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Mr. Michael Powell  
Chairman  
Federal Communications Commission  
455 12th Street SW  
Washington, D.C. 20024-2101

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Dear Mr. Chairman:

I write regarding EchoStar Communications Corporation's proposed acquisition of GM-owned Hughes Electronics Corporation, the owner of EchoStar's major competitor in the satellite television market, DirectTV.

I commend you for creating an intra-agency team, possessing a wide range of expertise to scrutinize the EchoStar/Hughes proposal and to determine whether it is in the public interest. This is precisely the kind of thorough and thoughtful approach that must be taken in examining such an important business combination. I urge you, your fellow commissioners and the intra-agency team to conduct a full and thorough review of this proposed acquisition's impact on competition, particularly in rural America.

It is very troubling to me and many of my fellow Montanans that this business combination, if approved, reportedly would result in over 90 percent of the satellite television market being concentrated in the hands of one company, EchoStar. Even more troubling are the comments by some that, while this combination will clearly diminish competition between satellite television providers, it might benefit the public by increasing satellite competition with cable. Such statements lead me to believe that many policymakers and others continue to labor under the mis-perception that everyone in the U.S. has a choice between cable and satellite service. This is simply not so.

In Montana alone, there are roughly 130,000 households with no cable access. Nationally, there are nearly 30 million consumers with no access to cable television. For these Americans without any cable lines, satellite is their sole option if they want to watch television. For them, it is either satellite service or a snowy screen. Currently, most if not all of them can choose between competing satellite services offered by DirectTV and DishNetwork. If these two satellite companies become one, it will leave rural consumers with a monopoly provider. This is very troubling.

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Furthermore, consumers in areas with three providers (a cable provider, DishNetwork and DirectTV) will find themselves suddenly subjected to the diminished competition of a duopoly. This, too, is worrisome. I believe we should be doing all we can from a public policy perspective to encourage the entry of more competitors into these markets, not allowing their numbers to shrink by quickly approving various mergers and acquisitions.

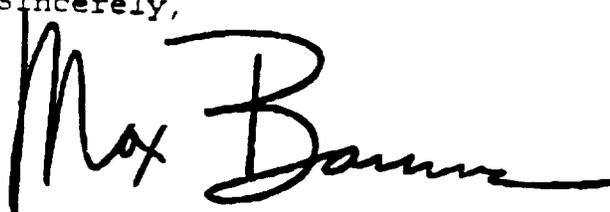
I understand that EchoStar has proposed to address concerns about satellite subscription rates in monopoly markets by "pegging" these rates to those in urban areas where competition is expected to be more vibrant. It is essential that the Commission and its review team pay careful attention to how EchoStar proposes to formulate and implement this plan, and that it consider the details of how the Federal Government will monitor and enforce EchoStar's compliance with this commitment. Inevitably, questions arise. Which agency or agencies will bear this responsibility? What kind of enforcement tools will be necessary to do so successfully? Is such a long-term government monitoring role even feasible?

Mr. Chairman, given the serious consumer and other policy issues involved, it is clear that a thorough and detailed review must be undertaken before this transaction is even considered for approval.

Thank you for your attention and consideration in this most important matter.

With best personal regards, I am

Sincerely,



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