



February 25, 2001

The Honorable Michael Powell  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> St. SW  
Washington, DC 20554

Re: EchoStar/Hughes Merger  
CS Docket 01-348

Dear Chairman Powell :

RFD-TV is the first 24-hour television network dedicated to serving the needs, and interests, of rural America. RFD Communications, Inc., is a nonprofit, 501(c) corporation that qualified under FCC guidelines to provide Public Interest programming. Launched in December/2000 from Dallas, Texas, rural TV programs are up-linked via KU-band satellite to all 50 states. RFD-TV occupies DISH Network's channel 9409, and is provided free-of-charge to more than 6.4+ million households nationwide. We are pleased to write you to express our views in support of the EchoStar/Hughes merger.

A wide variety of educational and informational programming has been provided by RFD-TV over the past year, and features blocks from American Farm Bureau, FFA, 4-H, National Pork Council, National Cattlemen's Beef Association, National Corn Growers, National Wheat Growers, American Soybean Association, National Dairy Board, Cotton Council, American Quarter Horse Association, American Sheep Industry, USDA, National Association of County Agricultural Agents, National Resources Conservation Service, Ag in the Classroom, Farm Safety 4 Just Kids, 27 State Farm Bureaus, 35 Land Grant Colleges and Agricultural Universities, among many other rural interests. Response from the audience and members of these organizations has been "off-the-charts", with hundreds of thousands of e-mails and letters of support received to date by RFD-TV. Nearly all send one clear message – "It's about time someone paid attention to rural America".

**Corporate/Production Office**  
RFD Communications, Inc. • 4101 International Parkway • Carrollton, TX 75007 • 972-309-5800  
[www.rfd-tv.org](http://www.rfd-tv.org)

It took 6 long years to launch RFD-TV. After growing up on the family farm and cattle feeding operation in Nebraska, I owned and operated one of the Midwest's largest home-satellite dealerships that primarily focused its sales and service to rural homeowners, starting in 1986. Based on the experience gained from the combination of this unique background, and our daily interaction at RFD-TV with the realities and challenges of serving rural America via satellite, we believe the proposed merger is the best possible solution to finally provide 21<sup>st</sup> century communication services, including high-speed Internet, local broadcast stations, and "special interest" channels to rural America. We firmly believe that the benefits include the following:

1. **More Satellite Spectrum** - Capacity has been the single, largest obstacle that has prevented the expansion of television and data services to serve more rural areas by the current DBS distributors. Current satellite spectrum is used primarily to serve 42 of the most populated metropolitan areas first. However, after completion of the proposed merger, the combined company will have the bandwidth to serve 100 markets, or over 85 percent of U.S. households, including at least one city in each state with their local news, weather and other community programming.
2. **Elimination of Duplicated Channels** – Currently, there are 280 duplicated channels and services provided by DISH Network and DirecTV. With the implementation of must carry in January 2002, this number will explode to 500 of the same channels and services. This is a waste of the limited spectrum, and is clearly the roadblock that prevents the expansion of more carriage for rural markets.
3. **Nationwide Pricing** - Although well-intentioned, the argument that rural America needs competing DBS services to insure lower prices does not "hold water" with long-proven market realities. The attractiveness of home-satellite TV systems has always been its lower monthly programming price vs. cable. To compete with cable, satellite will always have to continue to offer a lower monthly rate vs. those offered in the city. As in the past, the driving force behind future package prices for service will be determined by the cable industry, and not how many DBS distributors are available. To this end, the combined company has pledged to continue to offer a nationwide pricing structure so that the consumers in rural areas enjoy the benefits of competitive pricing occurring in the cities.
4. **Satellite-delivered Internet** – Again, this is primarily a capacity issue. In order to serve millions of rural Americans without access to cable modem service or DSL, there must be the structure in place to support such potential volume. As with monthly television service, in order to compete with urban-based cable companies and other available options, the merged company will be better positioned to offer the same quality everywhere, all at competitively set, nationwide prices. This means that rural consumers purchasing Internet service via satellite will reap the benefits of price competition occurring in urban areas.

RFD still stands for Rural Free Delivery. Just as our forefathers revolutionized communication for rural America with the advent of mail delivery to "isolated" areas 105 years ago, this merger has this same potential impact to make "city" and "country" equal. Without a network of ponies and riders, there would have been no Pony Express. Without someone having the foresight to lay tracks across the most rugged terrain, there would have been no Iron Horse, and the West

would not have opened to civilization. The merger of DISH Network & DirecTV has the potential to be that “Golden Spike”.

The April 12, 1993 cover story of TIME magazine featured articles on “Coming Soon to Your TV Screen – The Info Highway – Bringing a Revolution in Entertainment, News and Communication.” It is the firm belief of RFD-TV that this Information Superhighway must go down each and every country road. In order to finally make this a reality, it is clear that above all else, a pipeline must be in place to support the huge quantities of services and features that such an endeavor requires. Based on our feedback and analysis of all available options, this is best done, and rural America is best served, with the approved merger of EchoStar and Hughes.

The nonprofit status of RFD Communications, Inc., and RFD-TV’s track record of providing unbiased information, should exhibit that our only motivation for taking this position is motivated solely upon our desire to serve the best interests of rural America. Quite frankly, it is our experience from daily feedback that (a) rural Americans are not threatened by the proposed merger, and (b) they are adamant about receiving local stations, satellite-delivered Internet, and the expansion of “niche” services for their interests. The latter is long overdue.

After review of all of the facts, we at RFD-TV believe that the Federal Communications Commission will realize the many benefits of this merger to rural Americans and truly support rural America by approving the proposed merger of EchoStar and Hughes.

Sincerely,

A handwritten signature in black ink that reads "Patrick Gottsch". The signature is written in a cursive, flowing style.

Patrick Gottsch  
President  
RFD Communications, Inc.(RFD-TV)  
4101 International Parkway  
Carrollton, TX 75007  
(972) 309-5800 (office)  
(214) 755-1531 (mobile)  
(402) 289-2085 (Nebraska office)