



Sirius XM Holdings Annual Report 2020

Form 10-K (NASDAQ:SIRI)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM _____ TO _____
COMMISSION FILE NUMBER 001-34295

SIRIUS XM HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

38-3916511

(I.R.S. Employer Identification No.)

1221 Avenue of the Americas, 35th Floor, New York, NY

(Address of Principal Executive Offices)

10020

(Zip Code)

Registrant's telephone number, including area code: (212) 584-5100
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common stock, \$0.001 par value	SIRI	NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.:

Large accelerated filer Accelerated filer Non-accelerated filer

Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the registrant's common stock held by non-affiliates as of June 30, 2019 was \$7,370,915,284. All executive officers and directors of the registrant have been deemed, solely for the purpose of the foregoing calculation, to be "affiliates" of the registrant.

The number of shares of the registrant's common stock outstanding as of January 31, 2020 was 4,413,944,475.

DOCUMENTS INCORPORATED BY REFERENCE

Information included in our definitive proxy statement for our 2020 annual meeting of stockholders scheduled to be held on Thursday, June 4, 2020 is incorporated by reference into Items 10, 11, 12, 13 and 14 of Part III of this report.

SIRIUS XM HOLDINGS INC. AND SUBSIDIARIES
2019 FORM 10-K ANNUAL REPORT
TABLE OF CONTENTS

<u>Item No.</u>	<u>Description</u>	
<u>PART I</u>		
<u>Item 1.</u>	<u>Business</u>	<u>2</u>
<u>Item 1A.</u>	<u>Risk Factors</u>	<u>13</u>
<u>Item 1B.</u>	<u>Unresolved Staff Comments</u>	<u>24</u>
<u>Item 2.</u>	<u>Properties</u>	<u>25</u>
<u>Item 3.</u>	<u>Legal Proceedings</u>	<u>25</u>
<u>Item 4.</u>	<u>Mine Safety Disclosures</u>	<u>27</u>
<u>PART II</u>		
<u>Item 5.</u>	<u>Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	<u>28</u>
<u>Item 6.</u>	<u>Selected Financial Data</u>	<u>30</u>
<u>Item 7.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>32</u>
<u>Item 7A.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>61</u>
<u>Item 8.</u>	<u>Financial Statements and Supplementary Data</u>	<u>62</u>
<u>Item 9.</u>	<u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>	<u>62</u>
<u>Item 9A.</u>	<u>Controls and Procedures</u>	<u>62</u>
<u>Item 9B.</u>	<u>Other Information</u>	<u>62</u>
<u>PART III</u>		
<u>Item 10.</u>	<u>Directors, Executive Officers and Corporate Governance</u>	<u>62</u>
<u>Item 11.</u>	<u>Executive Compensation</u>	<u>63</u>
<u>Item 12.</u>	<u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	<u>63</u>
<u>Item 13.</u>	<u>Certain Relationships and Related Transactions and Director Independence</u>	<u>63</u>
<u>Item 14.</u>	<u>Principal Accounting Fees and Services</u>	<u>63</u>
<u>Part IV</u>		
<u>Item 15.</u>	<u>Exhibits and Financial Statement Schedules</u>	<u>64</u>
<u>Item 16.</u>	<u>Form 10-K Summary</u>	<u>64</u>
	<u>Signatures</u>	<u>70</u>

PART I

ITEM 1. **BUSINESS**

This Annual Report on Form 10-K presents information for Sirius XM Holdings Inc. (“Holdings”), a Delaware corporation. The terms “Holdings,” “we,” “us,” “our,” and “our company” as used herein and unless otherwise stated or indicated by context, refer to Sirius XM Holdings Inc. and its subsidiaries. “Sirius XM” refers to our wholly owned subsidiary Sirius XM Radio Inc. and its subsidiaries other than Pandora. “Pandora” refers to Sirius XM’s wholly owned subsidiary Pandora Media, LLC (the successor to Pandora Media, Inc.) and its subsidiaries.

Sirius XM Holdings Inc.

Holdings was incorporated in the State of Delaware on May 21, 2013. Holdings has no operations independent of its wholly owned subsidiaries, Sirius XM and Pandora.

