

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

In re Application of)	
)	
Mobile Communications Holdings, Inc.)	File Nos. 11-DSS-P-91(6)
)	18-DSS-P-91(18)
)	11-SAT-LA-95
for Authority to Construct, Launch, and Operate a)	12-SAT-AMEND-95
Low Earth Orbit Satellite System in the 1610-)	
1626.5 MHz/2483.5-2500 MHz Band)	
)	

ORDER

Adopted: January 31, 1995

Released: January 31, 1995

By the Chief, International Bureau:

I. Introduction

1. Mobile Communications Holdings, Inc. ("MCHI") has filed an application to construct, launch, and operate a low-Earth orbit ("LEO") mobile satellite system in the 1.6/2.4 GHz frequency bands ("Big LEO" service.)¹ On November 16, 1994, MCHI amended its application in light of the rules and policies adopted by the Commission to govern "Big LEO" service.² By Public Notice, Report No. DS-1481 (November 21, 1994), we sought comments or petitions

¹ MCHI's predecessor in interest, Ellipsat Corporation, first filed its application on November 2, 1990. (For ease of reference, we will refer to MCHI and Ellipsat as MCHI in this Order.) In response to its application and an application filed by Motorola Satellite Communications, Inc. ("Motorola"), the Commission established a cut-off date of June 3, 1991, for filing applications to be considered concurrently with Motorola's and MCHI's. See Public Notice, Report No. DS-1068, 6 F.C.C. Rcd. 2083 (1991). In response to that Notice, MCHI filed an amendment. AMSC Subsidiary Corporation and Motorola filed petitions to deny. TRW, Inc., the Communications Satellite Corporation, and Constellation Communications, Inc., filed comments. MCHI filed a responsive pleading. The matters raised in those petitions and comments have, except as addressed in this Order, been separately addressed through the adoption of service rules for Big LEO systems, or have otherwise been rendered moot through amendments to MCHI's application.

²See In re Amendment of the Commission's Rules to Establish Rules and Policies Pertaining to a Mobile Satellite Service in the 1610-1626.5/2483.5-2500 MHz Frequency Bands, 9 F.C.C. Rcd. 4936 (1994)(the "Big LEO Order").

concerning MCHI's amended application. In response, Loral/Qualcomm Partnership, L.P. ("LQP"), TRW, Inc. ("TRW"), and Motorola Satellite Communications, Inc., each filed petitions to deny MCHI's application. AMSC Subsidiary Corporation ("AMSC") filed a "Petition to Defer Processing" of the Application, relief which Motorola also requests in the alternative. Constellation Communications, Inc., filed comments. MCHI filed a consolidated opposition. AMSC and TRW filed replies.³

2. In this Order, we conclude that MCHI has not demonstrated that it is financially qualified at this time under the Commission's rules and policies, and that further consideration of its application should therefore be deferred until January 1996. However, we reject Motorola's argument that MCHI's feeder link request requires us to treat the the application as newly filed and, therefore, not eligible for consideration with the current processing group for Big LEO licenses.

3. MCHI is a Delaware Corporation. The majority of its voting stock (71.12%) is held by DC Limited Partnership, another Delaware Corporation of which Dr. David Castiel holds 56.88% of the voting stock. Dr. Castiel is also the president and director of MCHI. MCHI's other voting shareholders are Venture First Associates (9.73%), Barclays de Zoete Wedd, Ltd. (5.72%)("Barclays"), Israel Aircraft Industries (3.81%)("IAI"), Fairchild Space and Defense Company (1.91%), Westinghouse Electric Corporation (1.91%)("Westinghouse"), Cable & Wireless (1.91%), Harris Corporation (0.95%)("Harris"), Spectrum Network Systems Limited (0.95%)("SNS"), and AEC-Able Engineering Company, Inc. (0.95%)("AEC-Able").

