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

In the Matter of	)	
GLOBAL CROSSING LTD. (Debtor-in-Possession),	)	
Transferor,	)	IB Docket No. 02-286
and	)	
GC ACQUISITION LIMITED,	)	
Transferee,	)	
Application for Consent to Transfer Control and Petition for Declaratory Ruling	)	

OPPOSITION TO MOTION TO ACCEPT LATE-FILED PLEADING AND TO PETITION TO DENY WITH RESPECT TO PC LANDING CORP.

Global Crossing Limited (Debtor-in-Possession) ("GCL") and GC Acquisition Limited ("New GX" and, together with GCL, "Applicants"), by their undersigned counsel, submit this Opposition to the Motion to Accept Late-Filed Pleading (the "Motion") and the Petition to Deny with Respect to PC Landing Corp. (the "Petition") filed by Newbridge Capital ("Newbridge") on January 28, 2003. Newbridge's Motion fails to provide good cause for filing the Petition more than three months after the Commission's comment deadline. Moreover, the Petition provides no factual or legal basis for denying Applicants' request to transfer control of PC Landing Corp. ("PC Landing") from GCL to New GX. Accordingly, Applicants request that the Commission

deny the Motion and dismiss the Petition as untimely filed. If the Commission grants the Motion, it should deny the Petition on the merits.

I. THE COMMISSION SHOULD REJECT THE PETITION AS UNTIMELY.

The Commission should reject the Petition as untimely given the substantial time that has passed since the Commission's comment deadline. The pleading schedule established by the Commission required comments and petitions to deny to be filed by October 21, 2002.[1] Newbridge filed its Petition on January 28, 2003, more than three months after the deadline.[2] Newbridge claims that it did not learn of the facts upon which its Petition relies until after the comment deadline; however, the Petition fails to disclose when Newbridge did learn of those facts. This lack of disclosure is very troubling because, on December 2, 2002, Newbridge's counsel submitted in this proceeding – on behalf of an unnamed entity – a letter raising many of the same facts and purported concerns that are raised in the Petition.[3] Furthermore, at the latest, Newbridge had constructive notice of the relevant facts by December 18, 2002, when Applicants filed their responses to the Commission's December 4, 2002 data requests, because the responses included detailed information about the PC Landing bankruptcy proceeding and its potential impact on the Application.[4] Newbridge nevertheless took another five weeks to file its Petition. That delay, coupled with Newbridge's lack of explanation for its failure to file the Petition

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[1] *Global Crossing Ltd. and GC Acquisition Limited Seek FCC Consent to Transfer Control of Subsidiaries Holding Submarine Cable Landing Licenses, Wireless Licenses and Section 214 Authorizations, and Request Declaratory Ruling Allowing Indirect Foreign Ownership*, IB Docket No. 02-286, Public Notice, DA 02-2299 (rel. Sept. 19, 2002).

[2] Newbridge's reliance on *Swiftcall (USA) Inc.*, 13 FCC Rcd 7583 (1997), is misplaced. In that case, AT&T's petition to deny was filed only 4 days after the comment deadline and was based on substantiated claims that Swiftcall had violated the Commission's Rules. Newbridge's Petition was filed months late and is based on speculation and conjecture.

[3] Letter from Julian P. Gehman, Counsel for Undisclosed Party, to Int'l Bur., FCC, dated Dec. 2, 2002.

[4] Letter from Paul O. Gagnier, Counsel for Applicants, to Marlene H. Dortch, Secretary, FCC, dated Dec. 18, 2003, at 3.

promptly after it learned of the facts that purportedly support its claims, warrants the denial of Newbridge's Motion and the dismissal of the Petition.[5]

II. APPLICANTS SOUGHT COMMISSION APPROVAL TO TRANSFER CONTROL OF PC LANDING AND HAVE DISCLOSED ALL MATERIAL FACTS TO THE COMMISSION.

A. The Commission's Rules Require Approval to Transfer GCL's Ownership Interest in PC Landing.

Applicants have included PC Landing in their Application for a simple reason: The transfer to New GX of GCL's substantial equity interest in PC Landing requires Commission approval. That remains as true today as it was when the Application was filed because GCL continues to hold its equity interest in PC Landing.

At the time the Application was filed, GCL's equity ownership interest in PC Landing equaled 49.77%.[6] PC Landing's bankruptcy filing, which preceded the filing of the Application, and its ongoing Chapter 11 restructuring do not negate GCL's ownership interest. Newbridge fails to understand that GCL's equity interest in PC Landing is an asset of GCL that, if the Proposed Transaction closed today, would be transferred to New GX.[7] As Applicants have previously advised the Commission, the court-supervised restructuring of either AGCL or PC

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[5] Newbridge asks the Commission to consider the Petition as informal comments or as a written communication if the Commission rejects its late-filed Petition. Motion at 6. The deadline for all submissions in this proceeding -- whether they were styled as petitions, informal comments, or written communications -- was October 21, 2002. Even if Newbridge's submission could be characterized as a reply, it would have been due on November 18, 2002.

[6] GCL's interest in PC Landing is held through GCL's subsidiary, Asia Global Crossing Ltd. ("AGCL"). GCL holds a 58.9% interest in AGCL, which, in turn, holds an 84.5% interest in PC Landing.

[7] Newbridge is correct that PC Landing (i) is not a debtor in GCL's bankruptcy proceeding, (ii) that PC Landing's debts will not be discharged as a result of that proceeding, and (iii) that the Bankruptcy Court's sale order of December 26, 2002 (the "Sale Order") does not specifically address PC Landing. Petition at 2. However, Newbridge misunderstands and mischaracterizes the importance of those facts. PC Landing need not be a debtor in GCL's bankruptcy proceeding and its debt need not be discharged for GCL's equity interest to be considered an asset and for that asset to be transferred to New GX. Moreover, the Sale Order does not purport to list the assets of GCL that will be transferred to New GX as a result of the Proposed Transaction.

