

FOR IMMEDIATE RELEASE
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NEWS MEDIA CONTACT:
Amy Blankenship: (202) 418-2500

**PRESS STATEMENT OF FCC COMMISSIONER
DEBORAH TAYLOR TATE**

Enforcement

I am pleased that before acting on this merger the Commission first finalized our enforcement proceeding against two companies that have flagrantly violated FCC rules and regulations. Any future violations should not be tolerated. Therefore equally important to the approximately \$20 million fine is the strict five-year compliance plan—almost twice the FCC’s customary compliance period -- requiring reporting every three months, hiring a compliance officer, and issuing consumer notifications regarding non-compliant radios. We will also continue to monitor and enforce the prohibition on local programming and advertising.

Consumer Benefits

Satellite radio customers will be happy to hear that they will benefit from a multi-year price cap, interoperable radios, for which the company will make specifications available immediately, a price-capped family-friendly tier, additional new tiers of lower cost channels, and a set-aside of today’s total channels for non-commercial/educational and minority voices.

HD Chip

I am a strong supporter of the development of HD radio technology. The merged entity is barred from exclusive deals which would prevent the inclusion of HD radio chips in satellite radio receivers. Given the fact that most Americans in this bleak economic downturn are concerned about making their mortgage payments and rising gas prices, I could not in good conscience support a government-mandated requirement on the backs of American consumers at this time. However, the Commission will launch an inquiry seeking comment from automobile manufacturers, electronics manufacturers, and the American public.

Protecting the Music Industry

As a champion of the music industry, in Nashville and beyond, I have received assurances from the parties that they will not game the system through new tiered offerings. In addition to the millions of dollars in royalty payments, this should be good news for artists and record labels as satellite radio subscribership and revenue grows.

(Formal statement to be released with Order.)