4. MCHI proposes to construct a satellite system consisting of 16 satellites, arrayed in three "constellations." Two constellations would consist of five satellites each, in inclined elliptical orbits. The third constellation would consist of six satellites in a circular equatorial orbital plane. The system would use Code Division Multiple Access ("CDMA") technology.

II. Discussion

A. MCHI's Qualifications at This Time.

5. Financial Qualifications. In the Big LEO Order, the Commission noted that the enormous costs involved in constructing and launching a satellite system have historically made it particularly important that applicants for satellite licenses to use spectrum which is in high demand demonstrate, in advance, the financial ability to proceed with construction of their systems. It noted its repeated experience that licensees without sufficient available resources spend a significant amount of time attempting to raise necessary funding, and that those attempts often end unsuccessfully.⁴

³LQP, TRW, Motorola, Constellation and AMSC all have competing Big LEO license applications pending before us.

⁴Big LEO Order at ¶¶ 26-30.

6. The Commission observed that, "where a grant to an under-financed applicant may preclude a fully capitalized applicant from implementing its plans, and service to the public may be consequently delayed," a "stringent financial showing" is warranted.⁵ The Commission also observed that the Big LEO spectrum sharing plan it adopted did not accommodate all pending applicants, and left little or no room for expansion of existing systems or the development of future mobile satellite systems in the United States. For these reasons, the Commission determined that a strict financial requirement was warranted for the Big LEO service, and adopted a rule requiring that Big LEO applicants demonstrate committed internal or external financing sufficient to meet their systems' construction, launch, and first-year operating costs.⁶

7. Consequently, the financial qualification rules adopted for the Big LEO service require applicants for space stations to demonstrate that they, or their corporate parents, have current assets (cash, inventory, and accounts receivable) and operating income sufficient to cover the costs of construction and launch of the system's space segment, and of operating for one year following the launch of the first satellite. The Commission also requires that applicants submit evidence of a management commitment, from the applicant or its parent corporation(s), as appropriate, to expend the necessary funds. Alternatively, applicants relying on external financing, such as bank loans, must demonstrate that such financing is "irrevocably committed," *i.e.*, that it has been approved and does not rest on contingencies that require action by either party to the transaction.⁷

8. MCHI estimates that the costs of construction, launch, and first-year operation for its sixteen-satellite system total \$564 million. To demonstrate its ability to finance this venture, MCHI relies primarily on commitments from its parent corporations and on financing commitments from several of its vendors. On November 16, 1994, MCHI's financial showing⁸ consisted of:

- 1) MCHI's balance sheet, listing current assets of \$309,645;
- 2) Management letters from Westinghouse, Harris, IAI, and Barclays describing their commitments to MCHI's satellite system, as well as annual reports or other financial

⁵Big LEO Order at ¶ 26.

⁶Big LEO Order at ¶¶ 30-32.

⁷These requirements, and the documentation necessary to establish they have been met, are set forth in greater detail at 47 C.F.R. § 25.140(c) and (d). See also 47 C.F.R. § 25.143(b)(3); Big LEO Order at ¶ 35.

⁸The showing was submitted with a request for confidential treatment. That request was denied. See Order, DA 94-1322 (Int'l. Bur. Nov. 25, 1994). MCHI substantially narrowed its request; that request was granted. See Order on Reconsideration, DA 94-1566 (Int'l. Bur. Dec. 21, 1994), app. for rev. pending.

information concerning those companies;

3) A letter from SNS describing its commitment to acquire exclusive distribution rights for mobile satellite service in selected countries using MCHI's system;

4) Letters from Arianespace, AEC-Able, and Satellite Transmission Systems, potential vendors of the equipment or services to be used in connection with MCHI's satellite system, concerning financing arrangements they would be willing to make in connection with MCHI's equipment or service purchases;

5) A letter from Barclays providing its opinion, as an investment bank, that, subject to a number of assumptions, financing could be arranged for up to twenty percent of the construction, launch, and operation costs.