Landing is expected to include as a component the elimination of Applicants' equity interest.[8] Until then, GCL's interest in PC Landing will remain intact.

Under the Commission's ownership attribution rules, GCL is deemed to hold a 100% interest in PC Landing. Section 1.767(a)(8) of the Commission's Rules, 47 C.F.R. § 1.767(a)(8), requires cable landing licensees to provide ownership information in accordance with 47 C.F.R. § 63.18(h). The notes to Section 63.18(h) state that in calculating ownership, if the ownership for a given link in the ownership chain equals or exceeds 50%, it must be treated as if it were a 100% interest.[9] Here, because each link in the ownership chain between GCL and PC Landing exceeds 50%, GCL is deemed to hold a 100% interest in PC Landing. Therefore, as long as GCL owns its present equity interest in PC Landing, Commission approval is required to transfer that interest to New GX.

If the facts regarding GCL's equity interest in PC Landing change, Applicants will promptly advise the Commission and take appropriate action with respect to the Application. Moreover, should the Commission determine that GCL does not require approval to transfer its interest in PC Landing, Applicants will amend the Application accordingly.

B. Applicants Have Advised the Commission of All Material Facts Regarding PC Landing

Applicants have disclosed all material information related to PC Landing to the Commission and will continue to do so. The Application provided all pertinent information regarding the Proposed Transaction as of the date it was filed, including the fact that PC Landing had commenced a separate bankruptcy proceeding.[10] After the Application was filed, Applicants advised the Commission of developments that were material to the Commission's consideration

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8 *See* Press Release, *Asia Global Crossing Signs Definitive Restructuring Agreement* (Nov. 18, 2002).

9 47 C.F.R. § 63.18(h), n. 1.

10 Application at n. 7 and Attachment E, n. 2.

of the transfer of GCL's interest in PC Landing.[11] Applicants will continue to provide the Commission with updated information on PC Landing as requested by the Commission and as required by the Commission's Rules.[12]

III. COMMISSION ACTION WITH RESPECT TO PC LANDING WILL NOT PREJUDICE NEWBRIDGE.

Commission grant of the Application with respect to PC Landing will not prejudice any party to PC Landing's bankruptcy cases. Newbridge alleges, without providing any factual support, that Applicants, Hutchison Telecommunications Limited ("Hutchison Telecom"), Singapore Technologies Telemedia Pte Ltd ("ST Telemedia"), and other unnamed "interested parties" are using the Application to secure an advantage in the bidding for PC Landing's assets.[13] As discussed in Section II.A. above, Applicants sought Commission approval with respect to PC Landing because the Commission's Rules require approval. Newbridge's conspiracy theory should be rejected by the Commission.

Newbridge also ignores the fact that PC Landing's auction will be supervised by the United States Bankruptcy Court for the District of Delaware. It is the duty of the Bankruptcy Court to ensure that PC Landing's auction process is conducted fairly and in the best interest of PC Landing's creditors. Moreover, the Bankruptcy Court will have to approve the results of the auction and issue a sale order. Newbridge's rights with respect to the PC Landing auction thus will be adequately protected, and the Commission should decline Newbridge's invitation to become involved in the PC Landing bankruptcy proceeding.

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[11] In addition to Applicants' responses to the Commission's data requests, which were filed on December 18, 2003 and February 6, 2003, Applicants filed an informational letter with the Commission on January 16, 2003.

[12] Newbridge asserts that Applicants withheld information on the role of CXO, L.L.C. ("CXO"), a crisis management company, with respect to PC Landing. Petition at 14-15. Under the Commission's ownership attribution rules discussed in Section II.A. above, it is clear that Applicants were required to file the Application, and CXO's role in PC Landing is simply not relevant to the transfer of GCL's interest in PC Landing.

Finally, it simply cannot be determined at this time whether the transaction that results from the sale of PC Landing out of bankruptcy will be subject to the Commission's *pro forma* rules or will require Commission approval. There are a number of variables that will affect whether the *pro forma* transfer rules will apply to that transaction. Therefore, Newbridge's claim that Hutchison Telecom and/or ST Telemedia will be able to rely upon the *pro forma* rules to the detriment of Newbridge is baseless and unripe for Commission review.

IV. CONCLUSION

For the reasons set forth above, Applicants urge the Commission to deny Newbridge's Motion and to dismiss the Petition as untimely. If the Motion is granted, Applicants request the Commission to deny the Petition on the merits.

Respectfully submitted,

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Dated: February 7, 2003

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[13] Petition at 18.

DECLARATION

I, Michael J. Shortley, III, hereby declare the under penalty of perjury of the laws of the United States of America that (i) I am Vice President & General Counsel – North America of Global Crossing Ltd. and (ii) that I have reviewed the foregoing Opposition to Motion to Accept Late-Filed Pleading and to Petition to Deny With Respect to PC Landing, and to the best of my knowledge, information and belief, the facts stated therein are true and correct.

Michael J. Shortley, III

Dated: February 7, 2003

CERTIFICATE OF SERVICE

I, Maria L. Cattafesta, certify that on this 7th day of February, 2003, I caused a true and correct copy of the foregoing Opposition to Motion to Accept Late-Filed Pleading and to Petition to Deny With Respect to PC Landing Corp. to be served upon the following parties in the manner indicated:

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