
)		7-DSS-AMEND-94
For Authority to Construct, Launch and)		31-DSS-AMEND-94
Operate a Non-Voice, Non-Geostationary)		32-DSS-LA-94
Mobile Satellite System)		135-SAT-AMEND-95

To: The Commission

REPLY TO OPPOSITION TO MOTION TO DISMISS

On May 30, 1996, as supplemented on June 10, 1996, GE American Communications, Inc. ("GE Americom") and STARSYS Global Positioning, Inc. ("STARSYS") moved to dismiss the Emergency Petition for Declaratory Ruling ("Petition") filed by Leo One USA Corporation ("Leo One") in this matter. The Petition sought to revoke the Commission's November 20, 1995 grant of a non-voice, non-geostationary mobile satellite service ("NVNG MSS") authorization to STARSYS. ^{1/} The gravamen of the Motion to Dismiss was that the Petition was an untimely application for review and, in any event, was rendered moot upon consummation of the acquisition by GE Americom of an 80% interest in STARSYS on June 7, 1996, as approved by the Commission in the STARSYS Order.

^{1/} STARSYS Global Positioning, Inc., Order and Authorization, 11 FCC Rcd 1237, at ¶ 24 (Int'l. Bur. 1995) ("STARSYS Order").

On June 20, 1996, Leo One filed an opposition 2/ to the supplemented Motion to Dismiss, to which GE Americom and STARSYS hereby reply.

I. LEO ONE'S PETITION SHOULD BE DISMISSED

It is noteworthy that Leo One, in its opposition, makes no attempt to argue that the current ownership structure of STARSYS violates the Communications Act or the Commission's rules. Rather, in contending that the Petition is not moot, Leo One argues that the ownership of STARSYS between the issuance of the STARSYS Order on November 20, 1995 and the June 7, 1996 consummation of the transaction violated Sections 310(a) and (b) of the Communications Act of 1934, as amended. 47 U.S.C. § 310(a) and (b).

Leo One contends that "the Motion to Dismiss provides further cause for concern since STARSYS and GE Americom have not contested Leo One USA's assertions of a violation of Section 310(b)." Opposition at 6. Leo One's concern is fatuous. There was no need for GE Americom and STARSYS to respond to Leo One's argument regarding Section 310(b), because, as the FCC previously noted in this proceeding 3/ the STARSYS FCC licenses are subject only to Section 310(a). Section 310(b) is not applicable at all.

The Commission had full understanding of the proposed terms of the transaction in which GE Americom acquired 80% of STARSYS. As GE Americom

2/ Leo One styled its opposition a "Consolidated Reply [sic] of Leo One USA Corporation."

3/ STARSYS Global Positioning, Inc., Declaratory Ruling, 10 FCC Rcd 9392, at n.6 (Int'l. Bur. 1995).

and STARSYS conclusively demonstrated in the Motion to Dismiss, the STARSYS Order contained neither an implicit nor an explicit deadline that mandated closure anytime prior to finality. The only logical interpretation of Leo One's argument then, must be that the grant by the Commission without such a condition created a statutory violation. But, this means that (1) Leo One is taking issue with the Commission's action and not with that of GE Americom and STARSYS; and (2) Leo One is really arguing that the Act required the Commission to condition the grant on immediate consummation of the acquisition. Clearly, GE Americom and STARSYS cannot be faulted for failure to comply with a condition that the Commission did not include -- whether or not (and we think not) it should have been included -- in the STARSYS Order. By arguing that the Commission's unconditional order violated the Act, Leo One is tacitly admitting that what it really is seeking is an untimely application for review of the STARSYS Order. That is precisely why Leo One's Petition should be dismissed.

Leo One should not be allowed again to mischaracterize statements made by GE Americom and STARSYS. Leo One erroneously claims that in the Motion to Dismiss GE Americom and STARSYS said they would only close upon a final order by the Commission. Opposition at 5. Here, Leo One further attempts to put words into the the mouths of GE Americom and STARSYS by contending that they in some way tried to mislead the Commission. GE Americom and STARSYS proposed in the Amendment that they should not be obligated to close before a final order from the Commission. The STARSYS Order permitted, but did not require,

them to close prior to the issuance of such an order. GE Americom, by closing the transaction on June 7, 1996 waived its right to wait to close until the Commission acted on the Petition for Review filed by Orbital Communications Corporation. Thus, GE Americom and STARSYS have, at all times, acted consistently with the Amendment and the STARSYS Order.

II. CONCLUSION

Leo One has failed to substantiate the procedural propriety of its pleading. The Petition is an untimely application for Review of the STARSYS Order and, in any event, is moot because the parties have consummated the transaction. The Petition should be dismissed as we have requested.

Respectfully submitted,

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July 2, 1996

CERTIFICATE OF SERVICE

I, Julie T. Barton, hereby certify that a true and correct copy of the foregoing Reply to Opposition to Motion to Dismiss of GE American Communications, Inc. and STARSYS Global Positioning, Inc. was sent by first-class mail, postage prepaid, this 2nd day of July, 1996, to each of the following:

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