9. Each of the other applicants for a Big LEO license argues that MCHI's showing is insufficient under the Commission's rules, in that the commitments from MCHI's shareholders are insufficiently firm to meet Commission standards. They also argue that, while some of MCHI's arrangements for vendor financing may meet Commission standards, those commitments fall far short of the \$564 million needed to construct the system.

10. MCHI responded by submitting additional information concerning its financial plan. It submitted a revised balance sheet for MCHI, reflecting an increase in current assets to \$1,260,185. The revised balance sheet also includes notes indicating that MCHI has entered into irrevocable contracts for a total of \$14.1 million in financing. It also submitted an overview of its financial plan, dividing its sources of funds into three categories -- what it describes as "internal" sources, vendor financing, and "other" sources. The overview indicates that MCHI is relying on internal funding, involving "total management commitments" of "\$600,000,000+" from itself and four of its shareholders, IAI, Westinghouse, Harris, and Barclays. The amounts of the commitments from each particular shareholder are unspecified.⁹ MCHI also relies on what it characterizes as committed vendor financing from a number of sources, including Arianespace (\$45 million), AEC-Able Engineering (\$93 million), ESKOS (\$160 million), Satellite Transmission Systems (\$10 million), IBM (\$5.0 million), Northern Telecom (\$4.0 million), CSC (\$3.0 million), and Spectrum Astro (\$206.0 million). It also relies on "other" sources of funds, including what it characterizes as committed funds from Spectrum Network Systems (\$100 million) and Voyager Communications (\$5 million).

⁹In a different portion of its filing, MCHI appears to rely on another shareholder, SNS, as a source of internal funding. However, SNS is listed as an "other" source of funds in the overview of MCHI's financial plans. We address the SNS commitment more fully, infra. We note, however, that to the extent MCHI intends to rely on SNS as an "internal" source of funds, it has not submitted evidence adequate to demonstrate that SNS has necessary financial resources.

11. Except with respect to the \$1.26 million reflected in MCHI's balance sheet, the sources of funding that MCHI characterizes as "internal" are not sufficiently definite to meet Commission requirements. Specifically, while the letters and other documentation submitted from Westinghouse, IAI, Harris, and Barclays include general statements of support for MCHI's application, they do not establish management commitments to expend the funds necessary to construct, launch, and operate the space segment of MCHI's proposed system. We address each commitment below.

12. MCHI claims that Westinghouse's commitment is evidenced by a letter from Milton F. Borkowski, a Vice-President of Westinghouse's Electronic Systems Group. Mr. Borkowski states that Westinghouse is involved in the MCHI project as a supplier and developer of ground network and terminals. He states that "Westinghouse, as a member of the [MCHI] team, has committed significant financial resources and the support of its engineers to the development project, and we are committed to continue the support of the team's efforts to move forward to completion of an operating system" Westinghouse does not indicate how much financing it has committed or to what extent it plans to support "the team" financially. In fact, Westinghouse's involvement appears limited to serving as a supplier of ground segment facilities, and as a holder of a less than 2% interest in MCHI. While MCHI points to evidence that Westinghouse has been active in arranging vendor financing for MCHI, that financing also appears to be for ground segment facilities. Accordingly, we cannot find that Westinghouse has made a financial commitment to expend funds necessary to construct, launch, and operate MCHI's space segment, as our rules require.

13. With respect to IAI, MCHI submits a letter, dated November 8, 1994, from Shmuel Peretz, IAI's Vice President-Finance. Mr. Peretz's November 8 letter notes the involvement of other MCHI shareholders, and states that IAI, "as a team member with other MCHI partners, [is] prepared to support MCHI's efforts to raise the necessary funds in the financial market for [MCHI's] system" MCHI also submits a further letter from Mr. Peretz, dated January 3, 1995, in which Mr. Peretz indicates that IAI has arranged vendor financing for launch expenses with ESKOS, S.A., the official representative of the Russian Space Agency, and has obtained a letter of intent from CLAL Industries Ltd. "for the finance of up to US\$40 Million of the IAI workshare" in MCHI's system. Mr. Peretz's January 3 letter describes these arrangements, as well as some financial details concerning IAI, and indicates that IAI has reviewed MCHI's application and business plan and is confident that the project will succeed in the marketplace. Mr. Peretz closes by indicating that, "[b]ased upon all of the above, we are therefore prepared to expend the necessary funds to support" MCHI's project (emphasis added).

