

# LightSquared Misses \$56M Inmarsat Payment

Maisie Ramsay

LightSquared, still reeling from the FCC's decision to block its wireless network, has withheld a \$56.25 million payment to Inmarsat for use of the London-based company's L-band satellite spectrum.

Inmarsat handed LightSquared a default notice yesterday giving it 60 days to remedy the missed payment, it said in a statement.

In a separate comment, LightSquared said there are "several matters that require resolution" before the first phase of its agreement with Inmarsat closes and it has to make a payment.

LightSquared has been making a series of scheduled payments to Inmarsat "in line with contractual milestones," Inmarsat said.

The latest payment was due after Inmarsat completed the first phase of a two-part deal which increased the amount of spectrum LightSquared could use for the land-based portion of its planned hybrid satellite-terrestrial LTE network.

Inmarsat agreed to re-band its L-band spectrum in exchange for a total of \$337.5 million in payments from LightSquared. More spectrum was to be opened up in the second phase of the project, slated for the beginning of 2013.

The agreement was originally forged in 2007 between Inmarsat and LightSquared predecessor Skyterra, which was later acquired by Philip Falcone's Harbinger Capital Partners hedge fund to form LightSquared.

The FCC granted LightSquared a conditional waiver last year that allowed it to use its satellite spectrum for a ground-based wholesale LTE network. But a series of government tests later showed the signals from LightSquared base stations knocked out sensitive high-precision GPS receivers used by the military and aviation industries.

LightSquared decided last summer to abandon its own spectrum and rely entirely on Inmarsat's airwaves for its near-term deployments. The shift to Inmarsat's spectrum was designed to address problems with GPS interference, but failed to fix the issue.

The tests prompted the FCC to say last week it planned to **revoke** [1] LightSquared's waiver, effectively killing its wireless plans. LightSquared says it will not give up, but has not offered any ways to **move forward** [2].

The FCC's verdict could lay waste to the \$3 billion Harbinger has invested in LightSquared and leave LightSquared's 30-plus customers looking for a new way to

## LightSquared Misses \$56M Inmarsat Payment

Published on Wireless Week (<http://www.wirelessweek.com>)

---

access wholesale mobile broadband services. It will also affect LightSquared's **vendors** [3], which include Nokia Siemens Networks, Nokia and Qualcomm.

### Source URL (retrieved on 06/12/2013 - 3:31pm):

<http://www.wirelessweek.com/news/2012/02/lightsquared-misses-56m-inmarsat-payment>

### Links:

[1] <http://wirelessweek.com/News/2012/02/Technology-End-of-the-Road-for-LightSquared-Wireless-Networks/>

[2] <http://wirelessweek.com/News/2012/02/Policy-and-Industry-LightSquareds-Options-Few-in-Wake-of-FCC-Block-Government/>

[3] <http://wirelessweek.com/News/2012/02/business-one-more-LightSquared-Casualty-Vendors/>