

United States District Court

SOUTHERN

DISTRICT OF

NEW YORK

WORLD RELIGIOUS RELIEF, INC., D/B/A THE
WORD NETWORK

SUMMONS IN A CIVIL CASE

V.

CASE NUMBER:

SIRIUS SATELLITE RADIO, INC.

05 CV 8257

JUDGE JONES

TO: (Name and address of defendant)

SIRIUS SATELLITE RADIO, INC.
1221 Avenue of the Americas
36th Floor
New York, New York 10020

YOU ARE HEREBY SUMMONED and required to serve upon PLAINTIFF'S ATTORNEY (name and address)

Asuncion Hostin
DICKSTEIN SHAPIRO MORIN & OSHINSKY LLP
1177 Avenue of the Americas
New York, New York 10036
(212) 835-1400

an answer to the complaint which is herewith served upon you, within 20 days after service of this summons upon you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint. You must also file your answer with the Clerk of this Court within a reasonable period of time after service.

J. MICHAEL McMAHON

CLERK

Marcos Quintero

(BY) DEPUTY CLERK

SEP 26 2005

DATE

JUDGE JONES

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

WORLD RELIGIOUS RELIEF, INC., D/B/A THE WORD NETWORK,

Plaintiff

-v-

SIRIUS SATELLITE RADIO, INC.,

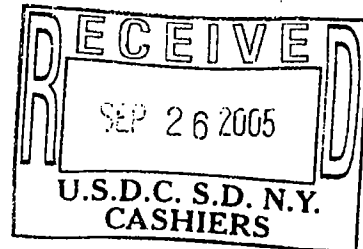
Defendant

05 CV 8257
Case No. 05 CV

Rule 7.1 Statement

Pursuant to Federal Rule of Civil Procedure 7.1 [formerly Local General Rule 1.9] and to enable District Judges and Magistrate Judges of the Court to evaluate possible disqualification or recusal, the undersigned counsel for WORLD RELIGIOUS RELIEF, INC., D/B/A THE WORD NETWORK, (a private non-governmental party) certifies that the following are corporate parents, affiliates and/or subsidiaries of said party, which are publicly held.

None.



Date: September 26, 2005


Signature of Attorney

Attorney Bar Code: (AH-1850)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

WORLD RELIGIOUS RELIEF, INC., D/B/A THE)
WORD NETWORK,)

Plaintiff,)

- against -)

SIRIUS SATELLITE RADIO, INC.,)

Defendant.)

Case No. 05 CV

COMPLAINT

Plaintiff, World Religious Relief, Inc., d/b/a The Word Network ("TWN")

by and through its attorneys, Dickstein Shapiro Morin & Oshinsky LLP, alleges as its
complaint the following:

THE PARTIES

1. TWN is a non-profit corporation duly organized under the laws of the state of Michigan. Its principal place of business is located at W. Ten Mile Southfield, MI 48075. From 2002 until it was unlawfully banished from the radio in September 2005, TWN provided radio programming that was sensitive to, and touched the fabric of, the African American community throughout the country.

2. Sirius Satellite Radio, Inc. ("Sirius") is a Delaware corporation duly organized under the laws of that state. Its principal place of business is located at 1221

Avenue of the Americas, 36th Floor, New York, NY 10020. Sirius is one of only two satellite radio providers doing business in the United States.

THE NATURE OF THE ACTION

3. This is a civil action for damages and remedies brought under the Civil Rights Act of 1866, 42 U.S.C. § 1981 et seq. (“Section 1981”), the New York State Human Rights Law § 296(13), and the common law. TWN seeks redress for race and religious discrimination in connection with Sirius’s unlawful failure and refusal to renew the parties’ broadcasting agreement; breach of contract; and breach of the implied covenant of good faith and fair dealing.

JURISDICTION AND VENUE

4. The Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1332, and 1367.

5. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b) and (c) because Sirius maintains its principal place of business within the Southern District of New York, is subject to the jurisdiction of this Court, and a substantial part of the events giving rise to TWN’s claims against Sirius occurred within the Southern District of New York.

