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October 25, 2007

VIA ECSF and EMAIL

Ms. Michelle Carey
Federal Communications Commission
Room: 8-B201
445 12th Street SW
Washington, DC 20554

Re: MB Docket No. 07-57

Dear Ms. Carey:

Thank you for meeting with Andrew Lowinger, CEO of US Electronics, and me on October 18th, and thank you for your attention to the consumer choice issues raised by the proposed Sirius/XM merger.

We continue to believe that the Commission must specify adherence to open device requirements as a condition of the merger. Otherwise, the inevitable result will be that consumers who want to enjoy the content provided over the valuable public spectrum that the Applicants propose to concentrate in the hands of single network provider will be forced to buy a receiver from that provider or its affiliates. The reduced innovation and increased prices that attend such a contraction of choice are irrefutably well documented in the economic literature and in numerous real world examples.

To illuminate the impact on consumers, as discussed in our meeting, US Electronics believes that the Commission's decision-making process would be substantially aided if additional relevant information were available to the Commission.

Accordingly, USE urges that the Commission issue a Request for Additional Information to the Transfer Applicants, seeking the following information for the time period, where relevant to the response, 2001 through 2007, inclusive:

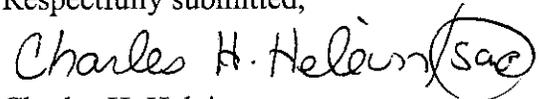
1. Each type of business arrangements used to provide satellite radio receivers to subscribers.
2. Each company that manufactures and/or manufactured satellite radio receivers identifying specifically, the time period that each receiver was manufactured, products currently in development by each manufacturer and reasons why former manufacturing partners no longer produce receivers.
3. Each distributor used to distribute satellite radio receivers to retail outlets and/or to auto manufacturers, identifying the models available from each sorted by year, products currently in development and reasons why former distribution partners ceased these operations.
4. Each company responsible for the design and/or development of each satellite radio receiver offered to consumers and the costs of these activities.
5. With respect to each year for which a decline in the number of distributors or licensees is reflected in the responsive data, the reason for such decline.
6. The names of distributors that have or had structural affiliations with each of the Applicants.
7. Each copy of Sirius' contracts/agreements with Directed Electronics, Inc. and all documents relating to the pending renewal or extension of this agreement.
8. Each copy of XM's contracts/agreements with Audiovox and any other currently licensed distributors including documents that relate to any new agreements, renewals or extensions currently in negotiation.
9. Each copy of Sirius' contracts/agreements with suppliers/manufacturers and any documents that relate to an alteration, separation, cancellation or voiding of any agreement.
10. Notice of any disputes with licensed manufacturers and licensed distributors including current monies owed to each.
11. The number of complaints received by each Applicant from complainants in each of the following categories, together with an explanation of the top five types of complaints heard from each category:
 - a. Consumers
 - b. Retailers
 - c. Distributors
 - d. Licensees
12. An explanation of structural and behavioral protections in place to ensure continued consumer choice as to receivers compatible with each Applicant's individual or combined network or programming options."

13. An explanation of criteria and processes employed to determine whether and to whom licenses are granted by each Applicant for the manufacture and distribution of receivers.
14. All documents relating to the comprehensive compliance plan approved by Sirius' Board of Directors in response to the FCC violations.
15. For each year from 2005 to date, provide the number of complaints from consumers about satellite radio receiver performance, pricing, support, repair and/or replacement.
16. The number of satellite radio receivers repaired and/or replaced.
17. The savings realized by technological advancements, design, engineering or manufacturing efficiencies and records of how these savings were passed on to consumers.

We believe that each of these requests may be posed in the form of a request for existing responsive documents and will not be unduly burdensome to the Applicants. Further, each of these requests is narrowly tailored to specific issues that have been raised in the record, but to which the Applicants have not responded. Moreover, these requests focus on facts that are in the exclusive possession and control of the Applicants. Given that logic, history, precedent and public perception and experience support the concerns about the public harm that is caused by a vertical monopoly, the Commission is reasonably grounded in seeking the additional information to which these requests are directed.

Thank you for your attention to the consumer impact concerns raised by the merger. We stand ready to assist.

Respectfully submitted,

Handwritten signature of Charles H. Helein in cursive, with the initials 'SAC' written in a circle to the right of the name.

Charles H. Helein
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