FROM: Jaguar Cars Limited and Land Rover
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TO: Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Ex-Parte Filing: MB Docket No. 08-172: Proposed conditions upon the merger of Sirius and XM Radio

Dear Ms Dortch,

We write to you to represent the views of Jaguar Cars Limited and Land Rover (together "JLR") with respect to the proposal of the Federal Communications Commission of the United States of America ("FCC") to impose a condition upon the merger of Sirius and XM Radio, namely that Satellite Radio receivers must also incorporate technology for the reception of HD Radio services (the "proposed condition"). On the information available to us, JLR opposes the proposed condition on the grounds set out below and pleads that the proposed conditions should not be applied.

JLR's reasons for opposition are as follows:

1) JLR is a British company with global sales, generally producing a single vehicle design that sells in all its World markets. The electrical systems that these vehicles contain are also generally of a single design capable of supporting all necessary and appropriate variants in all its World markets. Market variability, including the ability to support local broadcast technologies, is generally supported by a range of optional receivers (including AM and FM Radio and Satellite Radio using other technologies and TV or Multimedia receivers using a variety of technologies), often contained within optional hardware devices (modules), which can be selected either by the customer at point of sale or offered by JLR marketing in the form of "bundled" options with different options and mixes in each World market.
2) JLR already offers both Satellite Radio and HD Radio receivers for sale in North America and has the capability to offer both services in the same vehicle without change to the underlying design of our electrical systems and without physically combining both technologies into the same receiver module.
3) JLR desires to offer Satellite Radio and HD Radio receivers in other countries that are adopting the same or technologically-related broadcast technologies and desires to create independent receiver solutions that can serve all World markets in which these technologies are adopted. However there is currently no market outside North America in which both Satellite and HD Radio technologies are being considered for joint adoption which can only increase the cost of the combined receiver in the North American market thereby creating a disincentive to sales.
4) A requirement for combination of both Satellite Radio and HD Radio receivers into a single receiver module would make it necessary for JLR to redesign significant parts of its electrical systems and the consequent redesign, procurement and validation of the necessary new hardware would take significantly longer than the time period proposed by the FCC for imposition of the proposed condition. The delay may leave JLR and potentially other vehicle manufacturers with no option but to withdraw Satellite Radio receivers from sale in the United States on and after the effective date until the new receivers can be brought to market.
5) The broadcast, receiver and receiving antenna technologies embodied in Satellite Radio and HD Radio are fundamentally different. The Radio spectrum, modulation method and data encoding methods are quite different requiring separate solutions that are not currently capable of solution in a single common receiver and antenna system, nor will they be for some considerable time. The combination of these

technologies into a single solution is not logical from a technical standpoint, it would take time for the carmaker to implement and would not of itself bring any benefit to the customer that cannot already be brought using the flexible market-led approach adopted by JLR and many other vehicle manufacturers.

6) Both Satellite Radio and HD Radio are capable of, or are still undergoing, evolution either at the technology or the service level (example SDARS Video, HD2), and providers of receivers will be best able to respond to such evolution if they are not constrained to externally-mandated implementations. Such constraints limit flexibility and we believe are unlikely to be in the long-term interests of the Satellite Radio or HD Radio communities, the set-makers or the customer.

7) The proposed combination of these technologies is without precedent elsewhere in the World.

8) We believe the proposed condition has the potential to significantly effect the competitiveness of vehicle manufacturers' offerings of Radio receivers with the possible consequence of a negative effect on sales.

IN SUMMARY

In JLR's opinion:

- There will be little or no benefit to customer or vehicle manufacturers if the proposed condition is mandated since both Satellite Radio and HD Radio are already experiencing strong market penetration due to a market-led strategy adopted by most vehicle manufacturers.
- The proposed condition would not help vehicle manufacturers to increase sales or market penetration and acceptance but would have the opposite effect by causing increased cost to the customer and potential temporary non-availability of Satellite Radio and HD Radio receivers in cars supplied to the United States market.
- There will be potential for increased cost and complexity in automotive infotainment systems if the proposed condition is adopted, especially for the global carmaker seeking to offer Satellite and HD Radio receivers in territories other than North America.
- Overall JLR does not recommend the imposition of the proposed condition upon vehicle manufacturers and would welcome the FCC's consideration of JLR's views on this matter.

The information and views included in this document are provided to the FCC for its own internal consideration. If the FCC intends to publish or make public all or part of this document it should seek JLR's prior consent.

SIGNED

Bob Joyce Group Engineering Director for Jaguar Land Rover

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