14. Read in context, IAI's statements suggest that it views the "necessary" expenditures as something less than the full amount of MCHI's projected costs, and that IAI's commitment is contingent on MCHI reaching agreements with other MCHI equity holders that they will shoulder some unspecified share of MCHI's estimated costs.¹⁰ Precisely how much less than the full

¹⁰See 47 C.F.R. § 25.140(d)(2)(ii), (iii).

amount IAI intends to commit is unclear. In light of IAI's relatively small (3.81%) equity interest in MCHI, IAI may mean, for example, that the "necessary" funds constitute a 3.8% share of MCHI's cost. It does not say so, however. In fact, Mr. Peretz's letters do not clearly indicate whether IAI contemplates making any expenditures, or the amount of those expenditures, except for the "expenditures" in connection with its proposed agreements with ESKOS and CLAL. Therefore, in the absence of an explicit and unequivocal statement to the contrary, we can only construe IAI's commitment as being conditioned on the participation of ESKOS and CLAL, and involving no independent commitment beyond expenditures in connection with those agreements. This type of contingent commitment indicates no more than an interest in assisting the applicant in obtaining financing, in this case from ESKOS and CLAL. Such arrangements are inadequate to meet our financial standards.¹¹ Accordingly, we give no weight to IAI's commitment, except insofar as the ESKOS and CLAL arrangements separately satisfy the requirements of our rules.

15. With respect to ESKOS, MCHI submits a one-page letter from V. Kouznetsov, ESKOS's President, in which ESKOS "confirms its intention" to launch eight of MCHI's satellites in return for equity in MCHI, "calculated at the rate of the most recent post-license transaction." Mr. Kouznetsov indicates that the launch services "could be accomplished" with "four launch vehicles at a cost of U.S. \$160 million, if services are rendered not later than 1998." This does not appear to be a fully negotiated agreement between ESKOS and MCHI, and there is no indication that any such agreement exists.¹² Several key terms, such as the amount of ESKOS's potential equity investment, are also omitted.¹³ ESKOS's commitment amounts to little more than an expression of interest in purchasing an unspecified equity share. This is inadequate under our cases.¹⁴

16. With respect to CLAL, MCHI submits a letter from CLAL to IAI in which CLAL indicates its intent to invest \$40 million "toward the workshare of IAI Such intention is subject to, among others, (i) the finalizing of the specific terms of the proposed financing, (ii) the finalizing of the necessary business agreement with IAI regarding CLAL's equity and workshare participation in the Project" The conditions outlined in the letter render it inadequate to demonstrate financial qualifications.¹⁵

17. MCHI attempts to demonstrate Harris's commitment by submitting a letter from Dr. Bill

¹¹See, e.g., United States Satellite Systems, Inc., 103 F.C.C.2d 888, ¶ 4 (1985) .

¹²See Equatorial Communications Services, 103 F.C.C.2d 631, ¶ 4 (1985)(memorandum of understanding, without fully negotiated agreement, cannot be used as evidence of financial qualifications).

¹³See 47 C.F.R. § 25.140(d)(2)(iii).

¹⁴See National Exchange, Inc., 103 F.C.C.2d 863, ¶ 7 (1985).

¹⁵See 47 C.F.R. § 25.140(d)(2).

