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# Congress of the United States House of Representatives

MIKE DOYLE  
14TH DISTRICT, PENNSYLVANIA

May 22, 2007

COMMITTEE ON  
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COMMITTEE ON STANDARDS OF  
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EX-GRATIS  
COALITION FOR ADULT  
RESEARCH AND EDUCATION

The Honorable Alberto R. Gonzales  
United States Department of Justice  
Robert F. Kennedy Building  
950 Constitution Avenue, NW  
Washington, DC 20530

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

The Honorable Deborah Platt Majoras  
Chairman, Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

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Federal Communications Commission  
Office of the Secretary

Dear Attorney General Gonzalez, Chairman Martin and Chairman Majoras:

I am writing to express my concerns regarding the proposed merger between Sirius Satellite Radio and XM Satellite Radio – the only two satellite radio providers. I believe that allowing these companies to merge is not in the public interest and will be extremely harmful to satellite radio listeners.

When the FCC decided to license satellite radio operations, it recognized the importance of a competitive satellite radio market. The Commission wrote, "*licensing at least two providers will help ensure that subscription rates are competitive as well as provide for a diversity of voices... Even after DARS licenses are granted, one licensee will not be permitted to acquire control of the other remaining satellite DARS license.*"

Further recognizing the importance of competition within the satellite radio industry, the Commission stipulated that these companies should work to deliver an interoperable receiver to the marketplace so that a consumer would not have to purchase new hardware if he wished to switch satellite radio providers. However, these companies have yet to deliver such an interoperable receiver. I believe that this disregard for the Commission's intentions and consumer interests should be a factor when assessing the promises these companies are making in pursuit of merger approval.

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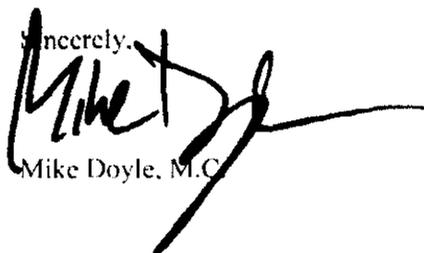
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Additionally, I fear that this merger will lead to a lack of diversity of artists on satellite radio. The competition between XM and Sirius forced each company to differentiate their product to attract listeners. Without this competitive force in the marketplace, the combined entity would no longer have to differentiate itself or improve its offerings. Furthermore, Sirius Radio CEO Mel Karmazin has stated that if the merger were approved the most popular programming from each service would be added to the other service. But, in order to add baseball to Sirius, or football to XM, other programming would have to be eliminated, or sound quality would have to be degraded. Even with promises that prices will not rise, there is a real risk that the merged company would impose an effective price increase by decreasing service options or quality to make room for the new, premium channels. And by not encouraging manufacturers to build interoperable radios, consumers who wanted a nationwide satellite radio product, but were not happy with the programming changes post-merger, would have no recourse but to buy entirely new equipment.

These are just a few of the many reasons I believe this merger should be denied. I urge you to keep these concerns, along with the other many consumer concerns that will inevitably arise when a monopoly is present, at the forefront of your thoughts when weighing the impact of this proposed merger.

Thank you for considering my views on this important matter. If you have any questions regarding my views on this merger, please don't hesitate to contact me.

Sincerely,  
  
Mike Doyle, M.C.