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Inc. filed for bankruptcy protection Monday after failing to come to terms with its creditors.

LightSquared hasn't given up. Chief Financial Officer Marc Montagner said in a statement that the bankruptcy filing is intended to gain the company "breathing room" while it continues to work through its regulatory issues.

It has said that it has invested more than \$4 billion in the network. LightSquared listed [assets](#) and liabilities of more than \$1 billion each in the filing Monday with the U.S. Bankruptcy Court for the Southern District of New York.

The company, which is based in Reston, Virginia, is owned by Harbinger Capital Partners, a private-equity firm that made billions betting against subprime mortgages ahead of the collapse of the housing market.

Harbinger bought SkyTerra, a provider of satellite communications services to businesses, in 2010. It then lobbied the Federal Communications Commission to allow it to use the spectrum set aside for SkyTerra for ground-based communications -- essentially, a conventional wireless broadband network, rather than a satellite-based one.

But SkyTerra's licenses were for spectrum adjacent to a band used by GPS satellites. On the ground, GPS units had no problem filtering out transmissions from SkyTerra's satellites, but regulators determined that they could be disrupted by strong, ground-based signals.

LightSquared's CEO, telecom veteran Sanjiv Ahuja, resigned in February. The company's largest creditors are Boeing Satellite Systems Inc., owed \$7.5 million, and telecom equipment maker Alcatel-Lucent, owed \$7.3 million, according to the filing.