C. Tankersley, Director, Space Systems, in which Dr. Tankersley indicates that Harris "has committed significant financial and technical resources to the development project to date. We are committed to continuing this support under the terms of our present business agreement with MCHI." In a subsequent letter, Phillip W. Farmer, President and Chief Operating Officer, reiterates Dr. Tankersley's statement of support. MCHI, however, has not presented any evidence as to the extent of Harris's financial support or the business arrangements between it and Harris, other than noting Harris is a 1% shareholder in MCHI. Harris's statements could well be made by any potential vendor who had agreed to take a small equity share in a new venture in return for early developmental work. While such arrangements can be significant, the documentation submitted by MCHI does not show that Harris is immediately prepared to contribute any portion of the substantial additional expenditures necessary to complete the project, as required by our rules.

18. With respect to Barclays, MCHI submits a letter from Trevor Nash, Director, in which Mr. Nash states Barclays' commitment "as financial advisor" to MCHI, and indicates that "we will continue to commit our worldwide professional resources" to MCHI. A commitment to provide merely advisory services does not constitute a financial commitment and cannot be used to demonstrate MCHI's qualifications.¹⁶

19. In addition to these "internal" sources, MCHI has submitted evidence of vendor and other financing arrangements. These arrangements are also inadequate to establish MCHI's financial qualifications.

20. MCHI has submitted evidence of vendor financing, arranged by Westinghouse, for various ground segment facilities. The vendors are Satellite Transmission Systems, IBM, Northern Telecom, and CSC. These arrangements are not relevant under our financial standard, since they do not involve the construction and launch of the system's space segment, or first-year operating expenses.

21. MCHI also relies on vendor financing for satellite system construction and launch services from Arianespace, Spectrum Astro, and AEC-Able. With the possible exception of Arianespace's agreement to provide \$45 million in launch services, these agreements do not appear to be fully negotiated, as evidenced by the fact that MCHI has not submitted detailed terms of the transactions as required by Section 25.140(d)(2) of the Commission's rules.¹⁷ Furthermore, AEC-

¹⁶Equatorial Communications Services, 103 F.C.C.2d 631, ¶ 5 (1985); United States Satellite Systems, Inc., 103 F.C.C.2d 888 at ¶ 4.

¹⁷With respect to Spectrum Astro, MCHI also submits a letter, substantially in the form of letters submitted in this proceeding to indicate a management or parent company commitment. To the extent this letter is intended to evidence Spectrum's "commitment" to the project as an internal financier, it is not accompanied by evidence of Spectrum's financial capability, which must be submitted in connection with internal financing. 47 CFR § 25.140(d)(1); Big LEO Order at ¶ 35.

Able explicitly indicates that it is agreeing only to "arrange financing," but there is no indication that this financing has been arranged.¹⁸ This commitment is not significantly different than Arianespace's commitment to arrange financing with European banks of an additional \$255 million of MCHI's launch costs, funds which MCHI itself, in the overview of its financial plan submitted with its opposition, declines to characterize as "committed." At best, therefore, MCHI can claim vendor financing of \$45 million.¹⁹

22. Finally, MCHI relies on what it characterizes as "other" sources of funding. MCHI lists as "committed" \$100 million from Spectrum Network Systems ("SNS") and \$5 million from Voyager Communications. The SNS letter submitted with MCHI's amendment states that the terms of the arrangement "would be" that it "will, prior to January 31, 1995, acquire" an 80% interest in distribution rights for MCHI's service in certain countries. This "final agreement" is apparently subject to further negotiation, including negotiations with a third party. Therefore, it does not provide evidence of financial qualifications under our rules.²⁰ Furthermore, to the extent SNS, because of its .95% stock interest in MCHI, is considered an internal investor, its stated commitment to provide "necessary funds" appears to be limited to the \$100 million contemplated by the not-yet-fully-negotiated agreement for distribution rights. With respect to the Voyager agreement, which apparently involves the sale of distribution rights for its system, MCHI has not provided sufficient information to allow us to determine whether it meets the requirements of our rules. Finally, even if both agreements were fully negotiated and complied with our rules, they would still leave MCHI far short of meeting its estimated costs of \$564 million.²¹