Relationship with Liberty Media

As of December 31, 2019, Liberty Media Corporation (“Liberty Media”) beneficially owned, directly and indirectly, approximately 72% of the outstanding shares of Holdings’ common stock. Liberty Media owns interests in a range of media, communications and entertainment businesses.

Our Businesses

We operate two complementary audio entertainment businesses - our Sirius XM business and our Pandora business.

Sirius XM

Our Sirius XM business features music, sports, entertainment, comedy, talk, news, traffic and weather channels, as well as infotainment services, in the United States on a subscription fee basis. The Sirius XM service is distributed through our two proprietary satellite radio systems and streamed via applications for mobile devices, home devices and other consumer electronic equipment. Satellite radios are primarily distributed through automakers, retailers and our website. Our Sirius XM service is also available through our user interface which we call “360L,” that combines our satellite and streaming services into a single, cohesive in-vehicle entertainment experience.

The primary source of revenue from our Sirius XM business is subscription fees, with most of our customers subscribing to monthly, quarterly, semi-annual or annual plans. We also derive revenue from advertising on select non-music channels, direct sales of our satellite radios and accessories, and other ancillary services. As of December 31, 2019, our Sirius XM business had approximately 34.9 million subscribers.

In addition to our audio entertainment businesses, we provide connected vehicle services to several automakers and directly to consumers through aftermarket devices. These services are designed to enhance the safety, security and driving experience of consumers. We also offer a suite of data services that includes graphical weather, fuel prices, sports schedules and scores and movie listings, a traffic information service that includes information as to road closings, traffic flow and incident data to consumers with compatible in-vehicle navigation systems, and real-time weather services in vehicles, boats and planes.

Sirius XM also holds a 70% equity interest and 33% voting interest in Sirius XM Canada Holdings Inc. (“Sirius XM Canada”).

Pandora

Our Pandora business operates a music, comedy and podcast streaming discovery platform, offering a personalized experience for each listener wherever and whenever they want to listen, whether through mobile devices, car speakers or connected devices. Pandora enables listeners to create personalized stations and playlists, discover new content, hear artist- and expert-curated playlists, podcasts and select Sirius XM content as well as search and play songs and albums on-demand. Pandora is available as (1) an ad-supported radio service, (2) a radio subscription service, called Pandora Plus, and (3) an on-demand subscription service, called Pandora Premium. As of December 31, 2019, Pandora had approximately 6.2 million subscribers.

The majority of Pandora's listener hours occur on mobile devices, with the majority of its revenue generated from advertising on its ad-supported radio service on these devices. With billions of data points that help it understand users' preferences, Pandora offers both local and national advertisers the opportunity to deliver targeted messages to listeners using a combination of audio, display and video advertisements. In addition, through AdsWizz Inc., a Pandora subsidiary, Pandora provides a comprehensive digital audio advertising technology platform, which connects audio publishers and advertisers. As of December 31, 2019, our Pandora business had approximately 63.5 million monthly active users.

Our Sirius XM Business

Programming

We offer a dynamic programming lineup of commercial-free music plus sports, entertainment, comedy, talk, and news, including:

- an extensive selection of music genres, ranging from rock, pop and hip-hop to country, dance, jazz, Latin and classical;
- live play-by-play sports from major leagues and colleges;
- a multitude of talk and entertainment channels for a variety of audiences;
- a wide range of national, international and financial news; and
- exclusive limited run channels.

We believe that our diverse programming, including our lineup of exclusive content, is a significant differentiator from terrestrial radio and other audio entertainment providers. We make changes to our programming lineup from time to time as we strive to attract new subscribers and offer content which appeals to a broad range of audiences and to our existing subscribers. The channel lineups for our services are available at siriusxm.com.

Streaming Service

Our streaming service includes a variety of music and non-music channels and podcasts as well as channels that are not available on our satellite radio service. We offer applications to allow consumers to access our streaming service on smartphones, tablets, computers, home devices and other consumer electronic equipment.

Our streaming product currently features: the broad range of music, sports, talk, news and entertainment channels available on satellite radio; access to over 100 additional music channels, which we refer to as Xtra Music Channels; and a rich offering of video content, including video from The Howard Stern Show and memorable performances and interviews from Sirius XM's archives, including in-studio performances and behind-the-scenes moments with artists, personalities and newsmakers. SiriusXM On Demand offers our streaming subscribers the ability to choose their favorite episodes from a catalog of content whenever they want as well as select material from a growing library of podcasts we are assembling.

