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AUG 14 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Re: ET Docket No. 93-7 -- Echelon Corporation

Dear Mr. Caton:

On June 6, 1995, Echelon Corporation filed a report of an ex parte presentation to Kevin M. Saltzman of the Office of General Counsel and Mark A. Corbitt of the Office of Plans and Policy. Accompanying that report was a copy of a June 2, 1995 letter from Oliver R. Stanfield of Echelon Corporation to Wendell H. Bailey of the National Cable Television Association ("NCTA") and George A. Hanover of the Electronic Industries Association ("EIA") (the "Stanfield Letter"). The apparent purpose of the Stanfield Letter -- and, in particular, its filing with the Commission -- is to bolster Echelon's claim that it has been excluded from participating in the development of the Decoder Interface standard, draft IS-105. As set forth below, the Stanfield Letter's attempt to create an after-the-fact "record" to substantiate its claims is as baseless as it is transparent.

As the Commission is aware, the cable and consumer electronics industries have been working together since December 1992 to assist the Commission in implementing Section 17 of the Cable Act. The Cable-Consumer Electronics Compatibility Advisory Group ("C3AG") was formally established to be the focal point of this effort and the Group held its first meeting on January 11, 1993. Since that time, the consumer electronics and cable industries, working through the C3AG and their Joint Engineering Committee ("JEC"), have devoted substantial time and resources to providing the Commission with the assistance it has requested.

One of the most important tasks undertaken by the C3AG and JEC has been the development of a Decoder Interface standard for cable-ready televisions and videocassette

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recorders. The C3AG and JEC have pursued the development of the Decoder Interface at more than a dozen widely publicized meetings that have been open to all industry participants. As noted above, the first meeting took place on January 11, 1993. Since that time, the C3AG and JEC have repeatedly met -- always with advance notice -- throughout 1993, 1994 and 1995, as follows:

<u>Group</u>	<u>Meeting Date</u>
C3AG	February 23, 1993
C3AG	March 12, 1993
JEC	March 18, 1993
JEC	April 28, 1993
JEC	July 21, 1993
JEC	August 19, 1993
JEC	September 22, 1993
JEC	October 27, 1993
JEC	November 18, 1993
JEC	January 12, 1994
JEC	February 15-16, 1994
JEC	March 8, 1994
JEC	March 10-11, 1994
JEC	May 4, 1994
JEC	May 5, 1994
JEC	June 13, 1994
JEC	June 13, 1994
C3AG	July 8, 1994
JEC	September 20, 1994
JEC	November 29, 1994
JEC	January 18, 1995
JEC	February 16, 1995
C3AG	February 24, 1995
JEC	March 14, 1995
JEC	March 16, 1995
JEC	April 18, 1995
JEC	June 1, 1995

Like others in the industry, Echelon Corporation had notice of, and could have readily attended and actively participated in, any of these meetings. Indeed, EIA believes that representatives of Echelon actually did attend one or more of these meetings.

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Given this background, the Stanfield Letter's assertion that Echelon was denied an opportunity to raise its concerns about the Decoder Interface until February 24, 1995 is demonstrably false. Also untrue is the Stanfield Letter's claim that EIA and NCTA erected "artificial roadblocks" to Echelon's participation in the development of the Decoder Interface. Not once was Echelon excluded from attending, participating in, or speaking at any of the many meetings identified above. (As a consequence, Echelon was not -- as the Stanfield Letter also implies -- dependent on either EIA or NCTA to learn the identity of the members of the C3AG and JEC.) Moreover, two of these meetings -- those held on February 24, 1995 and March 16, 1995 -- were convened especially for Echelon's benefit, a courtesy that has not been requested by or extended to any other party.

Notwithstanding the above, the Stanfield Letter complains that the C3AG failed to convene a meeting immediately following Echelon's November 1994 request. Given Echelon's many other opportunities to participate in the development of the Decoder Interface, its carefully crafted complaint, while true, is without merit. It is also presumptuous. The C3AG consists of high-level industry executives who reside throughout the United States. As the schedule set forth above make clear, the C3AG does not -- for this and other very practical logistical reasons -- meet very often.

In an apparent effort to excuse Echelon's two-and-a-half year failure to participate fully in the development of the Decoder Interface, the Stanfield Letter relies on a hearsay statement attributed to Mr. Walter Ciciora. Although EIA cannot speak for Mr. Ciciora, EIA wishes to make clear that EIA unambiguously advised Echelon, by letter of March 7, 1995, that "[i]t is important to understand that, whatever the outcome of the March 16 meeting, the next step will be for Echelon to submit their proposal(s) to the JEC." (emphasis added).

Grasping at straws, the Stanfield Letter also claims that representatives of EIA and NCTA agreed, but failed, to provide Echelon with certain information following the March 16, 1995 meeting noted above. The Stanfield Letter, however, again fails to mention a critical fact. After the March 16 meeting, a representative of EIA repeatedly attempted to contact an Echelon representative by telephone. Notwithstanding the persistence of EIA, that effort was unsuccessful.

The Stanfield Letter makes other inaccurate, misleading and irrelevant assertions, often relying on hearsay. The Stanfield Letter's most serious shortcoming, however, is its assumption that EIA, NCTA and Echelon -- acting alone -- could negotiate the technical specifications of the Decoder Interface. In point of fact, that is the responsibility and prerogative of the C3AG and JEC. These two groups are now, and always have been, following ANSI-accredited standards-setting procedures. As a consequence, EIA and NCTA could not -- consistent with these procedures -- negotiate with Echelon and afford it special or privileged status not enjoyed by any other industry participant. It was precisely for this reason that EIA

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urged Echelon to present its views regarding the Decoder Interface directly to the JEC, so that Echelon's position could be considered and debated by the participants to the standard-setting process.

Please let us know if you have any questions.

Sincerely,



Joseph P. Markoski

/jef

cc: John Nakahata
Maureen O'Connell
Lisa B. Smith
Mary P. McManus
Jill Lockett
Mark A. Corbitt
Kevin M. Saltzman