23. Thus MCHI's documentation of its financial qualifications is generally of the type which the Commission has summarily rejected as insufficient under our rules. MCHI's financial showing clearly evidences a number of arrangements which may, between now and January 1996, develop into commitments which, in the aggregate, would be sufficient to meet MCHI's estimated costs. However, at this time no single source on which MCHI relies appears willing or able to fund MCHI's estimated costs, and few have even indicated a definite amount they might be

¹⁸See Equatorial Communications Services, 103 F.C.C.2d 631, ¶ 4 (1985).

¹⁹MCHI also submits a letter from Banque Nationale de Paris indicating its "interest in principle" in "assisting" MCHI in arranging financing, "on a best effort basis," subject to, among other things, Export Credit Agency guarantees, and "completion of the overall financing of the project." This letter is patently insufficient under 47 C.F.R. § 25.140(d)(2).

²⁰Equatorial Communications Services, 103 F.C.C.2d 631, ¶ 4 (1985).

²¹MCHI lists its agreement with Cable and Wireless as an "other" potential source of funding. Specifically, Cable and Wireless acquired a 2% equity interest in MCHI and what Cable and Wireless describes as an option to increase its participation in MCHI. An option to invest additional funds represents the type of arrangement, contingent on further performance by one of the parties, that is insufficient for purposes of demonstrating financial qualifications. See 47 C.F.R. § 25.140(d)(2)(iii).

willing and able to commit. Viewing all these sources of funds in the aggregate, we must conclude they fail to demonstrate MCHI's financial ability to proceed immediately to construct, launch, and operate its system.²²

B. Future Processing Status of MCHI's Application

24. Several of the parties opposing MCHI's application urge us to dismiss the application if we find MCHI is not financially qualified. We will not do this. In the Big LEO Order, we afforded applicants until January 31, 1996 to demonstrate financial qualifications. We cannot find that because MCHI has submitted an inadequate showing, it should lose its status in this processing group. Neither the Big LEO Order nor our rules indicate any such intent, and we would expect the Commission to provide explicit notice of such a policy. Indeed, to hold otherwise would unfairly penalize applicants who, in good faith, file a system application we later find does not conform with our rules. Therefore, consistent with the Commission's stated goal in adopting the deferral mechanism -- to provide applicants with an opportunity to finalize financial arrangements over the next year -- we will defer action on MCHI's application rather than dismiss it.

25. Feeder Links. MCHI originally requested feeder links in the Big LEO service link frequencies, 1610-1626.5 MHz and 2483.5-2500 MHz. On November 16, MCHI amended its application, requesting feeder links at 15.4 -15.7 GHz (Earth-to-space) and 6725-7025 MHz (space-to-Earth), operating in reverse band mode. Motorola argues that MCHI's amended request for feeder link frequencies constitutes a major amendment under Section 25.116 of our rules.²³ It claims that the amendment was not necessitated by the new policies and rules established in the Big LEO Order, and that it increases the potential for interference without resolving any frequency conflicts. Motorola also claims the amended request will decrease the likelihood that there will be enough spectrum available for all the applicants in their desired feeder link bands, and that such requests will further delay unconditional licenses to Motorola as well as other system operators.

26. MCHI replies that our global coverage standard for LEO systems requires its feeder-link amendment. MCHI also observes that its feeder links do not increase frequency conflicts with existing services, nor with Motorola.

27. In the Big LEO Order, the Commission afforded applicants the opportunity to amend their applications to bring them into conformance with newly adopted requirements and policies for satellite systems. It noted, for example, that a change from a geostationary system configuration to a LEO configuration to meet our system design requirement, or a change in coverage patterns

²²MCHI also argues that its financial plan is at a more advanced stage than the plans of other applicants. We have, by separate orders, addressed MCHI's objections to the other applicants' financial showings.

