

October 26, 2005
JRV05-008

Mr. Ethan J. Schreier
Associated Universities, Inc.
1400 16th Street, N.W. Suite 730
Washington, DC 20036

Dear Mr. Schreier:

Please find attached a letter that was submitted to ESO from Vertex Antennentechnik GmbH, a part of General Dynamics C4 Systems, SATCOM Technologies Inc. This letter was submitted to point out the recent procurement method that was followed by ESO as part of the antenna procurement for the ALMA program.

It is our belief that VA was the lowest bidder to ESO from the first submittal dating back to April 30, 2004 and for a time after VA's last submission. After VA's last submission, however, Alcatel was given an opportunity to submit another proposal, at which time ESO closed the procurement, permitting no new submittals to be made. It is analogous to a race between two competitors and upon the favored competitor lurching ahead, the race is declared completed. This type of procurement process can only hurt the reputation of any party acquiescing to its methods and will tarnish the overall ALMA program.

We believe that an old fashioned public bid opening with representatives from both parties present at a specified time and place is in order in this situation. This will once and for all eliminate any perception of possible misconduct on this program, and allow both ESO and ALMA the most advantageous cost profile during a time of difficult funding. Therefore, we respectfully request that you give a nay vote for the current ESO procurement recommendation of Alcatel until such time as both parties have had equal opportunity to submit their best and final price at the same time and venue.

Thank you for your time and consideration.

Best regards,



Rex Vardeman
General Dynamics C4 Systems
SATCOM Technologies Inc.

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Attachment