THE FACTS

6. TWN is a non-profit corporation that provides religious television programming specifically targeted to the African American community in the United

States and around the world; TWN provided such programming over the radio until September 2005.

7. The vast majority of TWN's management and employees are African American.

8. TWN strives to meet the needs and improve the quality of life of the African American community by providing religious-based programming that is directly tailored to African Americans. TWN's programming features urban ministries, gospel music, live church conventions, and other informational programming that is designed to appeal to a broad range of African Americans, from teens and young adults to older generations and families seeking values consistently presented in a positive way.

9. In all of TWN's programming, the emphasis is on social issues and family values that strike at the core of racial, religious, and political freedoms. For example, TWN sponsors a program, "Rainbow Push with Jesse Jackson," in which the Reverend Jackson discusses issues related to social, racial, and economic justice.

10. TWN provided the only programming on Sirius that combined religious programming and ministry to an African American audience, and, upon information and belief, Sirius presently does not carry, and has no plans to carry, programming similar to TWN's on its satellite.

11. TWN has entered into contracts with various ministers to carry their programs on TWN in exchange for fees and other valuable consideration. Over

90% of the individuals with whom TWN has entered into such contracts are African American.

12. On September 4, 2002, TWN and Sirius entered into a written radio licensing agreement (the "Agreement") to enable TWN to be carried on Sirius's satellite.

13. The Agreement provided for an initial term of one year, which would renew automatically thereafter unless either party notified the other in writing of its intention not to renew the Agreement at least ninety (90) days before the initial term or any renewal term expired.

14. Under the terms of the Agreement, TWN paid Sirius a one-time equipment fee of \$25,000 and an annual marketing fee of \$40,000.

15. In exchange for the marketing fee, Sirius agreed to (a) provide TWN with promotional materials that Sirius provided to other programming providers; and (b) promote TWN on other channels on Sirius.

16. The parties renewed the Agreement in 2003 and again in 2004. TWN paid Sirius the \$40,000 marketing fee for the years ending September 3, 2004, and September 3, 2005.

17. Based on the parties' course of dealings from September 2002 through June 2005, TWN believed that Sirius would renew the Agreement again for the upcoming year, as it had done as a matter of course in years past.

18. Despite the fact that Sirius never indicated, or even intimated, that it intended to terminate the Agreement, in a letter dated June 6, 2005 (the very last day

the parties could provide such notice under the Agreement) (“Termination Letter”), Sirius provided written notice of its intent not to renew the Agreement. No explanation was provided in the Termination Letter.

19. The circumstances surrounding the termination of TWN’s Agreement with Sirius are suspect. In a telephone call to Sirius as to why it was being terminated, Sirius informed TWN that it was being dropped from the Sirius satellite because of “poor ratings.” When repeatedly asked to provide specifics of TWN’s allegedly “poor ratings,” Sirius refused to provide any such information.

20. Although Sirius was contractually obligated under the Agreement to provide adequate marketing services to TWN, Sirius acknowledged that it had failed to do so.

21. In subsequent conversations between Sirius and TWN personnel, TWN was told that it would take many “millions” of dollars to stay on the air.

22. Upon information and belief, no other non-African American, non-religious programming providers carried by Sirius received similarly inadequate marketing services from Sirius as TWN.

23. Upon information and belief, no non-African American, non-religious programmers with ratings similar to TWN’s have had their Agreements terminated by Sirius.

24. Upon information and belief, Sirius’s allegation of “poor ratings” is merely a pretext for racial and religious discrimination.

25. Upon information and belief, Sirius has not required any non-African American, non-religious programming provider to catapult its required payments to Sirius from \$40,000 to multi-millions of dollars in order to be carried on Sirius's satellite.

26. Upon information and belief, Sirius was motivated by racial and religious discrimination when it refused to renew the Agreement unless TWN provided many millions of dollars to Sirius.

