

In serving its mandate, the FCC should be less concerned with the antitrust aspects of the Hughes-Echostar merger, in particular the notion that if competition is reduced it will harm consumers, and more concerned with what is more beneficial to consumers with respect to the license transfers from Hughes-Echostar. In this review, many advocacy groups have postulated some future harm to rural consumers on the premise that competition will be lessened. But harm does not always naturally follow from a lessening of competition in situations where high fixed costs prevent a multitude of competitors. In these instances, monopoly, duopoly accompanied by regulation can be more beneficial for consumers, because the entity can deploy more resources to create these services. Rural communities are more interested in the lack of broadband and other related services and are much more concerned with these shortcomings than some theoretical future harm that may be caused by a lack of competition. Also the FCC may impose behavioral remedies such as uniform pricing and content requirements so that these rural consumers may obtain the diversity of services typically associated with markets that have lower fixed costs and have greater competition. The FCC might want to consider that in the future the potential exists for the Rural Bell operating Companies to provide information services and other types of broadcasting to these rural communities and hence foster competition. These entities have recently been reclassified as information services to the benefit of consumers.

The FCC should allow the license transfers because it would benefit consumer services across the nation and especially in the rural districts with adequate behavioral remedies to protect consumers from any theoretical harm from a lack of competition.