Our streaming service is included as part of the price of Sirius XM's Select and All Access packages. Our Personalized Stations Powered by Pandora, which allows subscribers to create their own customized commercial-free music station within the Sirius XM app, feature is offered to consumers as part of the price of Sirius XM's All Access package. We also offer our streaming service in several standalone packages, which do not include a satellite radio subscription. These packages, which include the Premier Streaming Plan, Essentials Plan, Student Plan and Military Plan, are available to consumers at various prices and include a variety of content.

In 2019, we also entered into agreements to increase the distribution and ease of use of our streaming service, including through connected devices and smart speakers. We entered into a marketing agreement with Amazon to distribute their Echo smart speakers with Sirius XM's streaming service. We entered into an agreement with Google to distribute the Google Home Hub with a subscription to Sirius XM's streaming services. We also have various arrangements with various services and consumer electronics manufactures to include the Sirius XM streaming functionality with their service and devices.

360L

Our user interface, which we call "360L," combines our satellite and streaming services into a single, cohesive in-vehicle entertainment experience. Our 360L interface has been deployed in Ram trucks and a variety of vehicles from General Motors and is in the process of being introduced by several other automakers. 360L allows us to take advantage of advanced

in-dash infotainment systems. 360L is intended to leverage the ubiquitous signal coverage and low delivery costs of our satellite infrastructure with the two-way communication capability of a wireless streaming service to provide consumers seamless access to our content, including our live channels, on demand service and even more personalized music services. The wireless streaming connection included in 360L enables enhanced search and recommendations functions, making discovery of our content in the vehicle easier. In certain cases, 360L also allows consumers to manage aspects of their subscriptions directly through their vehicles' equipment and provides us important data to better enable us to understand how our subscribers use our service and how we can more effectively market our service to consumers.

Distribution of Radios

New Vehicles

We distribute satellite radios through the sale and lease of new vehicles. We have agreements with every major automaker to offer satellite radios in their vehicles. Satellite radios are available as a factory or dealer-installed option in substantially all vehicle makes sold in the United States.

Most automakers include a subscription to our service in the sale or lease of their new vehicles. In certain cases, we receive subscription payments from automakers in advance of the activation of our service. We share with certain automakers a portion of the revenues we derive from subscribers using vehicles equipped to receive our service. We also reimburse various automakers for certain costs associated with the satellite radios installed in new vehicles, including in certain cases hardware costs, engineering expenses and promotional and advertising expenses.

Previously Owned Vehicles

We acquire subscribers through the sale and lease of previously owned vehicles with factory-installed satellite radios. We have entered into agreements with many automakers to market subscriptions to purchasers and lessees of vehicles which include satellite radios sold through their certified pre-owned programs. We also work directly with franchise and independent dealers on programs for non-certified used vehicles.

We have developed systems and methods to identify purchasers and lessees of previously owned vehicles which include satellite radios and have established marketing plans to promote our services to these potential subscribers.

Retail

We sell satellite radios directly to consumers through our website. Satellite radios are also marketed and distributed through national, regional and online retailers, such as amazon.com.

Our Satellite Radio Systems

Our satellite radio systems are designed to provide clear reception in most areas of the continental United States despite variations in terrain, buildings and other obstructions. We continually monitor our infrastructure and regularly evaluate improvements in technology.

Our satellite radio systems have three principal components:

- satellites, terrestrial repeaters and other satellite facilities;
- studios; and
- radios.

Satellites, Terrestrial Repeaters and Other Satellite Facilities

Satellites. We provide our service through a fleet of five orbiting geostationary satellites, two in the Sirius system, FM-5 and FM-6, and three in the XM system, XM-3, XM-4 and XM-5. Our XM-5 satellite serves as a spare for both the XM and Sirius systems.

We have entered into agreements for the design, construction and launch of two new satellites, SXM-7 and SXM-8, which we plan to launch into geostationary orbits in 2020 as replacements for XM-3 and XM-4.

Satellite Insurance. We have procured insurance for SXM-7 and SXM-8 to cover the risks associated with each satellite's launch and first year in orbit. We do not have insurance policies covering our in-orbit satellites, as we consider the premium costs to be uneconomical relative to the risk of satellite failure.

