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June 27, 2008

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

Re: MB Docket No. 07-57, Consolidated Applications for Authority to Transfer
Control of XM Satellite Radio Holdings Inc. and Sirius Satellite Radio Inc.
Ex Parte Presentation

Dear Ms. Dortch:

This is to notify you that on June 26, 2008, Walter Ulloa, Chairman and Chief Executive Officer of Entravision Communications Corporation; Chester C. Davenport, Managing Director of Georgetown Partners L.L.C.; Cleveland A. Christophe, Managing Partner of TSG Capital Group; Barry A. Friedman, partner at Thompson Hine LLP and counsel to Entravision, and the undersigned met with Commissioner Jonathan Adelstein, Rudy Brioché and Shawn Donilon. The discussion was consistent with Georgetown's filings previously submitted in this docket strongly urging that the proposed merger be denied.

Messrs. Ulloa, Davenport and Christophe discussed their mutual cooperation and readiness to provide competitive programming and related facilities if channels suitable to support competition were to be required as a public interest benefit, but agreed that there is no interest in the token offering of just 4% of the channels in the draft order reportedly circulated by the Chairman. It was explained that elimination of channels to accommodate a 20 percent lease requirement from the merged entity would affect just 2% of its listening audience due to the extremely high concentration of XM and Sirius listeners around a relatively small number of channels, as reported by Arbitron. Without such a lease requirement, the proposed merger will result in a monopoly of all the spectrum available for satellite broadcasting without any offsetting public benefit.

The advantages of an advertiser-supported service available to all consumers were discussed. There are an estimated 36 million satellite receivers in consumer hands today, most of which were bundled into the price of new automobiles. The number is predicted to steadily

increase as more cars equipped with satellite radios are sold. However, of those estimated 36 million receivers, an estimated 18 million are “dark” because their owners do not subscribe to either XM or Sirius. We pointed out that a competitive, advertiser-supported service would draw back the subscription curtain and bring new choices to all 36 million radio owners, not to just the 18 million current subscribers, and that this number will continue to increase. THIS is true *a la carte*, not the limited program packages proposed by the applicants.¹

The commitments proposed by Sirius and XM, whether considered individually or as a whole, completely fail to address the competitive harm inherent in approving a single-provider monopoly in the satellite digital audio radio service (“SDARS”). The Commission should reject outright this attempt to hijack the entirety of the SDARS spectrum and enforce its longstanding rule against merger of the only two licensees in this service. The parties should not be permitted to change the rules and reap the financial windfall of a monopoly when they paid the U.S. Treasury only for a license that was always to be subject to another competitor in the SDARS service.

Finally, it contravenes longstanding Commission enforcement policy to allow the merger to go forward without resolving the longstanding enforcement proceedings that are pending against Sirius and XM. It is difficult to understand why the Commission would grant a monopoly to entities accused of harboring “executive and senior-level employees” who knowingly directed others to violate multiple FCC rules. These allegations have been under investigation by the Commission’s Enforcement Bureau for more than two years.

- Personnel of one licensee reportedly directed manufacturers to provide wireless transmitters for use with SDARS products that knowingly exceeded the Commission’s power limitations and caused harmful interference to another communications service.
- Sirius and XM are alleged to have illegally constructed and placed on the air hundreds of repeaters and towers.
- Both licensees failed to comply with the Commission’s requirements with regard to interoperable radios, notwithstanding that the requirement itself was adopted by the Commission in 1997, made an explicit condition of their licenses, and certifications were made to the Commission concerning compliance.

¹ See *Ex Parte* Comments of Georgetown Partners L.L.C. filed on January 29, 2008.

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For the above reasons and those stated in Georgetown's earlier filings, the Commission cannot make the requisite public interest finding without an effective remedy to the monopoly requested by Sirius and XM. The Commission must deny the merger and should do so immediately.

In accordance with Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, this letter is being filed in the above docket.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "DR Siddall". The signature is written in a cursive, flowing style.

David R. Siddall
Counsel to Georgetown Partners L.L.C.