

MIKE DOYLE
18TH DISTRICT, PENNSYLVANIA

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Michael K. Powell
Chairman
Federal Communications Commission
Room 8-B201
445 12th Street, SW
Washington, D.C. 20554

Dear Chairman Powell:

I am writing regarding the proposed merger between EchoStar Communications Corporation and HUGHES which I know is an issue you have been giving careful consideration.

Competition in the pay-TV and broadband markets is of the utmost importance to my constituents back home in the 18th Congressional District of Pennsylvania. Unfortunately in the market for television services today, it seems that no provider exists that can compete with cable to ensure competitiveness – in price, quality, and service. In the emerging market for broadband, we're thankful that the cable and DSL providers have begun rolling out services, but in order to ensure access and competitive pricing to all of my constituents, it is important that satellite broadband become another option. It is with these realities in mind that I ask your support for the proposed merger of EchoStar and HUGHES.

When the proposed merger was announced in October of last year, executives on both sides discussed how the combined company would be better equipped to meet the programming and broadband needs of consumers across the country. Since then, much of the debate has centered on how this merger would benefit rural Americans. While I feel strongly that the merger's benefits – which I understand to be in part, local channels for all Americans and affordable broadband access in every zip code – would have a positive impact on rural America and are in the public's best interest, benefits to areas like suburban Pittsburgh as well as the city itself should not be overlooked. The combined company would have the efficiencies necessary – along with every incentive – to provide my constituents with expanded programming choice, high-speed Internet access via satellite, and added services like high-definition television (HDTV), interactive television, and near video on demand – services that consumers have been promised by others, but have yet to have complete access to.

Today, operating separately, EchoStar's DISH Network and HUGHES' DIRECTV offer hundreds of duplicative channels, wasting valuable spectrum that could be better used to offer my constituents these services. Combined, the new company would be able to compete with the dominant cable companies in the multichannel video programming distribution (MVPD) market, driving down prices and improving customer service. Without the merger, however, the two DBS providers will be stuck in the status quo, offering duplicative programming, and unable to



01-348
WASHINGTON OFFICE:
133 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-2135

DISTRICT OFFICES
11 DOFF ROAD
PENN HILLS, PA 15235
(412) 241-6055

627 LYSLE BOULEVARD
MCKEESPORT, PA 15132
(412) 664-4049

E-MAIL:
rep.doyle@mail.house.gov

WEB SITE:
http://www.house.gov/doyle

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House of Representatives

July 22, 2002

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bring true competition to cable. As someone that has always stressed and believed in the benefits of competition, I see this as unacceptable.

On the broadband front, many of my constituents are luckier than most Americans in that they have access to high-speed Internet service. However, I believe strongly that it is vital to promote competition in these services and the merged company would have the resources, economies of scale and satellite capacity needed to offer an affordable option in the market for high-speed Internet access. For rural Americans, it seems this merger may be even more important, as the combined EchoStar would be a truly viable option for rural America to access broadband services. For areas like mine, an additional, affordable broadband option for consumers would increase competition, something in the best interests for all.

I owe it to my constituents to continue to advocate commercial developments that will increase choice and competition – no matter the industry. If approved, the proposed merger of EchoStar would increase competition in the broadband and pay-TV markets, which I believe will lower prices, raise customer service levels and ultimately benefit consumers – in Western Pennsylvania and across the country in any number of ways. I urge you to allow the proposed merger to be consummated.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Doyle". The signature is fluid and cursive, with the first name "Mike" and last name "Doyle" clearly distinguishable.

Mike Doyle
Member of Congress

MFD:ld