

BUSINESS

A matter of 'when' and not 'if'

Here is a letter from lawyer Pitero M. Reig of the Tolentino Corvera Macasaet & Reig law office, representing Ms. Concepcion Poblador:

We write in behalf of our client, Concepcion Poblador, the chair of the board of directors of Philcomsat Holdings Corp. (PHC), in reaction to the column published on Oct. 4, 2011, entitled "A lot of explaining to do." We deemed it prudent to write this letter in order to correct and clarify misrepresentations made by Mr. Somera in

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his column.

Mr. Somera's views on the issue are obviously biased. His bias comes from being a member of the group of Ms. Erlinda I. Bildner who purports to represent PHC. Apparently, he was among those who authorized Ms. Bildner to file the administrative cases against the bank officials of Bank of Philippine Islands (BPI) that he mentions in his article.

Considering his personal interest, it is highly unethical for Mr. Somera to use his column to lambast and sully the names and reputations of individuals and institutions who do not share his view or position on the legal issues affecting the management and control of PHC and its funds.

By Mr. Somera's own account and admission, the proceedings against the bank officials are still ongoing. There has been no resolution yet on the charges. Mr. Somera is therefore clearly using his column to flaunt the sub judice rule and to subject the hapless bank officials to trial by publicity. We perceive no valid reason on the part of Mr. Somera for such publication other than to intimidate, harass and coerce parties who do not comply with their demands.

Mr. Somera likewise omits to state that the decision he cited in his article is still being challenged before the Supreme Court. Mr. Somera and his group are already presuming that the court will uphold their position. It should be noted that there are several court rulings already declaring that the Bildner group has no right or authority to represent PHC. Such ruling was made in case, which also involves the BPI. The Bildner group has apparently chosen to conveniently ignore the same.

Moreover, the majority shareholder in PHC is Philippine Communications Satellite Corp. (Philcomsat). It is only Philcomsat's legitimate board that can appoint any proxy for PHC. In 2004, the Securities and Exchange Commission (SEC) upheld and recognized the election of our Philcomsat board of directors, then led by Enrique L. Locsin and Manuel H. Nieto Jr. The SEC held that: "In light of the foregoing, the Commission hereby upholds the validity of the stockholders' meetings conducted by the Nieto group in view of the clear compliance by the said group with the conditions set forth by the Commission in its Orders of July 8 and 26, 2004."

Recently, the Court of Appeals dismissed the petition filed by the Bildner group to question our client's election in 2004. It should also be mentioned that Bildner even filed a hybridized petition before the Supreme Court, to have her group declared as representatives of Philcomsat. Her petition was also dismissed. Clearly, it is only client's Philcomsat board that can appoint the proxy for PHC. In fact, in 2004, Mr. Somera was part of the board which Concepcion A. Poblador currently chairs and he did not complain when he enjoyed the benefits of the office. He only turned his back on the Poblador Board sometime in 2007.

Finally, it appears that the Bildner group misled the Bangko Sentral ng Pilipinas (BSP) as to their authority to represent PHC. They possess no such right, and whatever claim they presently have were obtained by physical force.

Clearly, it is your columnist, Mr. Somera, who has a lot of explaining to do for his one-sided and self-serving commentaries on a subject where he is personally involved. Such articles by biased columnists should not be published in your newspaper.

(The writer is a licensed stockbroker of Eagle Equities, Inc. You may reach the Market Rider at marketrider@inquirer.com.ph or directly at www.kapitaltek.com)