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Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
 Washington, D.C. 20554

FILED/ACCEPTED

MAY 24 2007

Federal Communications Commission  
Office of the Secretary

In the Matter of

XM Satellite Radio Holdings Inc.,  
*Transferor*

and

Sirius Satellite Radio Inc.,  
*Transferee*

Consolidated Application for Authority to  
 Transfer Control of XM Radio Inc. and Sirius  
 Satellite Radio Inc.

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MB Docket No. 07-57

COMMENTS OF NATIONAL TAXPAYERS UNION

On behalf of the 362,000 members of the National Taxpayers Union (NTU), I write to urge your support of the merger of XM and Sirius Satellite Radio. This development is likely to expand radio programming available to consumers dramatically without impacting prices.

Because satellite radio relies so heavily on attracting new subscribers, it only stands to reason that the proposed merger would not raise subscription costs. Indeed, by their very actions, so-called traditional service providers seem to agree. Competitors that are threatened by the prospect of a thriving satellite radio company have launched a self-interested campaign aimed at killing the merger, by asserting that an XM-Sirius alliance would constitute a monopoly. Despite their claims, the merger of XM and Sirius would be beneficial to consumers and deserves support.

For example, at present, a consumer interested in hearing both National Football League games and Major League Baseball games must subscribe to both services and purchase two receivers. If the two services merge, these products would be available on one receiver. Furthermore, merging would allow the two companies to significantly reduce infrastructure costs, thereby improving chances of turning a profit in the future while keeping service fees stable.

Critics claim that such an arrangement would essentially create a monopoly. This argument is disingenuous, however, because any honest definition of the market in which satellite radio competes must include AM radio, FM radio, high-definition radio, and even products like mp3 players. To label this merger anti-competitive ignores the wealth of consumer options that can and do vie for the ear of the listening public.

If merger opponents were forced to tell the truth, they would acknowledge that the FCC could even enhance competition in the satellite radio sector, not through a regulatory crackdown but by removing current barriers to entry. This goal could be achieved by simply making additional spectrum available for the use of some newly-formed competitor.

The audio entertainment market is highly competitive today and would remain so after an XM-Sirius merger. I hope you and the Commission will recognize this fact and vote for the proposal.

Respectfully submitted,

NATIONAL TAXPAYERS UNION

By: John Berthoud  
President  
National Taxpayers Union  
108 North Alfred St.  
Alexandria, VA 22314  
(703) 683-5700

Dated: May 18, 2007



May 17, 2007

The Honorable Kevin J. Martin  
Chairman, Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Dear Chairman Martin:

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Sincerely,

John Berthoud  
President