



House Committee on Small Business
“LightSquared: The Impact to Small Business GPS Users”
Sam Graves
Chairman
October, 12 2011

Good afternoon everyone. This hearing will now come to order.

I want to thank our witnesses for being here today for this important hearing.

Today we will hear about how LightSquared’s proposal will impact the ability of small businesses to access the Global Positioning System, also known as GPS. Thousands of small businesses rely on an accurate GPS signal for their day-to-day operations, and potential interference could severely handicap or impair their business.

LightSquared aims at providing wireless 4G broadband coverage to 260 million Americans in both rural and urban communities by 2015. I agree that we need to find innovative ways to provide high-speed internet access to under-served areas. Access to high-speed internet provides small businesses, especially those located in rural communities, with the opportunity and resources to compete in an electronic and global marketplace. However, such innovation should not jeopardize currently established systems including GPS and add more unnecessary burdens to those that use them.

Since it was first launched, taxpayers have invested over \$35 billion in the GPS system. This national asset has become an integral part of our economy. We can see the value-added benefits in a variety of sectors. From a safer and more reliable energy grid to precise agriculture mapping, nearly every industry has benefited from this technology. Moreover, recent studies estimate that GPS supports over three million U.S. jobs, and contributes over \$3 trillion in direct and in-direct economic activity.

Federal test results from LightSquared’s proposal showed significant interference on all types of GPS receivers. This alarmed many small businesses as they could be required to replace or retrofit their current GPS device. This will be an enormous cost to small businesses. Even though LightSquared has committed to spend \$50 million to retrofit federal GPS devices, this does nothing for the nearly one million small businesses that are left to pay the bill that will easily cost billions of dollars.

Moving forward, I am confident that we can find a solution to provide more broadband to rural areas, while not jeopardizing any small business GPS users.

Again, I want to thank our witnesses for their participation.

I now yield to the Ranking Member for her opening remarks.