



Request for Proposal  
for  
Satellite Radio Programming Services  
Pursuant to  
FCC Qualified Entity Set-Aside

**Issued January 15, 2015**

- Deadline to Respond -  
March 2, 2015, 5:00 p.m. Eastern Time

## I. INTRODUCTION

Sirius XM Radio Inc. (“Sirius XM,” “we,” or “us”) invites interested and qualified parties (the “Proposer” or “you”) to participate in this Request for Proposal (“RFP”) process for providing satellite radio programming that we will carry on satellite radio channels pursuant to the Qualified Entity set-aside required by the Federal Communications Commission (“FCC”).

### Company Background

Sirius XM is America’s satellite radio company. We deliver over 130 channels of audio entertainment, including commercial-free music, premier sports, news, talk, entertainment, traffic and weather, to more than 27 million customers.

Sirius XM has content relationships with an array of personalities and artists, including Jimmy Buffett, Joel Osteen, Jamie Foxx, the Grateful Dead, Willie Nelson and Bruce Springsteen. Sirius XM Radio is the leader in sports programming as the Official Satellite Radio Partner of the NFL, Major League Baseball®, NASCAR®, NBA, NHL®, and the PGA TOUR®, and a broadcaster of major college sports.

Sirius XM has arrangements with every major automaker for new vehicles to be sold with manufacturer-installed satellite radios. Sirius XM Radio products are available at [shop.siriusxm.com](http://shop.siriusxm.com) and at retail locations nationwide.

Please refer to Sirius XM’s public web site [www.siriusxm.com](http://www.siriusxm.com) for further details about us.

### Set-Aside Background

The following decisions (the “FCC Orders”) are essential to understanding the background, purpose and conditions of the Qualified Entity set-aside and this RFP. BEFORE YOU SUBMIT A PROPOSAL, PLEASE REVIEW THESE DECISIONS CAREFULLY.

- *Applications for Consent to the Transfer of Control of Licenses, XM Satellite Radio Holdings Inc., Transferor to Sirius Satellite Radio Inc., Transferee, Memorandum Opinion and Order and Report and Order, 23 FCC Rcd. 12348 (2008).*
- *Applications for Consent to the Transfer of Control of Licenses, XM Satellite Radio Holdings Inc., Transferor to Sirius Satellite Radio Inc., Transferee, Memorandum Opinion and Order, 25 FCC Rcd 14479 (2010).*

Pursuant to these decisions, in 2011, Sirius XM selected five Qualified Entities to program its initial complement of Qualified Entity set-aside channels. This RFP is designed to assist us in selecting a single Qualified Entity to program one additional set-aside channel for carriage on satellite radios that receive the Sirius satellite network, online at [SiriusXM.com](http://SiriusXM.com) and via the SiriusXM Internet Radio App for smartphones and other connected devices.

ONLY CERTAIN SATELLITE RADIOS WILL BE ABLE TO RECEIVE THE PROGRAMMING TO BE SELECTED UNDER THIS SET-ASIDE. SPECIFICALLY, THIS PROGRAMMING WILL BE RECEIVABLE ONLY ONLINE AND ON RADIOS THAT RECEIVE TRANSMISSIONS FROM SIRIUS SATELLITES. THIS CHANNEL WILL NOT BE TRANSMITTED ON THE XM SATELLITE RADIO PLATFORM.

The successful Proposer will also be required to enter into a Channel Lease Agreement with Sirius XM. The agreement will be in a format and contain the terms and conditions similar to those contained in the sample agreement found [here](#). Final terms may be negotiated between you and Sirius XM. The Channel Lease Agreement is an essential part of any proposal. Your proposal must identify any terms of the sample agreement that you wish to negotiate and include a detailed mark up of the Channel Lease Agreement or contain a statement that you are prepared to execute the Channel Lease Agreement in the form proposed by Sirius XM. Our evaluation of the Channel Lease Agreement and our assessment regarding your ability to comply with the terms and conditions of the Channel Lease Agreement, including the music reporting obligations, are an essential part of the RFP.

