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February 21, 1995


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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY


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

Re: ET Docket No. 93-7 - Report of Ex Parte Presentation

Dear Mr. Caton: DOCKET FILE COPY ORIGINAL

Today, representatives of the consumer electronics industry met with John Nakahata, Special Assistant to Chairman Hundt to discuss the above-referenced docket. The consumer electronics representatives were James E. Bonan, Vice President for Home Video Consumer Products Group, Sony Electronics Inc., Matthew J. McCoy, Staff Vice President - Government and Legal Affairs, Consumer Electronics Group of the Electronic Industries Association, and the undersigned. The issues discussed included matters under reconsideration in the First Report and Order in this docket, the need to establish digital standards, and the Decoder Interface. The enclosed handout was used in the presentation.

This letter and the extra copy of this letter are being transmitted in accordance with Section 1.1206(a) of the Commission's rules. Please let me know if you have any questions.

Sincerely,

Joseph P. Markoski

Joseph P. Markoski

Enclosure

cc: John Nakahata

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# Electronic Industries Association
# Consumer Electronics Group

## Presentation Regarding Cable Compatibility

ET DOCKET NO. 93-7
FEBRUARY 21, 1995

# Three Sets of Issues

- Reconsideration
- Digital Standards
- Decoder Interface

# Reconsideration

## *I. The Commission Should Require Cable Operators to Provide Security-Only Decoder Modules to All Subscribers Who Request Them.*

- The bundling of security and non-security functions will defeat the purpose of "cable-ready" TVs and frustrate the growth of a competitive market for set-back equipment.

- Functions other than signal security should be provided by competitively supplied equipment.

# Reconsideration

## *II. The Commission Should Not Require the Negative Labelling of Non-"Cable Ready" Television Receivers.*

- Negative labelling can be misleading.
- Affirmative labelling provides consumers with more useful information and is consistent with past FCC practice (e.g., Pt. 15, Pt. 68).
- The FCC's rules should accommodate Canadian "cable compatible television apparatus" labelling requirements.

# Reconsideration

## *III. The Commission Should Prohibit "Channel Mapping" by Cable Operators Except Where the Practice Can Be Shown to Be Technically Necessary.*

- Channel mapping perpetuates the need for set-top boxes, even for "cable compatible" receivers.

- Waivers can address those situations in which channel mapping is technically necessary to deal with signal interference and signal security.

# Reconsideration

## *IV. The Commission Should Prohibit Cable Operators From Introducing Set-Top Boxes That Do Not Respond to Infrared Codes That Were Used for Basic Functions on the Date of the First Report and Order.*

- There are millions of remote controls in the marketplace (87% of U.S. households with televisions).
- There are also millions of very expensive TVs, VCRs and other consumer electronics equipment that use infrared to control set-top boxes.
- Providing cable operators with unlimited flexibility will strand consumer investment in consumer electronics equipment.

# Reconsideration

## *V. The Commission Should Clarify or Alter Certain of the Technical Requirements for "Cable Ready" Television Receivers.*

- The upper frequency limit for tuning and performance should be standardized at 804 MHz.
- The 55 dB requirement for beat suppression to prevent tuner overload should be lowered to 51 dB.
- The image channel interference levels should be lowered to 50 dB for frequencies between 714 and 804 MHz.

# Digital Standards

## *The Commission Should Promptly Initiate A Proceeding to Develop Digital Standards for Cable Service.*

- Standards will prevent future compatibility problems from arising in connection with the introduction of digital transmission methods by the cable industry.

- Standards are needed for digital transmission, digital compression and a security system interface.

# Decoder Interface

# The Issue

- ***Congress has directed the FCC to adopt regulations:***
  - That allow consumers to take full advantage of the features and functions of their TVs and VCRs.
  - That allow consumers to enjoy all of the programming available on cable.
  - That promote the commercial availability of set-top boxes and remote controls.
  - That prevent cable signal theft.

