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Congress of the United States  
House of Representatives  
Washington, DC 20515-0606

February 19, 2002

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Honorable John Ashcroft  
Attorney General  
Department of Justice  
950 Pennsylvania Avenue, N.W.  
Washington, D.C. 20530

Honorable Michael Powell  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

*CSB  
Merrill  
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0470*

Dear Attorney General Ashcroft and Chairman Powell:

As a strong advocate of free market solutions to public policy problems, I am writing to urge you to allow the proposed merger of EchoStar Communications with Hughes Electronics to proceed.

Competition drives our economy, and I feel strongly that when technology innovators attempt to compete, the government should not stand in the way. Direct broadcast satellite (DBS) services such as EchoStar's DISH Network and Hughes' DIRECTV have provided competition in the multichannel video distribution (MVPD) market since the mid-1990s with the innovation of digital television. It has been the most serious competitive threat the cable industry has ever felt. However, the rollout of digital cable, and cable's new broadband offering now directly competes with DBS's historical advantages.

Cable providers enjoy the advantage of controlling the majority of the television viewing market. In fact, 78% of American households get their pay-TV from cable systems. This market share has allowed cable prices to rise and customer service to remain unchanged. While the number of DBS customers across the country is constantly growing, the growth does not match that of the cable industry.

The proposed merger will allow the new company to be a stronger, more efficient competitor with cable in the pay-TV market, something very much in the interest of American consumers. The merger would end the duplicative use of limited spectrum, allowing more markets to be served with local channels via satellite and increased services, including high-definition television (HDTV), and interactive services.

The combined company will also be able to offer broadband services nationwide, reaching where cable and DSL services currently do not at a cost that will be competitive. This merger is part of the free market solution to closing the digital divide. There are no additional taxes, subsidies or regulations needed for the deployment of satellite broadband - only the need for the FCC and DOJ to grant this approval.

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The benefits of this merger were outlined when EchoStar Chairman and CEO Charlie Ergen testified before the House Judiciary Committee as well as the Subcommittee on Telecommunications and the Internet on December 4<sup>th</sup> of last year. During the testimony, Mr. Ergen expounded upon these benefits of the merger, explained the protections afforded rural consumers with his commitment to nationwide pricing, and pointed out how this merger will bolster competition with cable companies.

Furthering competition among all digital information providers should be a priority for our government. This merger is a pro-competition development for Americans, providing consumers with more programming, cutting-edge innovation, and universal, affordable, high-speed Internet access.

Sincerely,

A handwritten signature in black ink that reads "Tom Tancredo". The signature is written in a cursive, slightly slanted style.

Tom Tancredo  
Member of Congress