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March 3, 2008

VIA EMAIL AND ECFS

The Honorable Kevin J. Martin, Chairman
The Honorable Michael J. Copps, Commissioner
The Honorable Jonathan S. Adelstein, Commissioner
The Honorable Deborah Taylor Tate, Commissioner
The Honorable Robert M. McDowell, Commissioner
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Written Ex Parte Presentation in Connection with the Consolidated Application for Authority to Transfer Control in Connection with the Sirius/XM Merger, as amended (MB Docket No. 07-57)

Dear Mr. Chairman and Commissioners:

The Consumer Coalition for Competition in Satellite Radio ("C3SR"), by its counsel, hereby submits this letter for your consideration in the above-referenced docket, regarding the February 28, 2008 news release of XM Satellite Radio Holdings Inc. ("XM"), entitled "XM Satellite Radio Holdings Inc. Announces Fourth Quarter and Full Year 2007 Results."¹ The news release summarizes the yearly subscriber additions and revenues for XM. XM reported a total 2007 year-end subscriber base of over 9 million subscribers, an 18% increase over the 2006 year-end subscriber base. XM, while reducing its yearly net loss, grew its total revenues for 2007 to an astonishing \$1.1 billion. According to XM President and CEO Nate Davis, "XM substantially improved its business operations in 2007," and is positioned for "sustained future growth."

These subscriber figures and revenues should erase any subliminal messages by the merger parties or third party merger proponents about the need for this merger. Competition with Sirius Satellite Radio Inc. ("Sirius") has not weakened XM. XM has eclipsed the billion dollar mark for yearly revenues and boasts an industry-leading 9 million subscribers. Both Sirius and XM have consistently maintained that they will be able to survive and flourish as

¹ Available on-line at <http://phx.corporate-ir.net/phoenix.zhtml?c=115922&p=irol-newsArticle&ID=1113538&highlight==>.

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independent companies, in the absence of a merger, and neither has made a failing-firm argument in these proceedings.

If the FCC approves the proposed merger between Sirius and XM, consumers will no longer have a choice in satellite radio and will be forced to accept the programming and prices dictated to them by a monopoly provider. There is no substitute for satellite radio, and a regulated monopoly is no substitute for competition. C3SR urges the Commission to protect the interests of consumers by denying the proposed merger.

A copy of this letter will be submitted via ECFS for inclusion in the above-referenced docket pursuant to Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, and Public Notice DA 07-1435 (released March 29, 2007).

Respectfully submitted,

Julian L. Shepard
Counsel for C3SR