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Philcomsat shareholders seek new gov't nominees

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Shareholders of Philippine Communications Satellite Corp. (Philcomsat) renewed yesterday calls for President Arroyo to appoint responsible nominees to represent the government's 35-percent stake in the cash-strapped telecommunications firm.

In a statement, the group led by Erlinda Bildner, representing 65 percent of Philcomsat, appealed to President Arroyo to replace the government's nominees on or before Nov. 19 when the telecommunications company holds its first shareholders' meeting since 2000.

"We cannot deny the fact that the PCGG-sequestered shares in Philcomsat have to be represented by government's nominees.

But we ask the President to please appoint responsible and qualified people who will help the company grow rather than use it as their personal milking cow," Bildner said.

Bildner pointed out that the track record of Presidential Commission on Good Gov-

ernment (PCGG) nominees has been marred with fraudulent corporate and banking transactions, camouflaged by bogus accounting entries which decimated the company coffers and resources.

"After cleaning out Philcomsat, the PCGG nominees stayed entrenched in our 80-percent subsidiary, Philcomsat Holdings Corp. (PHC), plundering its resources. This has depleted PHC's equity, thereby affecting not only the 2,500 shareholders from the investing public in this PSE-listed company but has substantially diminished the value of the beneficial ownership of the government, which is our largest shareholder," Bildner said.

Bildner's group estimates that over P1 billion has already been dissipated by the PCGG-led group under Benito Araneta beginning in 1998, followed by Enrique Locsin since 2003. This reportedly includes P400 million used for expenses and advances, P390 million disbursed as an unsecured loan and cash advances to Antonio Araneta, Benito's first cousin; and

P82 million so-called "advances" to Locsin's bogus Philippine Overseas Telecommunications Corp. (POTC) and Philcomsat directorships.

Aside from Bildner, other members of the group include the Africa family which owns a 7.1-percent stake, Benedicto (7.1-percent), Ponce-Enrile (6.6 percent), Ilusorio (18.1 percent), Nieto (13.1 percent) and Poblador (12.4 percent).