# The Problem

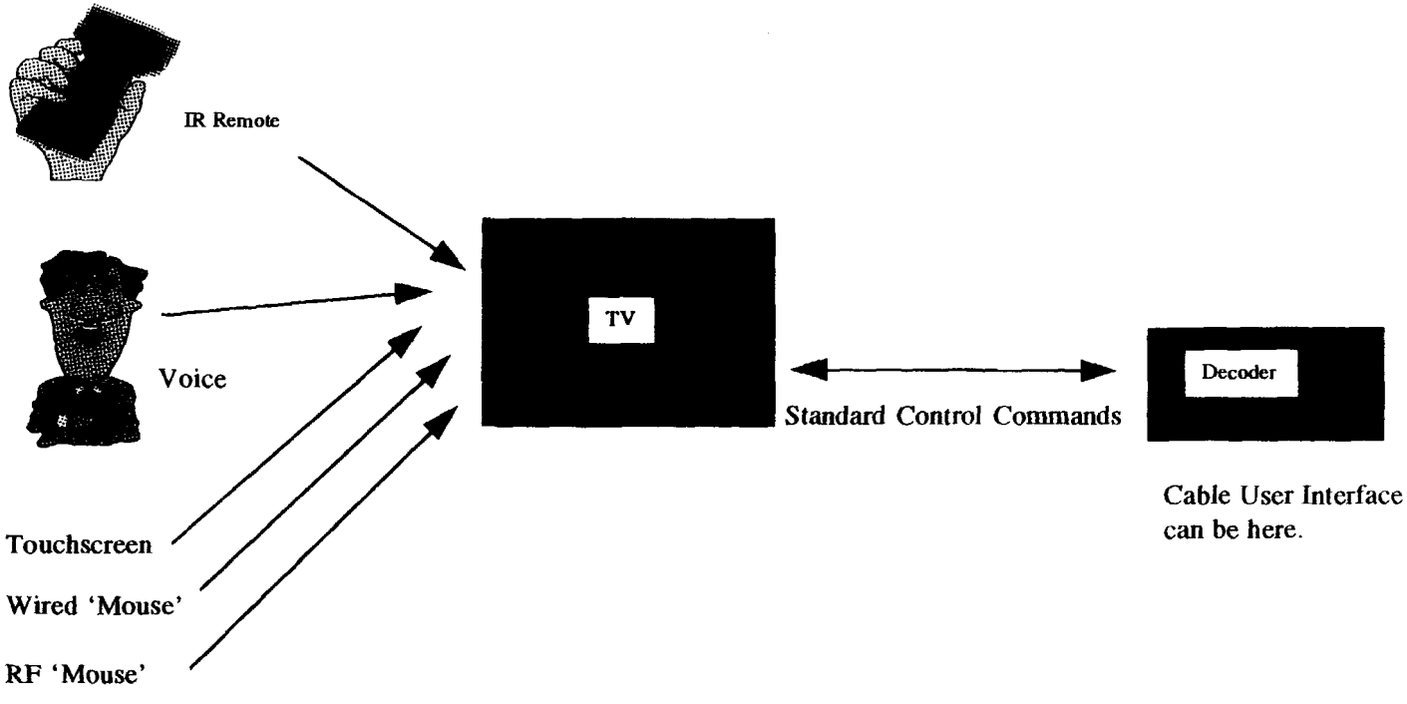
- ***The FCC wants to:***
  - Separate security and non-security features and promote competition in the latter.
  - Ensure that consumers can use the features and functions of their TVs and VCRs
  - Prevent signal theft.
  - Not limit future technology.
- ***The consumer electronics industry wants to:***
  - Ensure that consumers can use the features and functions of their TVs and VCRs.
  - Open non-security set-top boxes and features to competition.
  - Not limit future technology.
- ***The cable industry wants to:***
  - Prevent signal theft.
  - Control the gateway to its services.
  - Not limit future technology.

