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COMMITTEE ON THE JUDICIARY WASHINGTON, DC 20510-6275

BRUCE A. COHEN, Chief Counsel and Staff Director KOLAN L. DAVIS, Republican Chief Counsel and Staff Director

January 30, 2011

Mr. Julius Genachowski Chairman Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Dear Chairman Genachowski:

The core of my questions to the Federal Communication Commission (FCC) regarding its actions toward LightSquared begins with the inclusion of the L-band of spectrum in President Obama's National Broadband Plan. The National Broadband Plan contains an obscure provision which, despite no testing regarding its suitability or safety, recommends that the L-Band be used for broadband service. LightSquared is the primary beneficiary of this provision. On June 23, 2010, you announced that Mr. Joshua Gottheimer would be appointed as your Senior Counselor with a special responsibility towards implementing President Obama's National Broadband Plan.¹

Given the complicated technical issues at play, I was surprised that Mr. Gottheimer's published qualifications did not include any telecommunications or broadband experience.² Your announcement also states that Mr. Gottheimer worked as Executive Vice-President of Burson-Marsteller, a public relations firm. On his personal website, <u>www.joshgottheimer.com</u>, Mr. Gottheimer however, goes into greater detail and states that he served as Global Chair of Burson-Marsteller's Corporate and Public Affairs Practices. This practice would likely include corporate clients such as LightSquared, which is still a current Burson-Marsteller client.

According to Proof, a public relations firm which also represented LightSquared, Burson-Marsteller's representation of LightSquared began in November 2009.³ Proof's website documents an extensive customer relationship including a "360-degree approach to LightSquare's (sic) launch" and involvement which spanned from "brand ideation and creation to message development and website construction." The website also states

¹ Politico, June 23, 2010, Morning Tech. "The FCC will announce today that Josh Gottheimer, executive VP at PR firm Burson-Marstellar (sic), will become senior counselor to Julius Genachowski. Gottheimer will replace Colin Crowell, who left the agency earlier this month, and his main job will be implementing the National Broadband Plan."

² The release does include some details of Mr. Gottheimer's past including the fact that wrote "several comedy speeches" for then-President Bill Clinton and that he is currently working on a book titled, "Power in Words: Barack Obama's Speeches from the State House to the White House, a history and analysis of President Barack Obama's most important pre-presidential speeches."

³ <u>http://www.proofic.com/lightsquared</u> "In November 2009, representatives from Augere, a global broadband services provider, put an ambitious plan together in conjunction with Burson-Marsteller and Proof to create and launch a new nationwide 4G-LTE network. Funded in part by Phil Falcone's Harbinger Capital Partners (HCP), the company, which adopted the name LightSquared, would be the first wholesale-only 4G-LTE wireless broadband network in the United States. LightSquared needed to not only create its brand and messaging, but also launch an impressive digital presence introducing this groundbreaking company to an eager market."

that "Burson and Proof's partnership produced a comprehensive public relations and marketing strategy launching LightSquared to much fanfare on July 20, 2010." This was less than one month after Mr. Gottheimer left Burson-Marsteller. In addition, Proof also states that "Burson-Marsteller's PR team managed media outreach and press relations (for LightSquared)."

As Executive Vice-President of Burson-Marsteller, Mr. Gottheimer may have contributed to or profited from his employer's relationship with LightSquared and now, as the lead FCC staffer on the President's National Broadband Plan, he may have played a role in the consideration of LightSquared's proposed network.

In the course of my investigation of the FCC, I have received only one meeting with the agency. That took place in August 2011, almost five months ago. In order to understand the FCC's role in LightSquared's waiver, it is essential that my staff have access to FCC personnel. Accordingly, I request the opportunity for my staff to speak with Mr. Gottheimer to discuss questions surrounding his relationships with Burson-Marsteller and LightSquared.

Thank you for your cooperation and attention in this matter. If you have any questions, please contact Chris Lucas for the Committee on the Judiciary at (202) 224-5225.

Sincerely,

Chuck Grandey

Charles E. Grassley Ranking Member