

As a former customer of Dish Network, (Echostar) and a current customer of DirectTV I wish to make known my strong opposition to the proposed merger of the two.

First I will offer a summary of my views of the merger from a competitive standpoint, and then I will notes several areas of concern that I had as a former Dish Network (Echostar) customer and my views as a current DirectTV customer.

To allow the, for all intents and purposes, ONLY two DBS providers in this country to merge would completely eliminate competition and lead to poorer customer service, poorer quality of service, higher prices, less choice in equipment and dramatically reduce the viability of DBS to compete against Cable television. Consumers now have at least three choices in how they will receive their non-antenna television: cable through their local provider, Dish Network or DirectTV. This merger would eliminate one of the DBS alternatives and reduce the marketplace to a single cable monopoly and a single DBS monopoly. (for any given market) In the past, the Cable monopolies have, even in the face of two DBS competitors, raised rates frequently, and far in excess of inflation. Dish Network and DirectTV have, on the other hand, seen only tiny increases in their respective programming costs, and then only at very infrequent intervals. Eliminating DirectTV from the marketplace would not only ensure, and likely accelerate, the price hikes from the Cable monopolies, but would virtually guarantee the same result from the remaining DBS provider. (Dish Network)

In addition, the public would lose access to the innovative, pro-consumer and competitively rooted range of equipment available exclusively with DirectTV service. For example, both Ultimate TV and TIVO for the DirectTV allow simultaneous recording of two channels- with the added cabability of watching a previously recorded program at the same time. No other piece of consumer electronics, for Dish Network or any Cable TV service, offers this functionality. To be fair, Dish Network does offer their own, proprietary, Personal Video Recorder- DishPVR- which allows recording of only one channel at a time, but both UTV and Tivo are light years ahead in functionality, user-friendliness, upgradeability, the elegance of the interface and support in the way of software upgrades as to not even be comparable. Also, DirectTV/UltimateTV/Tivo equipment is available from a variety of manufacturers- JVC, Sony, Philips, Hughes, Microsoft, etc; whereas Dish Network equipment is manufactured and available exclusively from Dish Network.

As a customer of Echostar/Dish Network I had numerous problems with the accuracy of their billing and records of my programming history and with delivery of new equipment/installation services. (I ordered a Dish 500 upgrade kit from them near the end of 1999 and did not receive it for nearly 8 weeks, and only then after e-mailing the CEO, Charlie Ergen to complain)

Aside from the above problems I noticed a significant and progressive decline in picture quality after the middle of 2001. These combined issues prompted me to seriously consider deactivating my DishNetwork Service and moving to DirectTV.

The final consideration, and the final factor, was the availability on DirectTV of the vastly wider and more solid set of equipment choices I mentioned above.

In the nearly four months I have now been a DirectTV customer I have not had a single problem- not with billing, equipment, customer service, record-keeping or of any other type.

Finally, I would like to remind the board that DirectTV has recently launched a new spot-beam satellite to not only ensure full and timely compliance with the new local "must carry" rules taking effect on 1/1/02, but with the increased capacity to not only maintain but to increase picture quality on all channels. On the other hand, Dish Network, with the same notice of "must carry" is still several months, at a minimum, from being able to launch their own spot-beam satellite. Not only is it possible that Dish Network will be unable to meet the "must carry" provisions by 1/1/02, but they may need to split their local offerings onto satellites at different sky positions. (possible forcing consumers to install second or even third dishes to obtain all of their local channels) Equally important is the certainty that Dish Network picture quality will fall to new lows as all of the "must carry" channels are squeezed onto existing satellites.

I appreciate your consideration of these comments and look forward to the FCCs ruling which I am sure will support competition and the best interest of the public.

Thank you,

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