

Sirs:

I support the merger/acquisition of Echo-Star and GM-Hughes as being in the best interest of the consumer.

The only negative is the "monopoly" hysteria fostered by the cable industry and other media based opposition.

Many positives exist for the consumer:

1. Sattelite TV infrastructure is enormously expensive compared to cable. A combined EchoStar/Hughes will enable national coverage with local channels in most areas.
2. Cable fees are artificially high due to the curent lack of consumer choice. Very few communities offer more than one cable provider. Effectively, cable is a monopoly today in most areas.
3. Cable has been very slow to provide competitively priced DSL and other internet services. They need competition!
4. Dish & Direct-TV today match cable pricing as a necessity of business. Although not yet profitable, the merged companies will soon place downward pricing pressure upon the cable providers.
5. Dish and Direct-TV in today's marketplace compete more with cable than with each other.
6. The opposition argument of rural customer lack of choice and high prices for sattelite will in fact be the opposite. Mr. Ergen has already guaranteed that rural customers will not be over-charged. This makes sense since a dish in Chicago or a dish in the Arizona desert carry essentially the same overhead costs. Cable cannot make the same claim. In fact cable chooses not to support the rural customer, purely for economic reasons.
7. Rather than creating a monopoly, the merger will provide competition for the functional "monopoly" of today's cable providers. Recall that cable companies don't compete with one another but compete with sattelite providers. Cable companies freely merge with one another. Echo-Star & GM-Hughes should be treated no differently.

Thank you for the opportunity to comment. Please examine the facts and not the rhetoric.

Yours truly,

Carlton T. Davis     June 5. 2002