Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554



In the matter of	FCCNA
SATELLITE CD RADIO, INC.)) File Nos. 49/50-DSS-P/LA-90;) 58/59-DSS-Amend-90;
Application for Digital Audio Radio Service Satellite System) 44/45-DSS-Amend-92)

To: The Commission

DEC 1 9 1994

REPLY TO SUPPLEMENTAL COMMENTS OF SATELLITE CD RADIO, INC. Folicy Branch

The Recording Industry Association of America ("RIAA"), a trade association representing record companies who create, manufacture and distribute over 90% of all sound recordings sold in the United States, hereby responds to a "Motion for Acceptance of Supplemental Comments" and "Supplemental Comments" filed by Satellite CD Radio, Inc. in the above captioned proceeding.

The RIAA renews our opposition to both the application of Satellite CD Radio, Inc. and the Commission's proposal to allocate spectrum to this service unless and until the Commission conditions its approval by requiring applicants' to secure license agreements from the copyright owners of sound recordings transmitted by this service. RIAA continues to maintain that, as a condition to the allocation of spectrum, or the grant of the application of Satellite CD Radio, Inc. or any other application

See Comments of the Recording Industry Association of America, In the Matter of Satellite CD Radio, Inc. Application for Digital Audio Radio Service Satellite System, filed November 13, 1992.

for this service, Commission rules should require applicants for this service to secure licenses from the copyright owners of the sound recordings which applicants have stated they wish to transmit. As with its "syndicated program exclusivity rules"², the Commission may properly consider and establish rules protecting copyright owners from the unauthorized exploitation of their intellectual property by transmitters.

Satellite CD Radio, Inc. through this untimely maneuver wishes to circumvent the Commission's studied rulemaking procedure. Contrary to Satellite CD Radio, Inc., acceptance of its motion and supplemental comments will, among others parties, "prejudice" the owners of sound recordings who will be left with the unrenumerated digital transmission of their property.

For the foregoing reasons RIAA urges the Commission to reject both the "Motion for Acceptance of Supplemental Comments" and "Supplemental Comments" of Satellite CD Radio, Inc., and postpone the allocation of spectrum for this service, unless applicants receive licenses from the copyright owners of sound recordings whose works they intend to transmit.

² Former 47 C.F.R. Sections 76.151 through 76.155 (1972).

Respectfully submitted,

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December 13, 1994

Certificate Of Service

I hereby certify that on this 13th day of December, 1994, copies of the foregoing Reply to Supplemental Comments of Satellite CD Radio, Inc. were served by hand delivery*, or first class mail, postage prepaid, to the parties on the attached service list.

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