

**STATEMENT OF
COMMISSIONER MICHAEL J. COPPS,
CONCURRING**

Re: *Annual Report and Analysis of Competitive Market Conditions with Respect to Domestic and International Satellite Communications Services*, IB Docket No. 06-67, First Report

When Congress amended the Communications Satellite Act to require this Report, the central assessment that Congress asked the Commission to provide is “an analysis of whether there is effective competition in the market for domestic and international satellite services.” This inaugural Report does not provide, to my mind, that kind of analysis, so I will therefore respectfully concur.

As an initial matter, the Report does not provide a fully useful definition of “effective competition.” As with other Congressionally-mandated competition reports in other areas under the Commission’s jurisdiction, lack of a well-articulated “effective competition” standard inhibits development of an analytically solid foundation for Commission or Congressional action. The Report also suffers from insufficient data. In many of the markets examined, we lack the requisite data to determine specific market shares. In terms of an examination of satellite-based multichannel video programming distributors and mobile satellite services, we simply punt those analyses to other Commission reports.

We need to strengthen and improve our data and analysis before next year’s Report. I hope we will undertake more proactive and comprehensive information gathering efforts in order to obtain independent, verified data. Unfortunately, our task will not be any easier next year. In fact, our second annual Report will have to take into account, at a minimum, the significant mergers between Intelsat and PanAmSat and SES and New Skies – neither of which is reflected in the current analysis.

In terms of international competition, while the Report recognizes and defers to the role and work of the U.S. Trade Representative, I believe we could have presented a more robust analysis of international services that would be more in keeping with what I believe the statute envisions.

So I am hopeful we will build upon the work that went into this initial Report, and I look forward to working with my colleagues and the Bureau to make sure the charge is clear and all necessary resources are made available for such an effort. In the meantime, I hope my concurrence will signal the importance I attach to this.