

Re: Georgetown Partners, L.L.C. Comments filed 1/29/08

Georgetown Partners would like to lead you to believe that the Sirius-XM a la carte offerings are nothing more than a “fairytale” to use their own words. However, Georgetown Partners are spinning a very deceptive fairytale of their own.

Georgetown Partners seem to make you want to believe that Sirius-XM are trying to “fool” you into believing that their a la carte options are already available, and it is Georgetown Partners coming to the rescue, to let you know that these plans are not available yet! A nice attempt at a classic superhero story, but pathetic all the same. From the moment that the a la carte system was announced, Sirius-XM have repeatedly said that this system will only be available on “new generation” radios, that are not currently in production. Never have they made the comment (implied or otherwise) that the plans would be made immediately available to consumers.

Then we come to the matter of “next generation radios.” Georgetown Partners claims that the a la carte offerings “will only be available on so-called “next generation” radios that do not exist and for which there are no production plans.” Is Georgetown Partners privileged to information that tells them that Sirius-XM have absolutely no plans in producing these new radios? If they have access to such information, it should be presented to the FCC and to the Public. Information such as this would be very pertinent not only to the companies involved in the merger, but to the shareholders of the two companies as well. Being a shareholder of both companies, it would greatly have affected my votes during the shareholder voting. If such information is available, it needs to be brought to public attention. If it does not exist, then Georgetown Partners should not make such inferences and assumptions, especially in a governmental proceeding such as this.

As far as existing radios is concerned, the two companies have always stated that no radio will ever become obsolete. They may not be able to receive the new a la carte offerings, but they will still be able to receive their current programming, unchanged. A company should not be held back on innovation simply because of old equipment not receiving the new innovation. Imagine if all of the iPods had to be recalled to get the color screen or video capabilities. Imagine if all vehicles had to be recalled every time an emissions standard or safety standard was changed. It is called “grand-fathering” and it is done in every single industry. You are not penalized for having an older unit, and you are fully capable of upgrading at any time you see fit if you so choose.

On the other hand, it is in fact Georgetown Partners who appear to be “focusing on obvious attempts to put one over on the FCC and the American consumer by “marketing” through its filing...” and providing “misleading and disingenuous” information. Why do I say this? Georgetown Partners has frequently stated that the information that Sirius-XM has provided is false,

though Georgetown Partners has never provided any useful information of their own. They state that through the lease of the spectrum they will provide “free, family-friendly, non-subscription-based programming with limited commercials.” This tells us absolutely nothing. Family Friendly? Sirius-XM will provide that, and even refund the portion of the subscription for doing so. “Limited” commercials? Georgetown says that Sirius-XM have provided minimal information, so why can’t Georgetown Partners provide some information? How “limited” is “limited commercials”? Why have they not detailed exactly what programming they will offer? Have they even made an attempt to negotiate with Sirius-XM? Who is going to set the price of the “leased” spectrum and how much are they willing to pay for this? Are they willing to pitch in a Revenue Share that Satellite Radio currently pays to its dealerships? How about the incentives to produce radios that the two companies currently have to pay? Being satellite-based, will Georgetown Partners fall under the RIAA’s fee scale for Satellite Radio (that the two companies have paid to fight for) or will they get a free ride just like the Terrestrial Radio companies do?

If they are so interested in becoming a distributor of nation-wide satellite-based programming, have they put in a bid in the 700 mhz spectrum auction that is currently being conducted? Or are they simply looking to the FCC (as they have done numerous times in the past) for a free ride on the coattails of an emerging industry?

In conclusion, Georgetown Partners are being even more vague and misleading than they make Sirius and XM out to be. They mention in their own conclusion “Both the FCC and DOJ are aware of widespread opposition and concerns from a wide array of legislators, industry organizations, and community interest groups.” What they fail to mention is that the “widespread opposition” pales in comparison to the widespread support from other legislators, industry organizations, and community interest groups, as well as the public themselves. The comments section of the FCC clearly shows that the number of supporters heavily outweighs the opposition, many of whom are opposing solely for benefit of the pocketbook rather than the benefit of the public.

Sincerely Submitted,

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