# The Proposed Decoder Interface

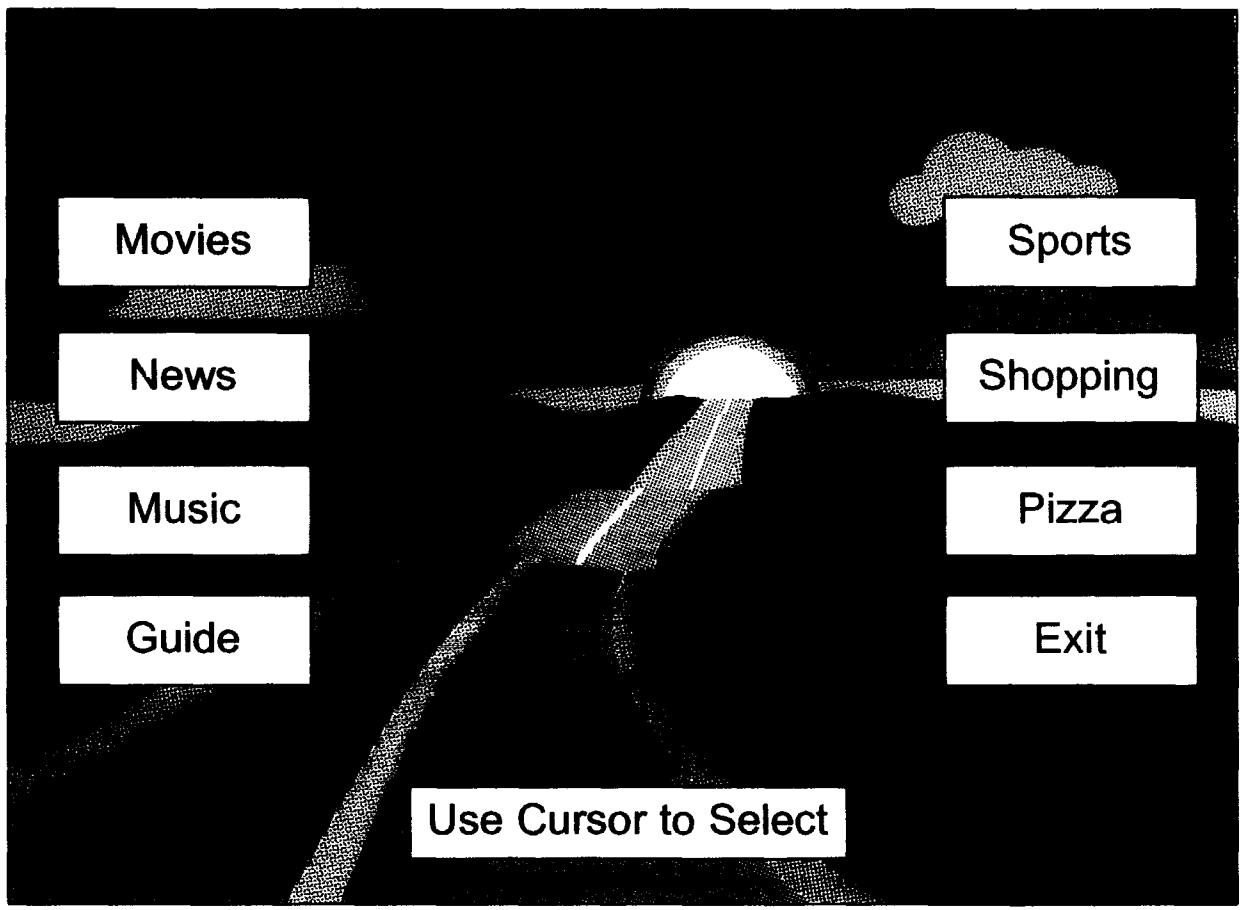
- Separates the provision of security and non-security features.
- Through bus architecture, gives consumers equal access to cable, satellite, and video dialtone services.
- Offers each service provider the means to create its own unique user interface using the consumer's "cable-ready" TV remote.
- Offers unlimited flexibility through service provider-defined commands, menuing, and use of multiple set-back boxes.
  - Supports any conceivable function.
  - Works with mouse-like controls.
  - Is technologically benign.
  - Will replicate benefits of competitive CPE marketplace in video services market.