Terrestrial Repeaters. In some areas with high concentrations of tall buildings, such as urban centers, signals from our satellites may be blocked and reception of satellite signals can be adversely affected. In other areas with a high density of next generation wireless systems our service may experience interference. In many of these areas, we have deployed terrestrial repeaters to supplement and enhance our signal coverage and, in many other areas, we are planning to deploy additional repeaters to mitigate interference. We operate over 1,000 terrestrial repeaters across the United States as part of our systems.

Other Satellite Facilities. We control and communicate with our satellites from facilities in North America. Our satellites are monitored, tracked and controlled by a third party satellite operator.

Studios

Our programming originates from studios in New York City, Los Angeles and Washington D.C. and, to a lesser extent, from smaller studios in Nashville and a variety of venues across the country. Our corporate headquarters is in New York City.

Radios

We do not manufacture radios. We have authorized manufacturers and distributors to produce and distribute radios, and have licensed our technology to various electronics manufacturers to develop, manufacture and distribute radios under certain brands. We do manage various aspects of the production of satellite radios. To facilitate the sale of radios, we may subsidize a portion of the radio manufacturing costs to reduce the hardware price to consumers.

Connected Vehicle Services

We provide connected vehicle services to several automakers and directly to consumers through aftermarket devices. Our connected vehicle services are designed to enhance the safety, security and driving experience for vehicle operators while providing marketing and operational benefits to automakers and their dealers. We offer a portfolio of location-based services through two-way wireless connectivity, including safety, security, convenience, maintenance and data services, remote vehicles diagnostics, and stolen or parked vehicle locator services.

Through our subsidiary, Automatic Labs Inc. ("Automatic"), we offer a service for consumers and auto dealers. By pairing Automatic's install-it-yourself adapter and mobile application, many older vehicles can be transformed into connected vehicles. Using the Automatic service, drivers have access to various services, such as crash alerts, roadside assistance, vehicle location monitoring and sharing, vehicle health and performance monitoring, and recall notifications and service reminders. Auto dealers can also employ the Automatic service to, among other things, assist in managing vehicle inventory, monitoring the status of vehicles and delivering notifications and reminders to purchasers and lessees of vehicles. The Automatic adapter collects detailed information about each vehicle's geolocation, use, operation, performance and maintenance status in order to operate, maintain, and provide the features and functionality of the Automatic service.

Subscribers to our connected vehicle services are not included in our subscriber count or subscriber-based operating metrics.

Other Services

Commercial Accounts. Our programming is available for commercial establishments. Commercial subscription accounts are available through providers of in-store entertainment solutions and directly from us.

Satellite Television Service. Certain of our music channels are offered as part of select programming packages on the DISH Network satellite television service.

Travel Link. We offer Travel Link, a suite of data services that includes graphical weather, fuel prices, sports schedules and scores and movie listings.

Real-Time Traffic Services. We offer services that provide graphic information as to road closings, traffic flow and incident data to consumers with compatible in-vehicle navigation systems.

Real-Time Weather Services. We offer several real-time weather services in vehicles, boats and planes.

Commercial subscribers are included in our subscriber count. Subscribers to the DISH Network satellite television service are not included in our subscriber count and subscribers to our Travel Link, real-time traffic services and real-time weather services are not included in our subscriber count, unless the applicable service is purchased by the subscriber separately and not as part of a radio subscription to our service.

Sirius XM Canada

Sirius XM holds a 70% equity interest and 33% voting interest in Sirius XM Canada, with the remainder of Sirius XM Canada's voting and equity interests held by two shareholders.

Sirius XM has entered into a Services Agreement and an Advisory Services Agreement with Sirius XM Canada. Each agreement has a thirty year term. Pursuant to the Services Agreement, Sirius XM Canada pays Sirius XM 25% of its gross revenues on a monthly basis and pursuant to the Advisory Services Agreement, Sirius XM Canada pays Sirius XM 5% of its gross revenues on a monthly basis.

As of December 31, 2019, Sirius XM Canada had approximately 2.7 million subscribers. Sirius XM Canada's subscribers are not included in our subscriber count or subscriber-based operating metrics.

