## **CONFIDENTIAL TREATMENT REQUEST**

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# ORIGINAL

January 27, 2012

FILED/ACCEPTED

Marlene H. Dortch

Federal Communications Commission 2 7 2012 Secretary

445 12th Street, SW

Washington, DC 20554

Federal Communications Commission Office of the Secretary

**Request for Confidential Treatment** 

Dear Sir or Madam:

Re:

Pursuant to Section 0.459(b) of the Commission's rules, 47 C.F.R. § 0.459(b), LightSquared Subsidiary LLC ("LightSquared") hereby requests confidential treatment of portions of the enclosed Quarterly Report of LightSquared Subsidiary LLC ("Report"), dated January 27, 2012, which is being submitted in IB Docket No. 08-184 and IBFS File No. SAT-MOD-20101118-00239. In support of this request, LightSquared states as follows:

- (1) Identification of the specific information for which confidential treatment is sought. LightSquared requests that the Commission withhold from public inspection, and afford confidential treatment to, the information redacted in the "public" version of the Report ("Confidential Material"). LightSquared requests that the Commission effect this request by withholding the entirety of the unredacted "confidential" version of the Report from public inspection.
- (2) Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission. The Quarterly Report is being submitted in response to requirements imposed on LightSquared by the Commission in: (i) the Memorandum Opinion and Order adopted by the Commission on March 26, 2010 in IB Docket No. 08-184 (DA 10-535); and (ii) the Order and Authorization adopted by the Commission on January 26, 2011 in IBFS File No. SAT-MOD-20101118-00239 (DA 11-133).
- (3) Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged. The Confidential Material contains information regarding LightSquared's suppliers and the technical configuration of LightSquared's network. This information is commercially and competitively sensitive. Public disclosure of this information could place LightSquared at a competitive disadvantage

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vis-à-vis its competitors, and damage LightSquared's position in the marketplace. The Commission has long recognized that competitive harm can result from the disclosure of confidential business information. See Pan American Satellite Corporation, FOIA Control Nos. 85-219, 86-38, 86-41 (May 2, 1986). Moreover, by adopting a Protective Order in one of the proceedings in which the report is required to be filed, IB Docket No. 08-184 (DA 09-2472), the Commission has recognized that the type of information being submitted should be protected from public disclosure.

- (4) Explanation of the degree to which the information concerns a service that is subject to competition. The Confidential Material concerns LightSquared's activities in the market for commercial mobile radio service ("CMRS") offerings. LightSquared is subject to robust competition from numerous existing and potential service providers, as the Commission has acknowledged. Participants in adjacent market segments—e.g., wireline, satellite, and fixed wireless service providers—apply additional competitive pressure.
- (5) Explanation of how disclosure of the information could result in substantial competitive harm. As discussed above, the Confidential Material contains sensitive commercial and financial information. LightSquared has a commercial interest in all of this information and would be harmed by its disclosure. In particular, the disclosure of this information would provide competitors with unwarranted insights into the technical configuration of the LightSquared network and LightSquared's relationships with third parties, and would facilitate the development of strategic and competitively harmful responses by those competitors.
- (6) Identification of any measures taken by the submitting party to prevent unauthorized disclosure. The Confidential Material is not normally distributed, circulated, or provided to any party outside of LightSquared that is not bound by confidentiality obligations. LightSquared treats this information as sensitive information; thus only certain personnel within the company have access to it.
- (7) Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties. The Confidential Material is not available to the public, and has not previously been disclosed to third parties not bound by confidentiality obligations, excepting agents of the Commission.
- (8) Justification of the period during which the submitting party asserts that material should not be available for public disclosure. LightSquared maintains that the Confidential Material should remain subject to confidential treatment indefinitely. Even historical data can be used to track trends or business decisions, and this information could then be used against LightSquared.
- (9) Any other information that the party seeking confidential treatment believes may be useful in assessing whether its request for confidentiality should be granted. LightSquared notes that the Confidential Material is exempt from disclosure under

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Exemption 4 to FOIA. 5 U.S.C. § 552(b)(4). Exemption 4 covers "trade secrets and commercial or financial information obtained from a person and privileged or confidential." *Id.* The exemption extends to all information that is: (i) commercial or financial, (ii) obtained from a person, and (iii) privileged or confidential. *See National Parks and Conservation Association vs. Morton*, 498 F.2d 765, 766 (D.C. Cir. 1974). The Confidential Material meets all three of these prongs.

