

Before the
Federal Communications Commission
Washington, D.C. 20554

In re

CONSTELLATION
COMMUNICATIONS, INC.

File No.
21-SAT-DR-96

Petition for Declaratory Ruling

MOBILE COMMUNICATIONS
HOLDINGS, INC.

File No.
43-SAT-MISC-96

Emergency Amendment to Consolidate
Application for Review and Request for
Clarification

MEMORANDUM OPINION AND ORDER

Adopted: January 25, 1996; Released: January 26, 1996

By the Chief, International Bureau:

1. By this order, we grant an extension of the date by which applicants for authorizations in the "Big LEO" Satellite Service must demonstrate financial qualification. In the "Big LEO" Report and Order, applicants were given until January 31, 1996 to show that they are financially qualified to construct and launch Big LEO systems.¹ Two applicants have filed petitions requesting extensions of this deadline.

2. In a petition filed on November 21, 1995, Constellation Communications, Inc. has asked for a declaratory ruling that a proposed ownership change would not be considered disqualifying under the Commission's satellite application cut-off rule, 47 C.F.R. § 25.116. The change would involve conversion of all of its outstanding convertible debt obligations to equity, which would result in the reduction of the ownership shares held by some of its current investors and an increase in the number ownership shares held by other investors, including E-Systems, Inc., Bell Atlantic Enterprises International, and Space Vest. Three companies, CTA Launch Services, Inc., E-Systems, Inc., and Bell Atlantic Enterprises International, would continue together to own more than 50% of Constellation's stock. Constellation indicates that its management and business plans will remain unchanged. It requests that in the event its petition for declaratory ruling is granted it be given 60 days from the release of that decision in which to file proof of financial qualification. Loral Qualcomm Limited Partnership has filed an opposition to the petition.

3. We conclude that the proposed ownership change would serve the public interest and would not require treatment of Constellation's application as newly filed. With respect to Loral Qualcomm's objections, we note that they largely duplicate the objections it has raised in an application for review of our ruling concerning prior Constellation ownership changes.² This ruling is without prejudice to any Commission determination with respect to that ruling.

4. In a pleading filed on January 18, 1996, Mobile Communications Holdings, Inc. (MCHI) asked for an extension until 60 days after the Commission has issued an order disposing of its pending application for review of the International Bureau's determination that its previous financial showing was insufficient.³ In short, it maintains that in order to produce a financial showing that would satisfy the requirements indicated in the Bureau decision that it has appealed to the Commission, it would have to effect an irreversible reconfiguration of the financial arrangements that it is asking the Commission to approve in its application for review, thus thwarting its appeal.

5. Given the extension we are granting to Constellation, we believe that MCHI should also receive an extension. In the interest of equitable treatment, we will postpone the deadline for *all* of the applicants in this proceeding that have not yet been found financially qualified -- including AMSC (which did not request an extension) until 60 days after the Commission issues its decision on MCHI's application for review. This will accommodate all of the remaining applicants.

6. Accordingly, IT IS ORDERED that the Petition for Declaratory Ruling filed by Constellation Communication, Inc. on November 21, 1995 and IS GRANTED; that the "Emergency Amendment to Consolidate Application for Review and Request for Clarification" filed by MCHI on January 18, 1996 IS GRANTED to the extent indicated herein; and that the deadline for applicants in this proceeding that have not yet done so to demonstrate financial qualification IS EXTENDED until 60 days after the Commission releases an order disposing of MCHI's Consolidated Application for Review.

FEDERAL COMMUNICATIONS COMMISSION

Scott Blake Harris
Chief, International Bureau

¹ 9 F.C.C. Rcd. 5936 (1994).

² *Constellation Communications, Inc.*, 10 F.C.C. Rcd. 2258 (Int'l Bur. 1995).

³ *Mobile Communications Holdings, Inc.*, 10 F.C.C. Rcd. 2274 (Int'l Bur. 1995).