#### Qualified Entity Definition

This set aside is limited to Qualified Entities, which the FCC defines as an entity that: (1) is not directly or indirectly owned, in whole or in part, by Sirius XM or any affiliate of Sirius XM; (2) does not share any common officers, directors, or employees with Sirius XM or any affiliate of Sirius XM; and (3) did not have any existing relationships with Sirius XM for the supply of programming during the two years prior to October 19, 2010. The FCC also expects that a Qualified Entity's officers or directors have not had any personal or family relationships with Sirius XM or Sirius XM's officers or directors since October 19, 2008.

#### Proposal Evaluation Criteria

A Proposer must present a detailed programming plan for one full-time audio channel, to broadcast original programming 24-hours a day, seven days a week. Existing Qualified Entity programmers who program only one channel on the Sirius or XM networks are eligible to apply. THE FCC ORDERS CONTAIN OTHER RESTRICTIONS ON WHO MAY APPLY, THE NUMBER OF CHANNELS AVAILABLE FOR THE SET-ASIDE, THE NUMBER OF CHANNELS ANY ONE ENTITY MAY PROGRAM, AND RELATED REQUIREMENTS AND RESTRICTIONS. BEFORE SUBMITTING A PROPOSAL, PLEASE FAMILIARIZE YOURSELF WITH THOSE DECISIONS.

Sirius XM will balance various considerations in choosing among the proposals. Sirius XM will determine, among other things, whether Proposers will:

- provide a new source of programming;
- be a new entrant in the mass media industry;
- offer a diverse viewpoint or diverse entertainment content;
- provide original content or programming of a type not otherwise available to Sirius XM subscribers;
- improve service to historically underserved audiences; and

- in Sirius XM's reasonable judgment, be able to meet their obligations and be able to deliver their proposed mix or type of programming for the duration of the lease term.

### Process and Timing

Each Proposer must perform its own evaluation of all information and data provided by Sirius XM. Sirius XM makes no representation or warranty regarding any information or data provided by it.

Sirius XM will conduct an initial review of the proposals it receives responding to this solicitation. Sirius XM will contact all entities after this initial review to inform them whether their proposal remains under consideration. Applicants whose proposals remain under consideration after the initial review may be asked to submit additional information as well as attend in-person interviews before Sirius XM informs Proposers of its final selection.

Sirius XM welcomes your interest in working with us, and we will be pleased to answer questions you may have in forming your response. Inquiries should be made via e-mail and should make specific reference to the section and page numbers from this RFP, where applicable. Any questions should be communicated by 5:00 p.m., Eastern Time, on February 16, 2015. We will make every effort to answer your questions within 2-3 business days. Please direct your inquiries to Jennifer Kunkle at [jennifer.kunkle@siriusxm.com](mailto:jennifer.kunkle@siriusxm.com). Please do not contact any other Sirius XM employees to discuss this RFP. Sirius XM reserves the right to share any questions posed by any Proposer and their corresponding responses with any other Proposer.

## **II. INSTRUCTIONS FOR MATERIALS TO BE SUBMITTED**

### General Instructions

Proposers should completely answer all parts of the RFP. Sirius XM encourages creative and alternative approaches to the response requested in this RFP, but only in addition to the requested materials and approaches.

Responses to individual questions should be brief. Referencing and including attachments is acceptable. If your proposal totals over 25 pages, please provide an Executive Summary as well.

### Response Format and Deadline

In order for your proposal to be considered, you are required to submit your response to the questions in this RFP. Answers should be concise and direct. Standard marketing materials should not be provided as part of a proposal.

Please provide six (6) hard copies of your proposal to Jennifer Kunkle at the address shown below by no later than 5:00 p.m., Eastern Time, on March 2, 2015. Submissions after this deadline will not be accepted. By the same deadline, please send a copy of all materials that are part of your proposal by e-mail to [jennifer.kunkle@siriusxm.com](mailto:jennifer.kunkle@siriusxm.com).