# Decoder Interface Guarantees Consumer Choice

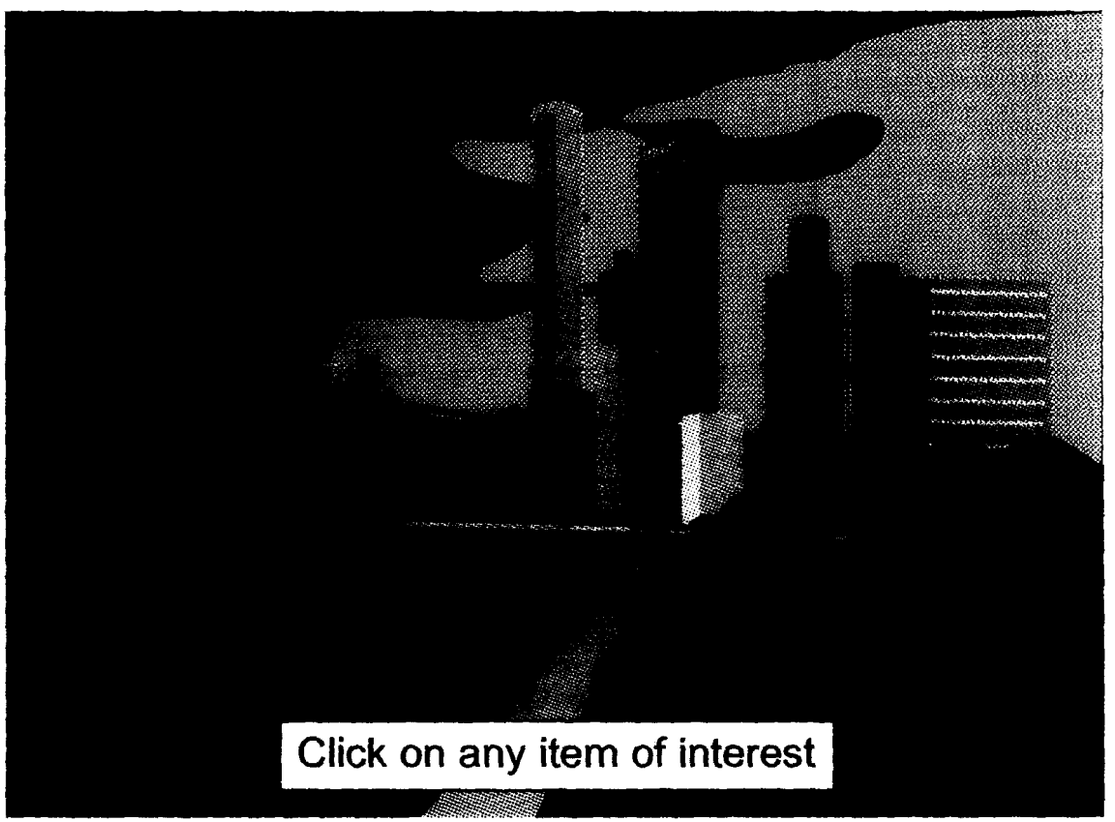
Decoder Interface guarantees that consumer can use TV remote to access cable services.



