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JUL - 9 2007

Federal Communications Commission
Office of the Secretary

July 9, 2007

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: MB Docket No. 07-57

Dear Ms. Dortch:

Attached please find the comments of the Independent Spanish Broadcasters Association in response to MB Docket No. 07-57. If you have any questions or concerns, please do not hesitate to contact me at 703-812-0480 or at Montero@fhhlaw.com.

Sincerely,

Francisco R. Montero, Director
Independent Spanish Broadcasters Association

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Federal Communications Commission
Office of the Secretary

July 6, 2007

Mr. Robert G. de Posada
The Latino Coalition
707 5th Street, SE
Washington, DC 20003

Mr. Brent Wilkes
League of United Latin American Citizens
2000 L Street, NW Suite 610
Washington, DC 20036

Lillian Rodriguez-Lopez
Hispanic Federation
55 Exchange Place, 5th Floor
New York, NY 10005

Alfred P. Placers
N.Y. State Federation of Hispanic Chambers of Commerce
2710 Broadway
New York, NY 10025

Dear Mssr. de Posada, Wilkes and Placers and Ms. Rodriguez-Lopez:

The Independent Spanish Broadcasters Association (ISBA), read with interest your letters to the Federal Communications Commission ("FCC") supporting the merger between XM Satellite Radio and Sirius Satellite Radio. While we appreciate your interest in this debate, we respectfully disagree with your conclusion that a single satellite radio outlet will expand opportunities for the Latino community.

To the contrary, it is more likely that such opportunities will develop if XM and Sirius compete with each other for unique programming or management talent, rather than in a monopolistic environment that would result from such a merger.

Here are some of the facts you may have missed. Sirius and XM use incompatible delivery systems, which prevent Sirius radios from receiving the XM signal, and vice versa. Therefore, any channels that are carried on both systems post-merger will have to fit separately on each system. However, both Sirius and XM already use all of their spectrum capacity for existing channels. This means that if Sirius wants to add XM channels to its line-up post-merger, to create a "best of both worlds" package, Sirius will have to drop existing channels on a one-to-one basis.

Both XM and Sirius are heavily invested with long-term contracts in mass-appeal specialized programming, including Howard Stern, Oprah, the NFL and Major League Baseball. This programming will surely be given priority, over any additional opportunities for Latino programming, after the proposed merger. In order to accommodate moving these popular

programs onto both services, space will be made by eliminating niche programming, which will probably include channels dedicated to the Latino community. Even if those Spanish channels were not lost, they will continue to be a marginal after-thought. Can you tell us how much either of the two services have invested in top Latino talent? It is not likely because both services have invested very little. However, you probably know about the \$500 million paid for Howard Stern, plus the additional millions paid to Martha Stewart and others.

This is in sharp contrast to the efforts of local radio across the nation, which has substantially increased the number of Spanish-language stations in the past decade. There are currently 744 Spanish-language commercial radio stations in the United States, representing a 51 percent increase since 1998. Spanish-language radio is the fastest growing segment on the radio dial and it truly represents programming and employment opportunities for Hispanics across the occupational spectrum.

Furthermore, allowing Sirius and XM to exert monopoly control over the satellite radio market inevitably will diminish further the presence of the Latino community in their ranks. Sirius and XM cannot be trusted to comply with any FCC-imposed merger conditions, or to control their self-serving big spender monopolistic impulses once any such conditions expire in a couple of years. As you are well aware the FCC's initial condition for the existence of these two satellite radio services was that there would be at least two competing companies. Now, they are asking for that essential condition to be waved or ignored. Monopoly power is inherently self-serving and cannot be trusted to serve the best interest of the population since its existence will invariably lead to higher prices, reduced consumer choice, and less innovation.

In sum, ISBA is concerned that there is already too much consolidation in the media marketplace to the detriment of our community (and all minority communities) and society in general, and the XM/Sirius merger would only further that consolidation. Moreover, the merger would have a negative impact on Hispanic broadcasters and others who are directly serving and making a local difference in our communities across the country. Given all this, we believe the proposed merger is nothing more than Sirius and XM's request for a government bailout for huge operational and financial missteps. We urge you to review their public documents and examine the exorbitant executive and talent salaries. Their extravagant spending has depressed their stock prices and in turn, their investors' patience and they want all of us to pay for it. Any gains resulting from a merger of Sirius and XM will most certainly not benefit consumers, nor the Latino community in particular, in its effort to get programming and employment access in that medium.

Accordingly, we respectfully ask that your organizations reconsider your stated support of the proposed merger as being in the best interests of your Hispanic constituents.

Sincerely,

/s/
Ronald J. Gordon
President and CEO
ZGS Communications and
ISBA President

/s/
Francisco Montero, Esq
ISBA Board Member and
General Counsel

/s/

Amador S. Bustos
President and CEO
Bustos Media, LLC and
ISBA Past President