

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) October 29, 1996  
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CD RADIO INC.

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(Exact Name of Registrant as Specified in Charter)

Delaware

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(State or Other Jurisdiction of Incorporation)

0-24710

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(Commission File Number)

52-1700207

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(IRS Employer Identification No.)

Sixth Floor, 1001 22nd Street, N.W.  
Washington, D.C.

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(Address of Principal Executive Offices)

20037

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(Zip Code)

Registrant's telephone number, including area code (202) 296-6192  
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(Former Name or Former Address, if Changed Since Last Report)

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ITEM 5. OTHER EVENTS

The press release attached hereto as Exhibit 99 is incorporated herein  
by this reference.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(c) Exhibits

99. Press Release dated October 29, 1996

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934,  
the registrant has duly caused this report to be signed on its behalf by the  
undersigned hereunto duly authorized.

CD RADIO INC.

Date October 29, 1996

By /s/ Lawrence F. Gilberti

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Lawrence F. Gilberti  
Secretary and Director

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99	Press Release dated October 29, 1996	5

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[CD RADIO LETTERHEAD]

FOR IMMEDIATE RELEASE

CD Radio Private Placement

Washington, D.C., - October 29, 1996 - CD Radio Inc. (Nasdaq: CDRD) announced today that it has entered into a private placement agreement for the issuance of \$62.5 million in 5% Delayed Convertible Preferred Stock, convertible to common stock at conversion prices based on discounts to future market prices. Closing the sale of Preferred Stock is subject to a number of conditions, including conditions relating to the Company's application for a license from the Federal Communications Commission to provide a satellite digital audio radio service, and the agreement contains certain limitations on the Company's use of proceeds and other corporate actions.

There can be no assurance that the agreement will not be amended or terminated, or that any of the Preferred Stock will be sold pursuant thereto. These securities have not been registered under the Securities Act of 1933 or the securities laws of any state, and may not be offered or sold to any person unless registered or an exemption from registration is available.

The Company may enter into agreements to issue additional securities on terms similar to or different than those of the Preferred Stock.

CD Radio is the world leader in the emerging satellite radio broadcasting industry. The Company is engaged in the development of a subscription based satellite radio system for the delivery of 30 channels of commercial-free, compact disc quality music to be broadcast directly to motorists throughout the United States.

For Further Information  
Contact: David Margolese  
(202) 296-6192