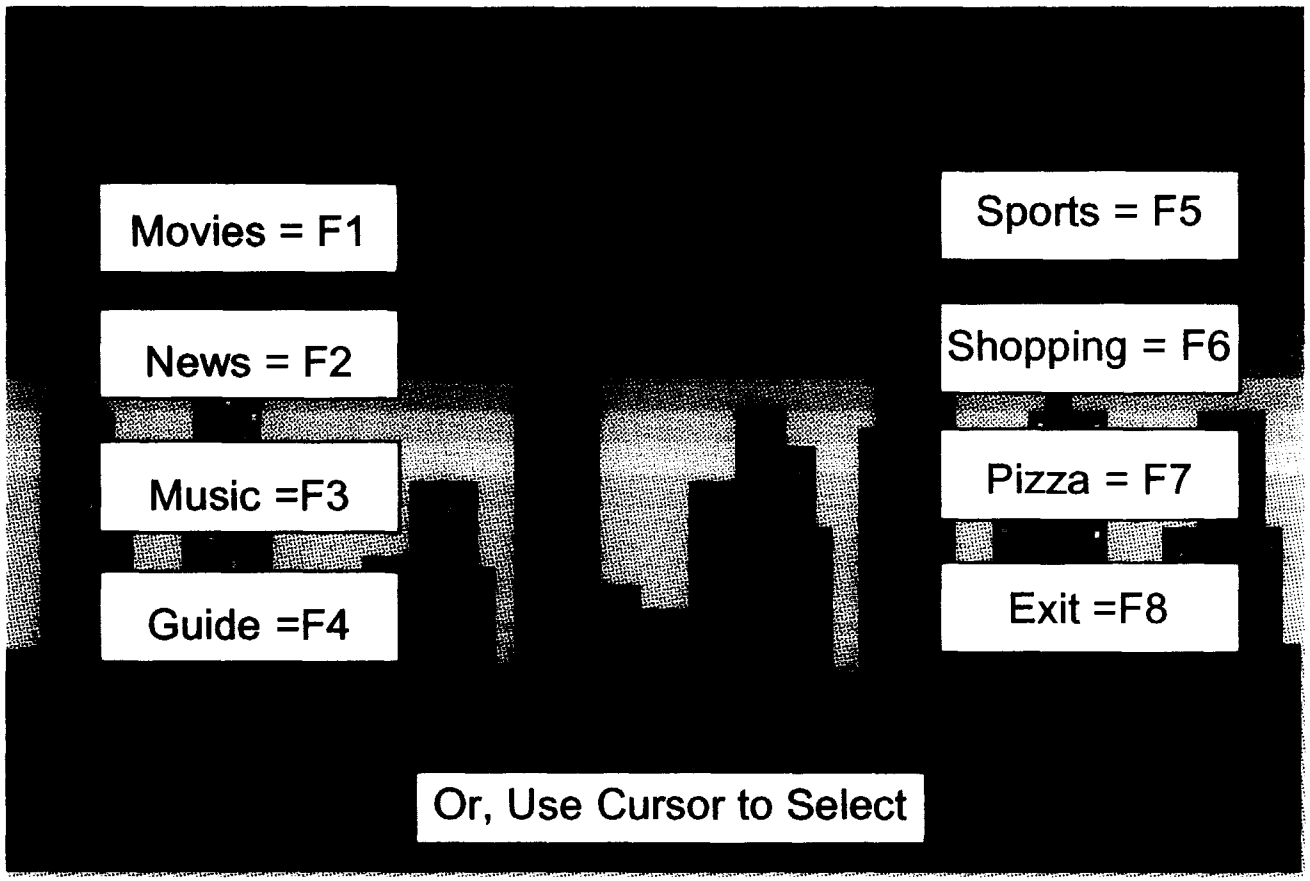
# Menu Flexibility



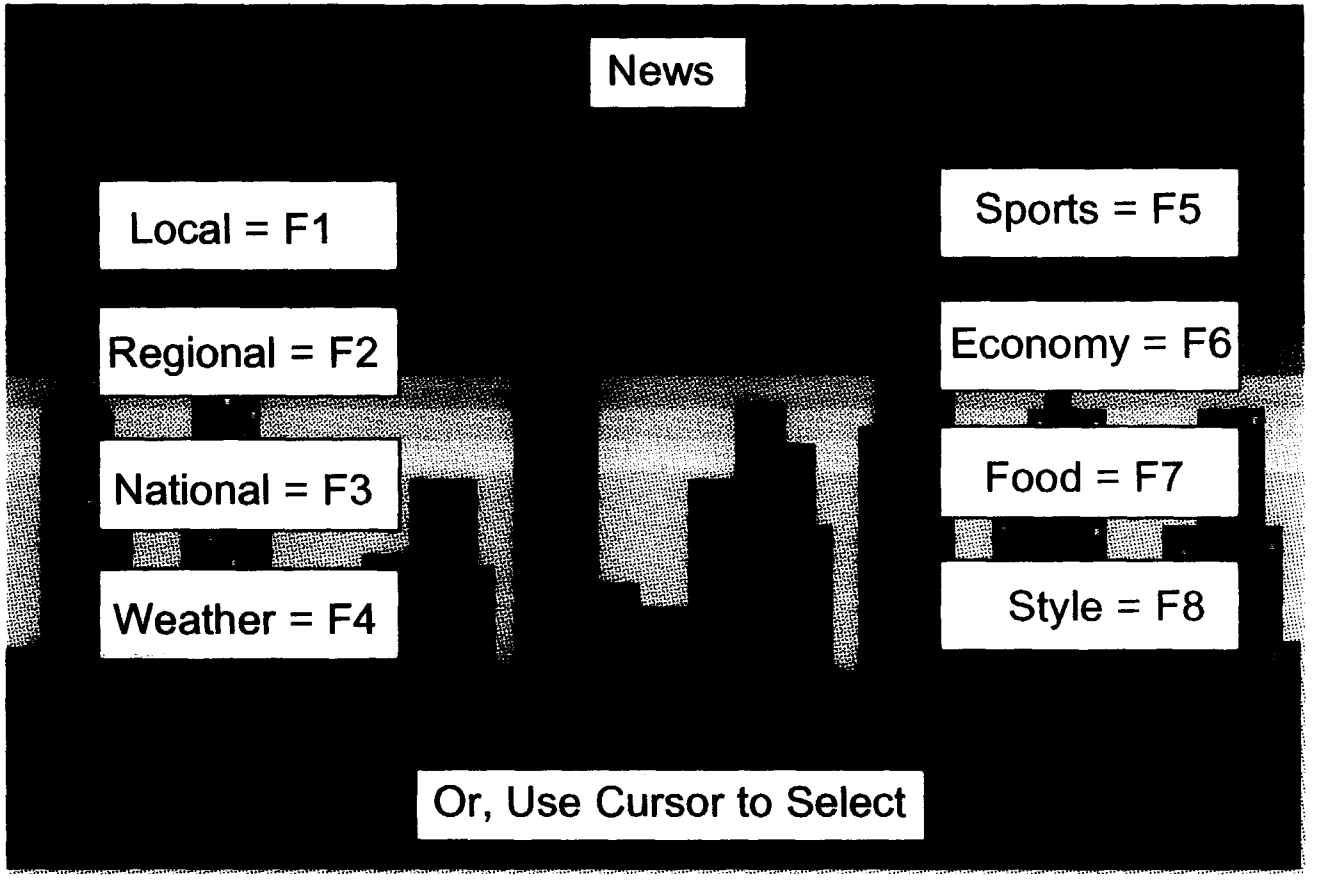
# Decoder Interface Flexibility



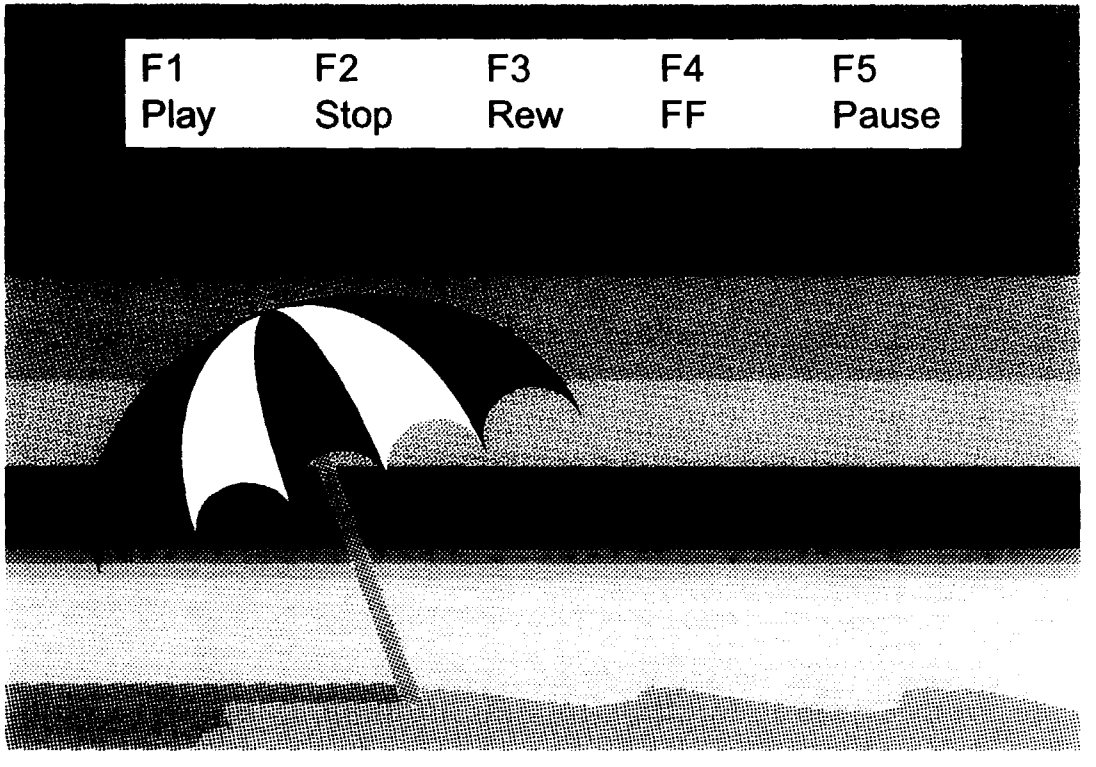
# ‘F’ Command Direct Access



# ‘F’ Command Direct Access



# Decoder Interface Flexibility



# ‘F’ Command Flexibility

- Or, ‘F’ commands do not have to be context-sensitive.
- They can be ‘fixed’ to always represent one function.
- For example
  - F1 = PPV Movie Guide
  - F2 = Buy
  - F3 = Pizza
  - F4 = Weather
  - etc.
- *It’s up to the service provider...*

# Cable proposes adding IR Bypass

***But***

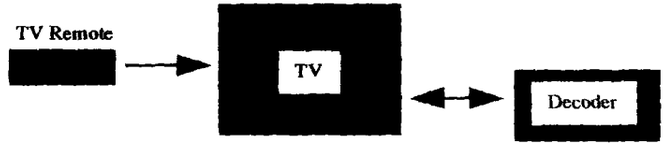
- IR Bypass = Cable Act Bypass
- IR Bypass = Bad Engineering

# IR Bypass = Cable Act Bypass

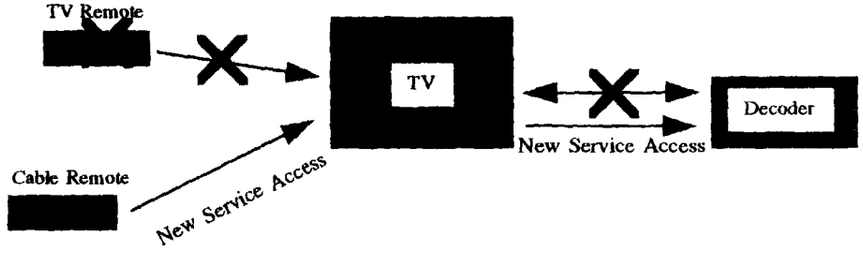
- IR Bypass will defeat the purposes of "cable-ready" consumer electronics equipment.
