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June 3, 1996

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

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Federal Communications Commission
Office of Secretary

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Re: CS Docket No. 95-184; MM Docket No. 92-260 --
Ex Parte Communication

Dear Mr. Caton:

On behalf of the Consumer Electronics Manufacturers Association ("CEMA"), for each of the above-referenced proceedings we hereby file two copies of this ex parte communication pursuant to the Commission's Rules.

Sincerely,

Adam D. Krinsky
Adam D. Krinsky

enclosure

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Re: CS Docket No. 95-184; MM Docket No. 92-260 --
Ex Parte Communication

Dear Mr. Caton:

On behalf of the Consumer Electronics Manufacturers Association ("CEMA"), we wish to respond to the reply comments that were filed by Echelon Corporation in CS Docket No. 95-184 on April 17, 1996. In its reply comments, Echelon has mischaracterized the position of CEMA, as well as Circuit City Stores Inc., with respect to IS-105.1 and IS-105.2, two standards that are now being developed by the Joint Engineering Committee ("JEC") of the Cable-Consumer Electronics Compatibility Advisory Group ("C³AG"). Echelon has also used its reply comments to disparage these standards.

In their initial comments in this proceeding, CEMA and Circuit City noted that certain cable customer-premises equipment ("CPE") performs a security function, *i.e.*, it protects against signal theft. They also noted that if the Commission were to require the competitive availability of such cable CPE, some provision would have to be made to protect cable operators against the theft of their signals. In an analog world, this means that cable operators must be able to retain control over security modules that prevent competitively supplied CPE, such as set-top boxes, from being used to engage in signal piracy.

CEMA and Circuit City also noted, as did the Commission in paragraph 72 of its Notice in CS Docket No. 95-184, that a standard that defines the interface between such security modules and competitively supplied CPE is now under development. (That standard is actually two standards: IS-105.1 and IS-105.2.) CEMA and Circuit City therefore suggested -- not

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surprisingly -- that the Commission take advantage of that standards-setting work when it prescribes an interface to accommodate the security needs of cable television operators.

In its reply comments, Echelon complains that it would be premature to adopt these standards. As CEMA (and presumably Circuit City) would be the first to admit, however, neither IS-105.1 nor IS-105.2 has received formal approval as a standard. Echelon's professed concern about the premature adoption of these standards is therefore itself premature. (CEMA finds it ironic that Echelon has argued just the opposite -- that these standards are fully developed -- as part of its ongoing effort to dissuade the JEC and C³AG from continuing to consider these standards.)

In addition to being premature, Echelon's substantive objections to IS-105.1 and IS-105.2 are, most charitably described, silly. First, Echelon argues that adoption of IS-105.1 and IS-105.2 would require the replacement of 200 million TVs and VCRs. The interface, however, would be needed only for equipment that is not commercially available today because of security considerations, *i.e.*, set-top boxes. The standard, moreover, would be forward-looking. No one has ever proposed -- seriously or otherwise -- requiring the replacement of the embedded base of television equipment. Indeed, the commercial availability of set-top boxes would enhance the utility of existing television receivers.

Second, Echelon argues -- as if it were somehow inconsistent with the public interest -- that IS-105.1 and IS-105.2 are "analog-only." In point of fact, both standards are being designed for analog video reception and delivery systems. That is why both CEMA and Circuit City also referenced the need for a digital security interface as well, and pointed to the standards-setting work now being done by CEMA and the National Cable Television Association to develop a National Renewable Security Standard for digital devices and delivery systems.

Third, Echelon argues that IS-105.1 and IS-105.2 embody "a so-called 'set-back' architecture," as opposed to a set-top system. Echelon's argument raises a distinction without a difference; it has no technological significance. Moreover, contrary to Echelon's claims, a "'setback' architecture" benefits consumers by eliminating the need for redundant consumer electronics equipment. To the extent Echelon is raising a legal objection, Congress has already spoken. The Telecommunications Act of 1996 clearly mandates that cable and other multi-channel video programming CPE must be competitively available. Interface standards, such as IS-105.1 and IS-105.2, do no more than facilitate the fulfillment of that mandate.

Fourth, Echelon argues that IS-105.1 and IS-105.2 favor cable television services over potentially competing technologies. In point of fact, IS-105.1 and IS-105.2 are being designed in the manner they are for the principal purpose of accommodating other video programming sources, as well as other enhanced services and equipment such as video programming guides.

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Finally, Echelon argues that IS-105.1 and IS-105.2 favor a home automation system developed by CEMA. This is simply not true, and Echelon has never presented any convincing evidence to the contrary.

The Commission should therefore not be misled by Echelon's reply comments as it formulates congressionally mandated rules to promote the competitive, unbundled availability of cable home wiring and CPE.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joseph P. Markoski". The signature is written in a cursive style with a large initial "J" and "M".

Joseph P. Markoski

/jef