Jennifer Kunkle  
Sirius XM Radio Inc.  
1500 Eckington Place, NE  
Washington, D.C. 20002

Along with your proposal, you must also submit a signed and dated copy of the Agreement that is provided as the last page of this Request for Proposal.

### Proposal Preparation and Submission

Provide specific information about your firm and your ability and plans to satisfy the terms of this RFP, the FCC Orders, and the Channel Lease Agreement.

Sirius XM requests that Proposers submit a complete plan to provide full-time audio programming for one channel on the XM Radio satellite platform and online. The specific information to be provided should, at a minimum, include the elements identified below.

1. Describe your programming plan for the channel you propose to program, including:
  - a. An explanation of the nature of the programming you will provide.
  - b. Will this content be exclusive to this channel or do you plan to air it in other media as well?
  - c. If available, provide names and biographies of personalities, demo tapes, and audio samples of your programs.
  - d. For the channel you propose to program, how much content will be fresh each week? How much content will be repeated each week?
  - e. Is the programming already in production?
  - f. While it is not required for consideration, you may also wish to provide examples of illustrative programming that will be carried on the channel you seek to program, such as a schedule of the channel's programming for a typical week.
2. State how much advertising, if any, the programming will include per average hour.
  - a. If the quantity of advertising will differ based on daypart, provide projections for how much advertising will be included in each daypart.
  - b. Provide your standards and policies for accepting advertising.
  - c. Provide examples of potential advertisers.
3. Explain who owns and manages the proposing entity.
  - a. Provide biographical information for all shareholders owning 5% or more of the outstanding voting stock, and all general partners, officers, directors and employees.
  - b. Explain what experience the company, its owners, officers, and key employees have in producing and providing audio programming.
  - c. Is the proposing entity an FCC license holder of one or more full-power broadcast stations? If so, please provide each station's call sign, radio service, and location.

- d. Does the proposing entity have an attributable interest in the licensee of a full-power broadcast station? If so, please describe the nature of the interest and provide the station's call sign, service, and location.
  - e. Does the proposing entity have an attributable interest in any other entity that has applied or intends to apply to program channels under this RFP?
4. Explain how (answer each question that applies):
    - a. The proposed programming will provide a new source of programming in the mass media industry.
    - b. The proposing entity is a new entrant in the mass media industry.
    - c. The proposed programming offers a diverse viewpoint or diverse entertainment content.
    - d. The proposed programming will provide original content. If the content currently exists in other media, where does it exist?
    - e. The proposed programming is of a type not otherwise available to Sirius XM subscribers. If the programming will be directed to an audience not currently served by Sirius XM, please describe your plan to market to that audience to generate listenership.
    - e. The proposed programming will complement and augment existing programming available on Sirius XM.
    - f. The proposed programming will improve service to historically underserved audiences. How have you determined that this market is underserved? What other audio services are targeted to the market?
    - g. The proposing entity will be able to meet its obligations under the Channel Lease Agreement and be able to deliver the proposed mix or type of programming for the duration of the lease term.
  5. Provide a detailed financial plan for how you intend to provide the proposed programming over the term of the Channel Lease Agreement. As part of this response, include detailed projected financial statements showing your assumptions supporting projected revenue, expenses, cash flow and balance sheet items over the term of the Channel Lease Agreement (in Excel format.)
  6. If you will be relying on outside financing in connection with your proposal, please provide firm commitment letters from your lenders or investors. Sirius XM will not provide funding for applications under this set-aside.
  7. Provide a timeline showing when you will be prepared to provide programming. The timeline should include interim dates for key milestones in the production process as well as the final date on which you will begin providing programming to Sirius XM.
  8. Provide evidence that you have obtained all required corporate or committee approvals, including, if applicable, authorization of your Board of Directors relating to your proposal.

