

RICHARD SHELBY
ALABAMA

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON TRANSPORTATION
COMMITTEE ON BANKING, HOUSING,
AND URBAN AFFAIRS

VICE CHAIRMAN—SELECT COMMITTEE ON INTELLIGENCE
COMMITTEE ON ENERGY AND NATURAL RESOURCES
SPECIAL COMMITTEE ON AGING

○ 110 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510-0103
(202) 224-5744
<http://shelby.senate.gov>
E-mail: senator@shelby.senate.gov

ORIGINAL
EX PARTE OR LATE FILED

United States Senate
WASHINGTON, DC 20510-0103

March 22, 2002

01-348

STATE OFFICES:

- 1800 FIFTH AVENUE NORTH
321 FEDERAL BUILDING
BIRMINGHAM, AL 35203
(205) 731-1384
- HUNTSVILLE INT'L AIRPORT
1000 GLENN HEARN BOULEVARD
BOX 20127
HUNTSVILLE, AL 35824
(256) 772-0460
- 113 ST. JOSEPH STREET
308 U.S. COURTHOUSE
MOBILE, AL 36602
(251) 694-4164
- 15 LEE STREET
828 U.S. COURTHOUSE
MONTGOMERY, AL 36104
(334) 223-7303
- 1118 GREENSBORO AVENUE #240
TUSCALOOSA, AL 35401
(205) 759-5047

RECEIVED

JUN 18 2002

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

*CSP
Meyer
1299*

Ms. Sheryl J. Wilkerson
Office of Legislative Affairs
Federal Communications Commission
Room 8-C453
445 12th Street, S.W.
Washington, D. 20554

Dear Ms. Wilkerson:

Enclosed please find a copy of correspondence I received from a few of my constituents.

Please reply, in duplicate, to my aide, RYAN WELCH.

Sincerely,

Richard Shelby

Richard Shelby

RCS/wrw
Enclosure

APR 12 12 35 AM '02

No. of Copies rec'd _____
List ABCDE _____

Author: Eddie Ferguson <eddiebike@aol.com> at Internet
Date: 03/02/2002 12:24 PM

Normal

TO: senator at Shelby-DC

Subject: OPPOSITION TO SATELLITE TV CONSOLIDATION

----- Message Contents -----

Eddie Ferguson
5653 Mt. Olive Rd
Gardendale, AL 35071

ENTERED MAR 04 2002

369 057

477181

March 2, 2002

The Honorable Richard C. Shelby
United States Senate
110 Hart Senate Office Building
Washington, D.C. 20510-0103

Dear Sen. Shelby:

I strongly oppose the proposal of Echostar buying Direct TV. The whole idea of competition is to have at least two companies competing for the consumers' business. This benefits the consumer and the economy. This very idea is currently at work with the satellite radio business with two companies: XM Radio and Sirius Radio.

Echostar seems to want to promise the moon in order to get the Direct TV business. Echostar's past business practices should be seriously questioned.

Again, please oppose any effort of the FCC or anybody else to allow Echostar buying Direct TV.

Thank you,

Sincerely,

Eddie Ferguson

GM to sell Hughes to EchoStar for \$25.8 billion

By ED GARSTEN
AP Auto Writer

DETROIT — The company that runs the Dish Network is poised to become the nation's leading provider of home satellite TV service after reaching a deal to acquire rival DirecTV from General Motors Corp.

EchoStar Communications Corp. is buying Hughes Electronics and its DirecTV subsidiary from GM for approximately \$25.8 billion. The deal, which was struck Sunday during a weekend session of GM's board, came after News Corp. chairman Rupert Murdoch abruptly pulled a long-standing offer for Hughes off the table.

With 10 million subscribers, DirecTV is the largest provider of home satellite television service in the United States. EchoStar's Dish Network is a distant No. 2 with 6.7 million. The combined 16.7 million subscribers would be slightly fewer than those of AT&T Corp., the leading cable TV provider.

The new EchoStar would control nearly all of the satellite TV market in the nation, but GM said in a statement that the new entity would have 17 percent of the total pay TV market while cable companies control 80 percent.

Charles Ergen, chairman and chief executive officer of EchoStar, told reporters and analysts at a news conference held in New York Monday that the deal would create "a true competitor to cable."

Ergen also said the new com-

ON THE NET

General Motors Corp.
www.gm.com

EchoStar
Communications Corp.
www.dishnetwork.com

Hughes Electronics Corp.
www.hughes.com

pany would be able to drive down costs by sharing satellite spectrum, bargaining for lower programming costs, and having one standard for set-top boxes.

The new company would retain the EchoStar name, and DirecTV would become a brand for its services and related products. The deal must be approved by federal regulators and GM shareholders.

Under terms of the deal, GM would technically spin off Hughes and merge it with EchoStar. A majority of EchoStar's shareholders already have given their approval.

EchoStar is offering 0.73 EchoStar shares for each share of Hughes. Based on EchoStar's closing stock price Friday of \$25.26, the deal values each share of Hughes at \$18.44 — a 20 percent premium to Hughes' closing share price of \$15.35.

EchoStar is also offering a \$600 million breakup fee to Hughes in the event that the deal is turned down by regulators.

The deal is expected to close in the second half of 2002, the companies said. Hughes will

control 54 percent of the stock, while EchoStar shareholders will maintain a 36 percent interest in the new company.

GM president and chief executive officer Rick Wagoner said the deal would provide "significant benefits to Hughes, EchoStar, millions of present and future DirecTV customers, and shareholders of both GM and EchoStar."

Ergen said consumers would benefit from the company's ability to increase the number of markets served with local channels via satellite and more high-definition TV offerings.

In midday trading Monday, GM Hughes shares fell 67 cents to \$14.68 on the New York Stock Exchange, where News Corp. stock was off \$1.91 at \$27.14. EchoStar shares slipped 18 cents to \$25.08 on the Nasdaq Stock Market.

Ergen will remain chairman and CEO of the new company. The board of directors will consist of nine members, five of whom would be independent directors.

Aside from DirecTV, Hughes also provides high-speed Internet service through DirecPC, and its PanAmSat unit distributes entertainment and information to cable television systems, TV broadcast affiliates, telecommunication companies and corporations.

GM had been anxious to sell off Hughes in order to focus more fully on its core automotive business.

See or
Shelby -
Please work
to disapprove
this sale. We
need more
competition
in this
industry.
Not less.
Thanks.

McLury
Mobile, Ala
01/14/02

375826
477617

Correspond

File Edit Item Actions Settings Reports Apps System Window Help

Mail Merge Calc File Query Print B2 Update Help
 New Close Save Add Contact Del. Contact Dep. Contact Keep Held Edit Merge/AB List Export Import Data Delete Row Mail Spell Check

Paul Jacka - 345692

Prefix: First: Last:

Street: Staff: Entry Date:

City:

County:

Sat:

Mailing Delivery Restricted Stack:

W	I	A	Recvd	In	Staff	Interest	Dtl	Resp	Letter	Group	#/Te Loc	Closed
			1/9/2002	EML	wrw	TELECOM.EM	Email	Quick		W020109	473328	
			4/24/2000		bsb	ELIAN	Mail	Form	TE3792	G0-33	417507	4/25/2000
			1/28/1999		cdc	IMPEACH	Mail	Form	TE3655	G9-13	379398	1/28/1999

Ready

9:36 AM

