

A Partnership Including
Professional Corporations
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August 10, 1994

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AUG 10 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

BY HAND DELIVERY

William F. Caton, Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: ET Docket No. 93-7

Dear Mr. Caton:

Enclosed for filing are an original and eleven copies of the Reply Comments of Mitsubishi Electronics America, Inc. with respect to Petitions for Reconsideration in the matter noted above.

An additional copy to be date stamped and returned with the messenger for our files is also enclosed.

Thank you for your assistance.

Sincerely yours,


Joni Lupovitz

Enclosures

No. of Copies rec'd 11
List ABCDE

Before the
Federal Communications Commission
Washington, D.C. 20554

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AUG 10 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the matter of:)
)
Implementation of Section 17 of)
the Cable Television Consumer)
Protection and Competition Act)
of 1992)
)
Compatibility Between Cable)
Systems and Consumer Electronics)
Equipment)

ET Docket No. 93-7

Reply Comments of Mitsubishi Electronics America, Inc.

Mitsubishi Electronics America, Inc. ("MELA") hereby replies to comments filed with respect to petitions for reconsideration in the above-captioned proceeding.

MELA markets an extensive line of consumer electronics products, including direct view and big screen color televisions and VCRs. A sister company of MELA, Mitsubishi Consumer Electronics America Inc. ("MCEA") is a manufacturer of consumer electronics products, including direct view color and big screen color televisions. MCEA operates several manufacturing plants in the United States and employs some 1,100 Americans in facilities nationwide. The company is dedicated to increasing the number of it's consumer electronics products designed and manufactured in the United States.

MELA has been an active member of the EIA/CEG and its engineering committees which have worked on cable compatibility problems and issues over the years. MCEA is an

active member of the EIA/NCTA Joint Engineering Committee. Our products conform to industry voluntary standards and draft standards. Our Reply responds to the position taken by the National Cable Television Association ("NCTA") with respect to the effective date of the "Cable-Ready" Advisory.

NCTA opposed EIA's and Zenith's request that the Commission delay the implementation date of the "cable-ready" provisions until June 30, 1995, the end of the model year. NCTA complains that although manufacturers refer to costs of reprinting material, they "cite no figures as to the costs expended or whether substantially all supplies would even be depleted by June 30, 1995." NCTA supposes, however, that such costs must be relatively insignificant.^{1/} MELA files this Reply, including Appendix I, in response.

Product brochures are, in fact, a significant portion of MELA's marketing costs. They are produced only once per model year. Brochures must be printed irrespective of market share. Accordingly, any requirement for redundant material would be especially burdensome for smaller volume manufacturers, such as MELA.

All other dates contemplated by the Report and Order are in line with model year change-overs, as proposed by the joint industry group. The brochures for the 1995 product line were already substantially in production by the time the Report and

^{1/}NCTA Opposition at 14.

Order was published on May 4, 1994. The 1995 model brochures will not have to be reprinted during the 1995 model year.^{2/}

In Appendix I we submit a copy of a detailed cost estimate, dated March 28, 1994, of MELA's annual cost for brochures.^{3/} This illustrates the financial impact on MELA, which, as we note, has a relatively small market share. The impact on larger manufacturers, while likely to be smaller as a percentage of sales, will be much larger.

For the foregoing reasons, MELA respectfully requests that the Commission reconsider the effective date requirement and make it coincide with the model year change, i.e., June 30, 1995. As a member of EIA/CEG and a participant in its engineering committees, MELA also supports the Reply positions taken by the EIA/CEG in its submission today.

Respectfully submitted,



Julius Szokolczay
Manager, Engineering and Advanced Development
Mitsubishi Consumer Electronics America
2001 E. Carnegie
Santa Ana, CA 92705
(714) 220-688

August 10, 1994

^{2/}Whether or not these brochures will have been "depleted" in the course of the model year is irrelevant, as they are useless with respect to the new models.

^{3/}The name and address of the advertising agency, and the number of brochures ordered, are omitted.

DATE : 03/23/94

E S T I M A T E

PAGE : 1

CLIENT : MITSUBISHI ELECTRIC SALES
 AMERICA, INC.
 5665 PLAZA DRIVE
 CYPRESS, CA 90630

ATTN : DANNY VILLA

TITLE : 195 D/V

EST # : 110-G3- 21-93

DESC : BROCHURE

LN	REV	CO.	DESCRIPTION	AMOUNT

PRODUCED IN 1994 FOR 1995 PRODUCT LINE.				
330	0	0	PHOTOGRAPHY/PHOTO SERVICES	6,000.00
340	0	0	PRINTING/PUB MATERIALS	160,209.00
COST IS FOR D/V BROCHURES, 4 COLOR + 2 PMS COLORS 2 SIDES. INCLUDES ALL PAPER COSTS FOR 80# EVERGREEN GLOSS BOOK (RECYCLED).				
525	0	0	MESSENGER/POSTAGE (TAXABLE)	300.00
550	0	0	SHIPPING (NON-TAXABLE)	33,544.18
889	0	0	SALES TAX ADJUSTMENT	2,491.08
ADDITIONAL ADJUSTED SALES TAX BASED ON FAIR RETAIL SELLING PRICE.				
920	0	0	SALES TAX	13,524.45

ESTIMATE TOTAL				224,069.71

Does not include messenger or shipping charges. Considered accurate within plus/minus 10%. Deviation from original specifications implies revision in estimate. Title to all items and materials purchased by agency to complete the property to be produced passes to client at the time of their purchase and prior to their use by agency.

Proposed by: Jamette O'Toole Date: 3/23/94

Accepted by: Danny Villa Date: 3/23/94

CERTIFICATE OF SERVICE

I Hereby Certify that a true and correct copy of the foregoing Reply Comments of Mitsubishi Electronics America, Inc. has been served this 10th day of August, 1994, by hand, upon the following:

Wendell H. Bailey
Daniel L. Brenner, Esq.
Loretta P. Polk, Esq.
NATIONAL CABLE TELEVISION ASSOCIATION, INC.
1724 Massachusetts Ave., N.W.
Washington, D.C. 20036


Joni Lupovitz