



**PUBLIC OPINION
STRATEGIES**

NATIONAL VOTER SURVEY - EXECUTIVE SUMMARY

Public Opinion Strategies is pleased to present the key findings from a national survey of voters. The telephone survey was conducted August 7-9, 2007, among eight hundred registered voters and has a margin of error of plus or minus 3.46% at the 95% confidence interval. All interviews were conducted via telephone by professionally trained data collectors and respondent selection was at random.

- 1. A solid majority of voters believe the new offerings will be good for consumers.** We read voters five new programming options that the merged company will be offering consumers, including two a la carte plans, and asked them whether the result of each new offering would be generally good for consumers or generally bad. In all five cases, a majority of voters expressed the sentiment that this would be good for consumers.

<i>“Please tell me if you believe that the result of this new offering will be generally good for consumers or generally bad for consumers?”</i>	Generally Good	Generally Bad	Net Good
A lower priced, a la carte option enabling consumers to choose the individual channels they want. Consumers would select 50 XM or 50 SIRIUS channels for \$6.99, a savings of 46 percent off the current rate. Customers can even add channels beyond these 50 for as little as 25 cents each, and no subscriber will pay more than today's \$12.95 subscription rate. *	77%	12%	+60 Good
A second la carte package where consumers would select 100 channels from a pool that includes the channels on one service plus popular selections from the other. This best of both package would cost \$14.99 per month, well below the cost of subscribing to both packages today. *	72%	17%	+55 Good
A fixed “best of both” package which will feature all the channels on one service plus the most popular channels on the other service at \$16.99 per month, a savings of 34 percent or nearly 9 dollars less than the cost of subscribing to both services now. Consumers would be able to receive popular programming from both services – including Oprah, Major League Baseball, and PGA Golf on XM, and Martha Stewart, NASCAR and the NFL on SIRIUS – at a much lower price than buying both services separately.	70%	18%	+52 Good
The option of choosing a package of mostly music programming or a separate package consisting of news, sports and talk programming . Each of these packages will be \$9.99 per month with at least 50 channels, a savings of 23 percent compared to today's standard subscription rate.	62%	23%	+39 Good
A choice of "family-friendly" packages that block adult-themed programming and gives subscribers a credit off their monthly bill for blocking such content. One package would be \$11.95 per month, compared to the standard \$12.95 offer today. The other family-friendly package would include channels on one service plus popular selections from the other for \$14.99, something that would require two subscriptions today and would cost \$25.90.	56%	29%	+27 Good

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** The two a la carte options had this introductory language: “These next two new a la carte offerings will be available on newly equipped radios that will be priced the same as current radios.”*

- # Current satellite radio subscribers are among the fervent supporters of the new offerings, especially the a la carte packages. Fully 93% of satellite subscribers believe the \$6.99 a la carte package will be good for consumers and 85% say the same for the \$14.99 a la carte offering.
- # There is not a single demographic group that believed any of these package offerings would be an overall bad deal for consumers. Whether young or old, white, Hispanic or African American, lower income or higher income, rural or non-rural residents, men or women, voters of all walks of life said the new plans would be a good result for consumers.
- # This is one of the few topics where Republicans and Democrats are of like mind. This national survey finds broad bipartisan agreement that each of these five new packages will generally be good for consumers.

<i>Percent who say it is “generally good for consumers”</i>	<i>Among Republican Voters</i>	<i>Among Democratic Voters</i>
A lower priced, a la carte option (select 50 XM or 50 SIRIUS channels for \$6.99; ability to add stations for \$0.25 each) *	82%	75%
A second la carte package (select 100 channels, would cost \$14.99 per month) *	77%	71%
A fixed “best of both” package (at \$16.99 per month, able to receive popular programming from both services)	78%	67%
A package of mostly music programming or a separate package consisting of news, sports and talk programming (\$9.99 per month with at least 50 channels)	65%	59%
A choice of "family-friendly" packages (one will be \$11.95 per month, the other for \$14.99)	59%	53%

** The two a la carte options had this introductory language: “These next two new a la carte offerings will be available on newly equipped radios that will be priced the same as current radios.”*

2. ***By nearly a 30-point margin, voters agree that these new plans – offering more programming choices and lower prices – demonstrate why this merger is good for consumer and in the public interest.*** Overall, 57% of American voters agree with the following view (28% disagree):

Sirius and XM Radio have promised that the merger will produce substantial savings that will enable the new company to offer more programming choices and lower prices. They say that no subscriber will pay more after the merger for a service similar to what they enjoy today, and that no radio will be made obsolete by the merger. They say these plans demonstrate why this merger is good for consumers and in the public interest.

Here again, solid majorities of Republicans (65% agree) and Democrats (54% agree) agree with the premise that this merger is good for consumers and the public at-large.

These numbers are even more impressive when you consider that recent public opinion studies have shown the American public to be skeptical about the impact mergers will have on consumers and the country, as a whole. For example, having heard this information about the merger, compare the strong support we received in this survey for the Sirius-XM merger (57% agreeing that it will be good for consumers and in the public interest) with that of another highly publicized merger of media companies, America Online and Time Warner:

“I have a few questions about the recent merger between AOL (America Online) – this country's largest Internet provider – and the media company Time Warner. In general, do you think this merger will be a good thing or a bad thing for... the country as a whole, or won't make much difference either way?”

25% Good
25% Bad
33% No difference
17% Don't know

“In general, do you think this merger will be a good thing or a bad thing for... people like you, or won't make much difference either way?”

18% Good
19% Bad
52% No difference
11% Don't know

Survey by Newsweek. Conducted by Princeton Survey Research Associates, January 13-January 14, 2000 and based on telephone interviews with a national adult sample of 754.

3. ***Additionally, nearly six out of ten voters agree that AM and FM radio stations are opposing the merger because the combined satellite company will be a stronger competitor to traditional radio.*** Overall, 58% of American voters agree with the following view (31% disagree):

The trade association representing the traditional AM and FM radio stations is strongly opposing the Sirius and XM merger. Do you AGREE or DISAGREE with the view that AM and FM radio stations are opposing the merger because a combined satellite company will be a stronger competitor to traditional radio by offering consumers more choices of music, talk, entertainment and sports programming, and lower prices?

- # Interestingly, Americans who voted for Democratic candidates for Congress in 2006 (61% agree) and those who supported Republicans (59% agree) share very similar views on this issue.
- # Even those voters who say they listen to mostly AM and FM radio stations for their audio entertainment agree that traditional radio is worried of facing a stronger competitor (57% agree).

4. ***Finally, this survey also found that competition for the ears of the listening public is already quite fierce.*** While certainly dominated by traditional AM and FM radio stations (70% of all voters say they listen to those stations), the usage of television (30%), compact discs (15%), iPod and other MP3 players (10%), satellite radio (10%), and Internet radio (8%) show an already fragmented marketplace where consumers rely on many platforms for their audio entertainment.

“And, when you listen to music, news, talk, sports or other audio entertainment, it is mostly on...”
(Percentages add up to more than 100% because respondents were allowed up give multiple answers)