Our Pandora Business

On February 1, 2019, through a series of transactions, Pandora Media, Inc., became an indirect wholly owned subsidiary of Sirius XM and continues to operate as Pandora Media, LLC (the "Pandora Acquisition"). Information regarding the Pandora Acquisition is included in Note 3 to the financial statements in Item 8 of this Annual Report on Form 10-K.

Streaming Radio and On-Demand Music Services

Our Pandora business offers a personalized music discovery platform for each listener. Subscribers are able to create personalized stations and playlists and search and play songs and albums on-demand. The Pandora service utilizes content programming algorithms and data collected from listeners - called the Music Genome Project - to predict user music preferences, play content suited to the tastes of each listener, and introduce each listener to music consistent with the consumer's preferences.

The service is available through our Pandora mobile device applications for smartphones, mobile operating systems, and tablets. The mobile applications are free to download. Our Pandora service is also available in most major automaker's vehicles in the United States which allow for smartphone connectivity. Certain automakers now provide embedded streaming connectivity which supports and makes available the Pandora service in vehicles without the need for smartphone connectivity. In addition, our Pandora service is integrated into consumer electronic, voice-based devices and smart speakers, including Sonos, Fitbit, Roku, Google Home, Amazon Echo, Comcast Xfinity, Apple TV and Microsoft Xbox.

Our Pandora service is available as an ad-supported radio service, a radio subscription service (Pandora Plus), or an on-demand subscription service (Pandora Premium). Local and national advertisers deliver targeted messages to our Pandora listeners.

Ad-Supported Radio Service

Our Pandora business offers an ad-supported radio service which allows listeners to access our catalog of music, comedy, live streams and podcasts through personalized stations. This service is free across all platforms and uses the Music Genome Project to generate stations specific to each listener. Each listener can personalize his or her stations by adding variety to the content and renaming the stations.

Listeners of the ad-supported service are provided with the option to temporarily access on-demand listening which includes certain features of the Pandora Premium service. We refer to this temporary access as "Premium Access".

Subscription Radio Service (Pandora Plus)

Our Pandora business offers Pandora Plus - an ad-free, subscription version of the radio service that includes options for replaying songs, skipping songs, offline listening, higher quality audio on supported devices and longer timeout-free listening. Content provided to each listener of Pandora Plus is more tailored when the listener interacts more with the platform. Premium Access is also available to Pandora Plus listeners.

On-Demand Subscription Service (Pandora Premium)

Our Pandora business offers Pandora Premium - an on-demand subscription service that combines the radio features of Pandora Plus with an on-demand experience. The on-demand experience provides listeners with the ability to search, play and collect songs and albums, build playlists, listen to curated playlists and share playlists on social networks. Listeners can also create partial playlists that Pandora can complete based on the listener's activity and the Music Genome Project. Listeners through mobile devices have access to customized profiles which identify information specific to each listener such as recent favorites, playlists and thumbs.

Pandora Premium incorporates social networking features including a centralized stream where listeners can view the music that their social connections are experiencing and provide and receive recommendations for songs, albums and playlists. Pandora Premium also includes a "share" feature where consumers can share their stations, songs, albums or playlists through social media, messaging applications and email.

Advertising Revenue

Our Pandora business maintains a portfolio of proprietary advertising technologies which include order management, advertising serving and timing, native advertising formats, targeting and reporting. The Pandora business's primary source of revenue is our sale of audio, display and video advertising for our connected device platforms, including computers and mobile devices. Our Pandora business also has an agreement to sell the available advertising inventory in the United States for SoundCloud, one of the world's largest open audio platforms, powered by a connected community of creators, listeners, and curators. Our Pandora platforms provides advertisers with the ability to target and connect with listeners based on various criteria including age, gender, geographic location and content preferences.

AdsWizz

Through its AdsWizz subsidiary, our Pandora business is a global leader in digital audio advertising technology. AdsWizz operates a digital audio advertising market with an end-to-end technology platform, including a digital audio software suite of solutions that connect audio publishers to the advertising community. AdsWizz offers a range of products -- from dynamic ad insertion to advanced programmatic platforms to innovative new audio formats. AdsWizz's advertising technology also includes ad campaign monitoring tools and other innovative audio advertising products, such as audio formats that can let consumers trigger an action while listening to an ad as well as other personalization-based technology.