First, the terms "commercial" and "financial" are "given their ordinary meaning," and include any information in which a submitter holds a "commercial interest." *Public Citizen Health Research Group vs. FDA*, 704 F.2d 1280, 1288 (D.C. Cir. 1983). As noted above, the Confidential Material contains sensitive commercial and financial information. LightSquared has a commercial interest in all of this information; thus, it is "commercial or financial."

Second, "obtained by a person" refers to receipt of information from "a wide range of entities, including corporations." *Landfair v. U.S. Dep't. of Army*, 645 F.Supp. 325, 327-28 (D.D.C. 1986). LightSquared is a corporation and it provided the Commission with the Confidential Material; thus, the information at issue here is "obtained by a person."

Third, information is privileged or confidential if disclosure of it (i) is likely to cause substantial harm to the submitter's competitive position, (ii) would make it difficult for the government to obtain reliable information in the future, or (iii) would impair other governmental interests. See Judicial Watch, Inc. v. Exp.-Imp. Bank, 108 F. Supp. 2d 19, 28-29 (D.D.C. 2000). As discussed above, disclosure of the Confidential Material would cause substantial harm to LightSquared's competitive position. For this reason, disclosure of the Confidential Material also would encourage LightSquared and others "to be less forthcoming in their submissions, out of concern both for appearances and their own financial interests." Id. at 29-30.

Please contact the undersigned should you have any questions concerning this filing.

Sincerely yours,

John P. Janka

Jarrett S. Taubman

Counsel for LightSquared Subsidiary LLC



January 27, 2012

FILED/ACCEPTED

Marlene H. Dortch Secretary **Federal Communications Commission** Office of the Secretary 445 12th Street SW Washington, DC 20554

IAN 27 2012

Federal Communications Commission Office of the Secretary

Re: IB Docket No. 08-184 and SAT-MOD 2011 1118-00239

Dear Ms Dortch:

Pursuant to the Federal Communications Commission's ("FCC" or "Commission") Memorandum Opinion and Order and Declaratory Ruling<sup>1</sup> ("MO&O") and Order and Authorization<sup>2</sup> ("O&A") (the "Orders"), LightSquared Subsidiary LLC<sup>3</sup> ("LightSquared") submits this quarterly report addressing those matters for which quarterly reporting is required under the Orders.4 By separate letter, LightSquared requests confidential treatment of certain portions of this report.

With regards to MO&O Condition 3, LightSquared has not commenced the provision of commercial MSS/ATC or terrestrial only services and, accordingly, the number of active terminals and active users on its network in these categories is zero. As the terrestrial network is not yet in commercial service, the number of total bytes carried by LightSquared's terrestrial network is also zero.

In the Matter of SkyTerra Communications Inc., Transferor, and Harbinger Capital Partners Funds, Transferee, Applications for Consent to Transfer of Control of SkyTerra Subsidiary, LLC, Memorandum Opinion and Order and Declaratory Ruling, IB Docket No. 08-184 (March 26, 2010) ("MO&O").

In the Matter of LightSquared Subsidiary LLC, Request for Modification of its Authority for an Ancillary Terrestrial Component, SAT-MOD 2011 1118-00239 (Jan 26, 2011) ("O&A").

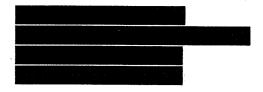
See Letter from Jeffrey J. Carlisle, Executive Vice President, LightSquared GP Inc., to Marlene

H. Dortch, Secretary, FCC (July 20, 2010) (notifying the Commission of the corporate name changes affecting various SkyTerra-named entities).

<sup>&</sup>lt;sup>4</sup> The MO&O's Condition 3 requires LightSquared, beginning April 30, 2011 and every quarter thereafter, to report on the number of bytes carried on its terrestrial network, by Economic Area, over the previous 12 months, overall and by the first and second largest wireless providers. Condition III(B) (para 36) of the O&A requires LightSquared, commencing April 30,2011, to provide a quarterly report on the availability of dual-mode components from mainstream component supplier(s).

### REDACTED FOR PUBLIC INSPECTION

Pursuant to reporting requirement III.B of the O&A, set forth below is a list of components available from mainstream component suppliers to support L-band dual mode operations:



Sincerely,

/s/ Jeffrey J. Carlisle

Jeffrey J. Carlisle

**Executive Vice President** 

Regulatory Affairs and Public Policy

CC: Edward Lazarus

Paul de Sa

**Austin Schlick** 

Rick Kaplan

John Leibovitz

Mindel De La Torre

**Rod Porter** 

Gardner Foster

IB-SATFO@fcc.gov (redacted copy; unredacted letter subject to confidentiality request)