²³47 C.F.R. § 25.116.

to conform with our satellite visibility requirements, would not affect a particular application's status in the processing group. It also indicated, however, that "a change that is not necessary to bring the application into conformance with our rules and which would increase frequency conflicts," would render the application newly filed under Section 25.116 of the Rules.²⁴ As an example, it stated that a design change from a CDMA to a TDMA/FDMA system, a change which would not facilitate spectrum sharing for Big LEO service links, would be a major amendment. Such applications would be considered in a future processing group, and after those applications deferred for consideration until January 1996.

28. MCHI redesigned its system to facilitate the spectrum sharing plan adopted in the Big LEO Order by increasing the number of end users that can be served simultaneously. It appears that MCHI's amended feeder link requests were a consequence of this redesign. Therefore, we do not believe the changes in MCHI's feeder link proposal should be considered major. Furthermore, even if the amendment were considered major within the meaning of Section 25.116 of the Rules, we would waive that rule in this case because (a) the modified system serves the public interest by increasing system capacity and spectrum-use efficiency in the service links; (b) feeder link spectrum is for a use ancillary to the use of Big LEO spectrum; (c) the service is at a relatively early stage of development in which its spectrum requirements are still being addressed; and (d) any third parties who might be adversely affected by feeder link allocations will have a full opportunity to address potential interference concerns in other pending proceedings²⁵ or, in the event MCHI ultimately establishes its financial qualifications, in connection with any further amendments to or modifications of MCHI's feeder link proposal. Accordingly, we decline to treat MCHI's application as newly filed.²⁶

III. Conclusion and Ordering Clause

29. For the reasons stated, we cannot find at this time that MCHI is financially qualified to

²⁴Big LEO Order at ¶ 59 (Emphasis added).

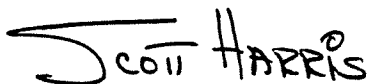
²⁵We note that the Commission has a number of issues related to the allocations of spectrum for Big LEO feeder links separately before it in several pending proceedings, including the 28 GHz Proceeding, (Second Notice of Proposed Rule Making in CC Docket No. 92-297), 9 F.C.C. Rcd. 1394 (1994), and Preparation for the World Radio Conference, (Notice of Inquiry in IC Docket No. 94-31), 9 F.C.C. Rcd. 2430 (1994).

²⁶In its consolidated opposition, MCHI also reargues issues raised in a May 2, 1991, objection and in a May 31, 1991, petition for reconsideration, Geostar Positioning Corporation, 6 F.C.C. Rcd. 2276 (Comm.Car. Bur. 1991). MCHI objects to the acceptance of applications other than its own. The Commission in the Big LEO Order effectively overruled any objections to consideration of the other pending applications by developing a spectrum sharing plan and licensing rules premised on six pending applications. Therefore, we will not further address MCHI's contentions in this Order.

construct, launch, and operate the Big LEO system it proposes. In light of this conclusion, we need not address MCHI's technical qualifications and we express no opinion on that issue. We reject, however, the parties' arguments that MCHI has forfeited its right to further consideration with the second portion of this processing group. MCHI will therefore have until January 1996 to firm up its financial qualifications, in accordance with the Big LEO Order.²⁷

30. IT IS FURTHER ORDERED, that application file Nos. 11-DSS-P-91(6); 18-DSS-P-91(18); 11-SAT-LA-95; 12-SAT-AMEND-95 ARE DEFERRED, subject to Mobile Communications Holdings, Inc., submitting a showing demonstrating its financial qualifications no later than January 31, 1996.

FEDERAL COMMUNICATIONS COMMISSION

A handwritten signature in black ink that reads "SCOTT HARRIS". The signature is written in a cursive style with a large, stylized initial "S".

Scott Blake Harris
Chief, International Bureau

²⁷Big LEO Order at ¶¶ 40-41.