27. Upon information and belief, Sirius's refusal to renew the Agreement, failure to support TWN, and demand of millions of dollars in payment is part of Sirius's concerted effort to remove African American and religious programming providers from its satellite network.

28. Upon information and belief, TWN is precluded from being carried on the only other satellite radio network doing business in the United States (XM Radio), because of that network's exclusive relationship with another religious broadcaster. Therefore, the effect of Sirius's unlawful refusal to renew the agreement, and of its other unlawful behavior described above, has been to exile TWN from the radio.

FIRST CLAIM FOR RELIEF

(Discrimination Under Section 1981)

29. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 28 above as though fully set forth herein.

30. By its actions detailed above, Sirius has purposefully, unlawfully, and intentionally engaged in racial discrimination against TWN, the individuals who broadcast on TWN, and the community TWN seeks to serve. Further, it has infringed on TWN's right to make and enforce contracts in violation of Section 1981 of the Civil Rights Act of 1866.

31. By reason of the foregoing, TWN has suffered damages and has incurred costs and attorneys' fees.

SECOND CLAIM FOR RELIEF

(Discrimination Under New York State Human Rights Law)

32. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 31 above as though fully set forth herein.

33. Sirius and TWN are "persons" for purposes of the New York State Human Rights Law under New York Executive Law § 292(13).

34. By its action detailed above, Sirius purposefully and unlawfully discriminated against TWN on the basis of race and creed (and on the basis of the race and creed of TWN's "customers") in violation of New York Human Rights Law under New York Executive Law § 296(13).

35. By reason of the foregoing, TWN has suffered damages and has incurred costs and attorneys' fees.

THIRD CLAIM FOR RELIEF

(Breach of Contract)

36. TWN repeats and realleges the allegations contained in paragraphs 1 through 35 above as though fully set forth herein.

37. Notwithstanding TWN's willingness to renew the Agreement, Sirius has unlawfully breached the Agreement by failing to provide TWN with the marketing services it paid Sirius \$40,000 annually to provide.

38. By reason of the foregoing, TWN has suffered damages and has incurred costs and attorneys' fees.

FOURTH CLAIM FOR RELIEF

(Breach of the Covenant of Good faith and Fair Dealing)

39. TWN repeats and realleges the allegations contained in paragraphs 1 through 38 above as though fully set forth herein.

40. Implied in the Agreement is a covenant of good faith and fair dealing which precludes each party from engaging in conduct that will deprive the other party of the benefits of the Agreement.

41. Sirius failed to provide marketing services to TWN in accordance with the terms of the Agreement and then refused to renew the Agreement unless TWN paid Sirius millions of dollars. As such, Sirius deprived TWN of the benefits of the Agreement.

42. Upon information and belief, Sirius acted in bad faith and with discriminatory animus when it failed to renew the Agreement and required TWN to pay millions of dollars in order to remain on its satellite.

43. By reason of the foregoing, TWN has suffered damages and has incurred costs and attorneys' fees.

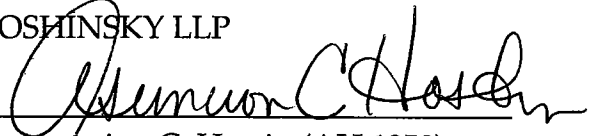
WHEREFORE, TWN prays that this Court will grant judgment:

- a) Awarding TWN compensatory damages;
- b) Awarding TWN punitive damages;
- c) Granting TWN equitable relief, including ordering Sirius to renew the Agreement on reasonable financial terms and to refrain from otherwise taking steps that interfere with TWN's rights under the Agreement;
- d) Awarding TWN its costs, including reasonable attorneys' fees; and
- e) Granting such other and further relief as the Court shall deem just and appropriate.

Dated: New York, New York
September 26, 2005

DICKSTEIN SHAPIRO MORIN
& OSHINSKY LLP

By:



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