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The Honorable Michael Powell
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

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Federal Communications Commission
Office of the Secretary

Dear Chairman Powell:

The enclosed article from the Denver Business Journal (07/12/02) sounds a disturbing alarm about Rupert Murdoch's efforts to acquire DIRECN by misleading a small but influential group of religious broadcasters into lobbying the Department of Justice and the Federal Communications Commission against the pending merger of DIRECN with EchoStar.

It is a sad irony that anyone connected to the American community of faith, much less religious broadcasters, could be manipulated into supporting Mr. Murdoch's interests. The programming aired on Mr. Murdoch's Fox Network is a nightly assault on family values and Christian principles, with much of it offered during the so-called family hour. Bill Bennett's Empower America organization has publicly cited Mr. Murdoch for "promoting sleaze" and the Fox Network for its "degradation and coarsening" of American culture. Last year Fox programs placed number one, five and seven on the Parents Television Council's annual list of the year's ten worst shows on TV for gratuitous sex, violence and foul language.

We hope you will understand our concern regarding a broadcaster of Mr. Murdoch's standards taking over half of the satellite TV market. One can only shudder to think of 50 percent of that industry under the control of a broadcaster who this season gave us "The Shield" on Fox FX, a new low for vulgarity on basic cable and a strong contender to be the worst TV show for 2002.

As representatives of organizations that care deeply about decency standards for American broadcasting, we urge you to resist Mr. Murdoch's latest attempt to increase his power to undermine the moral values still held dear by most American families.

Thank you for your consideration.

Sincerely,

KIDS FIRST COALITION

RELIGIOUS FREEDOM COALITION

WILBERFORCE FORUM

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The Denver Business Journal - July 15, 2002

<http://denver.bizjournals.com/denver/stories/2002/07/15/newscolumn1.html>

DENVER BUSINESS JOURNAL

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Telecom

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Are religious leaders being used in EchoStar-DirecTV deal?

Amy Bryer

In a high-stakes game of king of the mountain where about \$26 billion and 10 million subscribers are at stake, it looks as though News Corp. CEO Rupert Murdoch and Littleton-based EchoStar Communications Corp. CEO Charlie Ergen are facing off again.

Murdoch apparently was steamed that his longtime rival Ergen beat him in the battle to buy satellite television provider DirecTV. Murdoch has since launched a lobbying effort against the merger and apparently has enlisted the support of religious leaders to quash the marriage, according to **some** broadcasters.

Murdoch is considered a titan in the media business. Sydney, Australia-based News Corp. is a global company that produces and distributes movies and news through satellite, cable, newspapers and magazines. Ergen started selling satellite dishes out of the back of a truck and now is CEO of EchoStar -- one of the two remaining satellite TV companies in the country. Later this year, Ergen may be CEO of the only satellite television company if regulators give the green light on the DirecTV purchase.

Murdoch had been negotiating to buy DirecTV from General Motors subsidiary Hughes Electronics for months when reports surfaced that Ergen's EchoStar was trying to cut a deal with DirecTV as well. EchoStar, which owns the satellite television provider DISH Network, announced in October it was buying DirecTV for \$26 billion in cash and stock. That would give Ergen's combined companies nearly 17 million satellite TV subscribers. Because EchoStar and DirecTV are the only two competing satellite television providers in the country, the marriage is under federal scrutiny. If regulators decide **it's** an anti-trust issue, Murdoch could get another run at DirecTV and probably get it at a good price because there **will** be no other takers for the financially troubled company.

Now David Clark, president of FamilyNet Television and former chairman of the National Religious Broadcasters, is claiming that Murdoch is trying to rally religious broadcasters against the merger by promising to air more religious programming on his networks, which include Fox -- a network that airs several programs like "Boston Public" that religious leaders have objected to in the past.

Since February, groups, including the National Action Network represented by Rev. Al Sharpton and members of Louis Farrakhan's Nation of Islam, have protested EchoStar's failure to broadcast The Word religious network aimed at African-Americans. Sharpton and his followers even held one demonstration at Ergen's home in Littleton.

Clark, who is still a member of the National Religious Broadcasters, said a small group of board members met with Murdoch in New York in early March to discuss getting more religious programming on Murdoch's networks in return for their opposition to the EchoStar/DirecTV merger. Murdoch has not commented publicly about these allegations.

Glenn Plummer, chairman and CEO of the National Religious Broadcasters, confirmed that a meeting took place in which Murdoch did make some commitment to show more religious programming on his networks abroad and local stations, but he would not reveal details. Plummer also said that Ergen was invited to the same meeting, but sent one of his executives in his place who didn't make any commitments.

"We were virtually snubbed," Plummer said.

Clark wrote a letter about the meeting and expressing his support for the EchoStar/DirecTV deal to the Federal Communications Commission and the Department of Justice, both of which have to bless the merger.

While claiming he is good friends with Clark, Plummer said he believes the former chairman has a strong interest in getting his FamilyNet Television on EchoStar's programming list. Clark said his network does not have any deals with EchoStar in return for his support.

The reports about behind-the-scene negotiations come at a time when a coalition of ministers, led by the Rev. John Hagee, presented a petition of more than 470,000 signatures opposing the merger.

EchoStar spokesman Marc Lumpkin said his company is baffled by the whole thing, considering DISH Network and DirecTV provide more religious programming than any cable company in the country. The satellite providers have a combined 13 religious video and audio channels, and another 36 are offered through the Dominion SkyAngel TV service, which is delivered through EchoStar.

"Religious programmers should want this merger because it will mean we can carry more local religious stations with our combined assets," Lumpkin said. This is not the first time Murdoch and Ergen have butted heads. The competition for DirecTV is reminiscent of a past battle between Ergen and Murdoch in 1997 when the two attempted to form a partnership. Ergen was later jilted by Murdoch and sued the News Corp. owner for \$5 billion. Murdoch countersued and the two settled in 1998.

Although Clark disagrees with the tactics being used in the battle over the EchoStar/DirecTV merger, he claims the religious programmers are only motivated to get more of their shows on the air.

"These people just want more access," Clark said.

When asked if he thought they think they are being used, he said, "I think they realize it now."

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