9. Identify any conditions or contingencies, financial or otherwise, that must be resolved in order to provide the programming and satisfy requirements of the RFP, the FCC Orders, and the Channel Lease Agreement.
10. Provide the name, telephone number and email address of a contact person who will be available to answer questions regarding your proposal, as well as the names and telephone numbers of your financial and legal advisors and external financing sources, as applicable.
11. Submit any comments to the Channel Lease Agreement or a statement that you are prepared to execute the Channel Lease Agreement in the form proposed by Sirius XM. Our evaluation of the Channel Lease Agreement and our assessment regarding your ability to comply with the terms and conditions of the Channel Lease Agreement, including the music reporting obligations, are an essential part of the RFP.
12. Identify any other matters you deem important to provide a complete understanding of your proposal and/or certainty of your ability to perform as required under the RFP, the FCC Orders, and the Channel Lease Agreement.

### **III. TERMS AND CONDITIONS RELATING TO PROPOSAL**

By submitting a proposal, you understand and agree with the following:

This RFP does not commit Sirius XM to a contract with any party; nor is it to be construed as a contract. This is only a request to obtain information from suppliers interested in providing the services called for by the RFP.

The Proposer shall bear all of its own expenses associated with the development and submission of its proposal. These expenses are the sole responsibility of the Proposers and are not chargeable, in any manner, to Sirius XM.

Sirius XM will not provide you with assistance in interpreting the FCC Orders or related FCC Rules or polices.

This programming will be receivable only online and on radios that receive the Sirius satellite network.

All responses to this RFP will become the property of Sirius XM. Sirius XM reserves the right to disclose information in any proposal at any time.

Proposer acknowledges that Sirius XM may be developing one or more channels that are similar to the channel you propose and that other Proposers may also be developing similar channels. By submitting a proposal, Proposer irrevocably waives any and all federal, state and common law claims and causes of action that Proposer may have against Sirius XM, its officers, directors, and employees, and agents, based on the format, content and selection of channels for this set-aside.

Sirius XM reserves the exclusive right to accept or reject any proposal, in whole or in part, if it deems it to be in the best interest of Sirius XM to do so and to waive any informality, irregularities, or technicalities in any proposal received.

Sirius XM does not represent to any Proposer that it intends to accept its proposal. The Proposer acknowledges that it has no right of action against Sirius XM if its proposal is not accepted.

Failure to supply all of the information requested in this RFP may result in disqualification. Sirius XM reserves the right to request additional information if clarification is needed.

The proposal must be fully responsive to this RFP. If the Proposer is unable to respond to any portion of this RFP by the requested submission date, the Proposer should identify this fact in its response and advise the date that the information will be provided to Sirius XM. Sirius XM may, at its option, request a presentation from the Proposer.

By submission of a responsive proposal, the Proposer certifies that:

- The proposal is genuine and is not made in the interest of, or on behalf of, any undisclosed person, firm, or corporation.
- The proposal is not directly or indirectly induced or solicited by any other Proposer to enter a false proposal.
- The Proposer is not barred by law, including the requirements of the FCC Orders, from performing under the Channel Lease Agreement.

Proposers selected must adhere to all requirements established in the FCC Orders, this RFP, and the Channel Lease Agreement executed between the Proposer and Sirius XM.

#### Quality Requirements

Sirius XM expects the selected supplier to provide programming comparable in audio and content quality to other program services carried on Sirius XM.

**AGREEMENT**

By submitting a proposal to Sirius XM to program audio channels on Sirius XM’s Qualified Entity Set-Aside, I understand and agree with the terms and conditions in the “Request for Proposal for Satellite Radio Programming Services Pursuant to FCC Qualified Entity Set Aside,” at <http://www.siriusxm.com/pdf/rfp-satellite-radio-svcs.pdf> (the “Set-Aside RFP”).

The information contained in my proposal, including all exhibits, attachments, amendments, and other oral or written statements I have made or will make to Sirius XM or its agents concerning the proposal, is true and correct.

I acknowledge that Sirius XM may be developing one or more channels that are similar to the channels I propose and that other parties submitting proposals under the Set-Aside RF may also be developing similar channels. By submitting a proposal, I irrevocably waive any and all federal, state and common law claims and causes of action that I may have against Sirius XM, its officers, directors, and employees, and agents, based on the format, content and selection of channels for this set-aside.

By: \_\_\_\_\_  
Name of person or entity submitting proposal

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print name of person signing

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date