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U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

FILED/ACCEPTED

JOHN F. TIERNEY
6TH DISTRICT, MASSACHUSETTS

June 14, 2007

AUG 10 2007

Federal Communications Commission
Office of the Secretary

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 12th Street, SW
Washington, DC 20544

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

Dear Attorney General Gonzales, Chairman Martin and Chairman Majoras:

I am writing to express concerns regarding a potential merger between Sirius Satellite Radio and XM Satellite Radio – the nation's only two satellite radio providers. On its face, I believe that sanctioning the marriage of the only competitors in the satellite radio market would create a monopoly which would not be in the best interests of consumers.

It is my understanding that, in its initial decision to license satellite radio operations, the FCC identified its goal as one seeking to create as competitive a market structure as possible, and indicated that there should be more than one satellite DARS license awarded.

Since the original FCC decision, there has been substantial competition and expanded choice for the American consumer. This would be undermined by a merger of Sirius and XM. Without the presence of a similarly-situated, direct competitor, a united Sirius/XM would be free to raise consumer prices and otherwise conduct open actions in a manner contrary to consumer interests. Additionally, there is little evident basis to conclude that a merger would produce any cost savings that might pass on to subscribers.

It appears that circumstances do not warrant the FCC's complete reversal of its conclusions in the satellite radio licensing decision. The FCC has not had the practice of approving the combination of the only two competitors in a particular market, and no reason exists to change that practice in this case.

I respectfully ask that Department of Justice, the FCC, and the FTC protect consumers, and competition by denying this merger to monopoly.

Sincerely,

John F. Tierney
Member of Congress

8 JUL 2007 10:00

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