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FAXUPDATE

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ECHOSTAR OFFERS VIEWS ON SBCA'S FUTURE

EchoStar Communications says it is willing to support the Satellite Broadcasting and Communications Association, but it appears the company and other members of the trade group are not working off the same script. In response to a story in Wednesday's *FaxUPDATE* regarding the continuing discussions about the SBCA's future, EchoStar spokesman Steve Caulk, in a statement, said: "EchoStar supports the SBCA and wants to see it continue in its role as an important representative of our industry. During recent discussions of the SBCA's finances, EchoStar offered to increase its historical level of funding by up to 50 percent. The majority of those involved in the discussions indicated they would prefer to discontinue the SBCA's operations." As reported, the members of the SBCA's executive committee considered

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SIA, T. HOWARD SAY SBCA'S FATE NOT THEIR'S

WASHINGTON—Though they have close ties to the Satellite Broadcasting and Communications Association, the heads of the Satellite Industry Association and the T. Howard Foundation contend their groups will survive regardless of the fate of the SBCA. "We're two completely individual organizations," SIA Executive Director David Cavossa said yesterday. "The SBCA doesn't depend on us for survival and the SIA doesn't depend on them." If the SBCA board of directors votes to

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MORE DEADLINES LOOM FOR VOOM NEXT WEEK

With another deadline approaching, Cablevision founder Chuck Dolan has made little progress in lining up funding or cutting a deal with EchoStar Communications for satellite capacity for the Voom DBS service, several sources said this week. As reported, Dolan is expected to meet with Cablevision's board of directors before next Thursday's termination of the temporary agreement between Dolan and the board to keep Voom operating until March 31. Dolan met with EchoStar Chairman Charlie Ergen earlier this month, and expressed interest in buying or leasing the satellite and frequencies Cablevision agreed to sell to EchoStar on Jan. 20 for \$200 million. Little progress was made during that meeting, and there has been little contact between Dolan and Ergen in recent days. Dolan has also been trying to line up new investors in Voom, but has found little interest, several financial sources said this week. Several sources said they would not be surprised if Dolan asks the board next week for another 30 or 60-day extension, and pledge more of his own assets or Cablevision stock to fund the company—which some calculate needs around \$25 million per month to operate. Without an agreement with EchoStar, Voom would have little short-term options other than to begin migrating its 46,000 subscribers to a medium-power SES Global satellite it has a contract to use. That process, which would require installation of bigger

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a proposal last week to up the association's annual \$3 million budget by 20 to 30 percent, with EchoStar and DirecTv equally sharing responsibility for the increased funding. Caulk declined to specifically address EchoStar's position on that proposal, which, as reported, all members of the executive committee, expect EchoStar, supported. EchoStar's willingness to commit "up to 50 percent" more beyond its existing membership dues appears to represent only a fraction of what of the proposal considered last week would call for. Meanwhile, contrary to speculation on Internet web sites, the SBCA board of directors is not planning to meet April 13 to vote on the association's future. As reported, the SBCA board hopes to meet by the end of next month for that purpose, but no date has been set. The SBCA declined comment. Finally, longtime SBCA staff member Brian Lynch, one of the association's most popular faces, is leaving the group. One of the SBCA's lobbyists, Jason Scism, left to return to Capitol Hill a few weeks ago.

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adopt the executive committee's position that the SBCA be shut down without a major increase in the association's budget, the SIA could implement a plan to try to entice some of the SBCA's members to join the SIA, Cavossa said. But he declined comment on which SBCA members would be asked to join the SIA. "I'm not sure at the end of the day if it would work, but we would try," Cavossa said. Some contend it would be difficult for the SIA to incorporate the SBCA's retail members and programmer members into its structure, but other SBCA members—such as satellite radio firms—are among the more likely candidates. The DirecTv Group is already a member of the SIA, but EchoStar Communications is not. The SIA's other members include companies such as Boeing, SES Americom, Loral, PanAmSat, Hughes Network Systems, and Intelsat. The SIA, which counts three employees, is housed at the SBCA's new offices in downtown Washington. If the SBCA was shut down, the SIA would have to find a new location. Meanwhile, the T. Howard Foundation would likewise be unaffected by what happens with the SBCA, T. Howard Foundation President Curtis Symonds said yesterday. "We've never been financially tied to the SBCA," he said. "So it really doesn't affect us." Though at one time it shared offices with the SBCA, the T. Howard Foundation now uses office space in Arianespace's Washington headquarters, Symonds noted.

**SIRIUS, XM
PILE UP
NEW CAR DEALS**

Sirius Satellite Radio has reached agreements with Land Rover, Mercedes Benz, and Jaguar that will soon give buyers of cars from those companies the option of adding Sirius units. Land Rover will make Sirius units available as a factory-installed option on its 2006 model year Range Rover and Range Rover Sport models. The first of those cars will be available starting in July. Jaguar plans to start rolling cars off its line with factory-installed Sirius units in May on its X-Type, X-Type Wagon, S-Type, and XJ Sedan. Mercedes-Benz will make Sirius units a factory installed option on its M-Class sports utility vehicle, starting next month. As reported, Sirius units will also be available as factory-installed options on six other 2006 models and four 2007 models. Meanwhile, Hyundai Motor America said this week it will be the first carmaker to include XM units as standard, factory-installed equipment in all of its models. In all, Hyundai plans to produce about 500,000 cars per year with XM units, starting with the 2006 model year versions of the Sonata, Santa Fe, Elantra, and the planned replacement for its XG350 sedan. Hyundai's other models will be XM-equipped in 2007.

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satellite dishes, has not started yet. Opinion differs on whether Voom could complete that task before the EchoStar-Cablevision closes, which could be anywhere from three to six months away, and Voom loses access to the satellite and frequencies it now employs. Comments on the planned EchoStar-Cablevision transaction are due at the FCC on Monday, and many will be closely watching to see if Dolan has found an ally to file against the deal. Since he is still chairman of Cablevision, Dolan would be hard pressed to file against the agreement himself, since Cablevision was a party to the application to transfer the satellite and frequencies to EchoStar. About 30 individual Voom customers have already filed comments at the FCC in opposition to the EchoStar sale. The FCC is widely expected to approve the deal.

NEWS & NOTES: DirecTv Executive Vice President of Information Technology **Bob Pacek** is retiring from the company. Pacek joined DirecTv in 1999 from U.S. Satellite Broadcasting, when DirecTv bought that DBS service...**Humax** has started shipping an off-air digital tuner with a suggested retail price of \$229.