

Network added the other two major local channels, KOAA-NBC and KKTV-CBS on February 19, 2003.¹⁸⁸ During the three months when only two of the four were offered, DISH Network sold the local-channel package for only \$4.99, and the price rose to \$5.99 once KOAA and KKTV were added.¹⁸⁹

147. Because we do not have additional details on the six “unconfirmed events,” here we simply note which control DMA we selected based on our rules for selecting controls groups, described above, as well as alternative controls groups we examined to ensure that our results were robust. For Fresno, we used Sacramento as a control and also examined San Francisco. For Ft. Myers, we used Tampa/St. Petersburg as a control.¹⁹⁰ For El Paso, we used Tucson as a control group and also considered Denver. For Harrisburg, we used Philadelphia as a control and also considered New York. For Meridian, we used Jackson as a control and also considered Birmingham. Finally, for Charlottesville, we used Richmond as a control and also considered Washington, DC. In no case did use of the alternative control group change our substantive results.

¹⁸⁸ DISH Network, Press Release, “DISH Network Satellite Television Adds NBC for Tucson Customers, Now Broadcasts All Four Major Local TV Channels,” February 19, 2003, *available at* <http://dish.client.shareholder.com/releasedetail.cfm?ReleaseID=243667>, *site visited* February 22, 2010.

¹⁸⁹ Warren Epstein, “Dish Network will serve up long-awaited local stations,” *The Gazette* (Colorado Springs), November 19, 2002.

¹⁹⁰ There are no appropriate alternative control groups for Ft. Myers.

APPENDIX II: QUALIFICATIONS OF MARK ISRAEL

148. Dr. Israel is a Senior Vice President at Compass Lexecon, where he has worked since 2005. From 2000-2005, he served as an Assistant Professor of Management and Strategy at the Kellogg School of Management at Northwestern University, where he also served as a Visiting Associate Professor of Management and Strategy from 2007-2009. He received his Ph.D. in economics from Stanford University in 2001.

149.. At Kellogg and Stanford, Dr. Israel taught graduate-level courses in business strategy and economics. In his academic research, he has specialized in the economics of industrial organization, which is the study of individual markets and includes the study of antitrust and regulatory issues, as well as the economics of information and insurance markets. His research has been published in leading economics journals including the *American Economic Review* and the *Rand Journal of Economics*.

150. At Compass Lexecon, Dr. Israel has applied theoretical and empirical methods to the analysis of mergers and related antitrust issues, intellectual property, class certification, and damages calculations, in a range of industries including airlines, consumer products, financial markets, mining, payment cards, pharmaceuticals, publishing, and various high technology industries. He has submitted expert reports and testimony in matters regarding consumer packaged goods, credit cards, airlines, and ocean shipping.

APPENDIX III: QUALIFICATIONS OF MICHAEL L. KATZ

151. Dr. Katz holds the Sarin Chair in Strategy and Leadership at the University of California, Berkeley, where he serves as Director of the Institute for Business Innovation and has a joint appointment in the Haas School of Business Administration and the Department of Economics. He has also served as the Harvey Golub Professor of Business Leadership at New York University's Stern School of Business and on the faculty of the Department of Economics at Princeton University. He received his A.B. from Harvard University *summa cum laude* and his doctorate from Oxford University. Both degrees are in Economics.

152. He specializes in the economics of industrial organization, which includes the study of antitrust and regulatory policies. He regularly teaches courses on microeconomics and business strategy. He is the co-author of a microeconomics textbook, and he has published numerous articles in academic journals and books. He has written academic articles on issues regarding the economics of network industries, systems markets, antitrust enforcement, and telecommunications policy. He is recognized as one of the pioneers in extending the theory of network effects to competitive settings. He is a co-editor of the *Journal of Economics & Management Strategy* and serves on the editorial boards of *Information Economics and Policy* and the *Journal of Industrial Economics*.

153. In addition to his academic experience, Professor Katz has consulted on the application of economic analysis to issues of antitrust and regulatory policy. He has served as a consultant to both the U.S. Department of Justice and the Federal Communications Commission on issues of antitrust and regulatory policy. He has served as an expert witness before state and federal courts. He has also provided testimony before state regulatory commissions and the U.S.

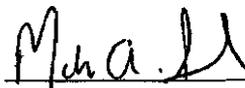
Congress.

154. From January 1994 through January 1996, he served as the Chief Economist of the Federal Communications Commission under the Clinton Administration. He participated in the formulation and analysis of policies toward all industries under Commission jurisdiction. As Chief Economist, he oversaw both qualitative and quantitative policy analyses.

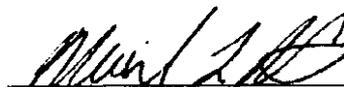
155. From September 2001 through January 2003, Professor Katz served as the Deputy Assistant Attorney General for Economic Analysis at the U.S. Department of Justice under the Bush Administration. He directed a staff of approximately fifty economists conducting analyses of economic issues arising in both merger and non-merger enforcement. Their principal professional focus was on understanding and projecting the impacts of various business practices and public policy decisions on consumers' economic welfare. His title as Deputy Assistant Attorney General notwithstanding, he is not an attorney.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed on this 26th day of February, 2010.



Mark Israel



Michael L. Katz