- Will allow cable to require the use of remotes that --
  - Prevent consumers from using the features and functions of "cable-ready" TVs and VCRs to access cable services.
  - Are incompatible with satellite or video dialtone services.
- Will frustrate and confuse consumers who have invested in sophisticated and expensive "cable-ready" equipment.
- Will dampen demand for "cable-ready" equipment, thereby perpetuating the use of cable-provided set-top boxes.

# IR Bypass = Cable Act Bypass

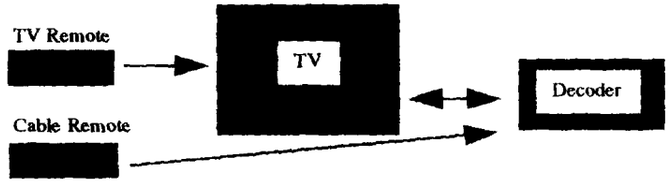
Decoder Interface guarantees that consumer can use TV remote to access cable services.




IR Bypass will give cable an incentive to require consumer to rent a cable remote to access cable services, and defeat purpose of Decoder Interface..




Cable has the flexibility to offer a cable-specific remote by using IR receiver in decoder, if desired.



# IR Bypass = Bad Engineering

- IR Bypass will send commands that may not be recognized and, if recognized, that may not be correctly understood, causing unpredictable results (e.g., changing channels or turning power off)
  - In consumer electronics equipment.
  - In set-back boxes supplied by different service providers.
- IR Bypass will freeze the use of IR technology, preventing migration to more advanced RF and voice recognition technologies.

# IR Bypass = Bad Engineering

- The FCC should not adopt rules that immortalize bad engineering.
- If EIA thought IR Bypass would work, we would endorse it -- either standing alone or as part of the Decoder Interface.

**But** --

- Standing alone, IR Bypass accomplishes nothing.
- As part of the Decoder Interface, it defeats the compatibility made possible by the interface and does so at added cost and complexity.