AdsWizz's technology is employed by Pandora in its ad-supported business as well as by third party customers. AdsWizz's third party customers include well-known music platforms, podcasts and broadcasting groups worldwide.

Competition

We face significant competition for listeners and advertisers in our Sirius XM business and our Pandora business, including from providers of radio and other audio services.

Competition for Subscribers and Listeners

Traditional AM/FM Radio

Our Sirius XM services and Pandora services compete with traditional AM/FM radio. Traditional AM/FM radio has a well-established demand for its services and offers free broadcasts paid for by commercial advertising rather than by subscription fees. Many radio stations offer information programming of a local nature, such as local news and sports. The availability of traditional free AM/FM radio may reduce the likelihood that customers would be willing to pay for our subscription services and, by offering free broadcasts, it may impose limits on what we can charge for our services. Several traditional radio companies own large numbers of radio stations or other media properties.

Streaming and On-Demand Competitors

Streaming and on-demand services, including Amazon Prime, Apple Music, Google Play Music, Spotify and YouTube, compete with our Sirius XM and Pandora services. Major online providers make high fidelity digital streams available at no cost or, in some cases, for less than the cost of a satellite radio subscription. Certain of these services include advanced functionality, such as personalization and customization and allow the user to access large libraries of content. These services, in some instances, are also offered through devices sold by the service providers including Apple, Google and Amazon. For some consumers, these services may compete with our services, at home, in vehicles, and wherever audio entertainment is consumed.

Advanced In-Dash Infotainment Systems

Nearly all automakers have deployed integrated multimedia systems in dashboards, including in many cases Apple CarPlay and Android Auto. These systems combine control of audio entertainment from a variety of sources, including AM/FM/HD radio broadcasts, satellite radio, streaming radio, smartphone applications and stored audio, with navigation and other advanced applications. Streaming radio and other data are typically connected to the system through an Internet-enabled smartphone or wireless modem installed in the vehicle, and the entire system may be controlled by touchscreen or voice recognition. These systems may enhance the attractiveness of Internet-based competitors by making such applications more prominent, easier to access, and safer to use in vehicles.

Direct Broadcast Satellite and Cable Audio

A number of providers offer specialized audio services through either direct broadcast satellite or cable audio systems. These services are targeted to fixed locations, mostly in-home, but also include mobile entertainment. The radio service offered by direct broadcast satellite and cable audio is often included as part of a package of digital services with video service, and video customers generally do not pay an additional monthly charge for the audio service. In addition, other services offered by these providers, such as cable television, on-demand video streaming, and interactive video games compete with our services to the extent they utilize existing or potential users' and listeners' time that could otherwise be allocated to the use of our Sirius XM or Pandora services.

Other Digital Media Services

The audio entertainment marketplace continues to evolve rapidly, with a steady emergence of new media platforms that compete with both our Sirius XM and Pandora services now or that could compete with those services in the future.

Traffic Services

For our Sirius XM business, a number of providers compete with our traffic services. In-dash navigation is threatened by smartphones that provide data services through a direct vehicle interface. Most of these smartphones offer GPS mapping with sophisticated data-based turn-by-turn navigation.

Connected Vehicle Services

Our Sirius XM connected vehicle services business operates in a highly competitive environment and competes with several providers, including Verizon Telematics, as well as with products being developed by automakers for vehicles. OnStar, a division of General Motors, also offers connected vehicle services in GM vehicles. Wireless devices, such as mobile phones, are also competitors. In addition, we compete against other connected vehicle service providers for automaker arrangements on the basis of innovation, service quality and reliability, technical capabilities and system customization, scope of service, industry experience, past performance and price.

Competition for Advertisers

Our competition for advertisers include large scale online advertising platforms such as Amazon, Facebook and Google; traditional media companies such as television broadcasters and national print outlets; broadcast radio providers; and companies in the broadcast radio market. We compete against these providers for advertisers on the basis of several factors, including advertisers' overall budgets, perceived return on investment, effectiveness and relevance of our advertising platforms, price, delivery of large volumes or precise types of advertisements to targeted demographics, transactional capabilities and reporting capabilities.

The online advertising marketplace continues to evolve rapidly, particularly with the introduction of new digital advertising technologies and expanding capabilities of larger internet companies.