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June 3, 1998

BY HAND

Ms. Magalie Salas
Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

RECEIVED
JUN 3 - 1998

Re: Ex Parte Communication in CS Docket No. 97-80

Dear Ms. Salas:

On June 3, 1998, Lawrence R. Sidman and Sara W. Morris of Verner, Liipfert, Bernhard, McPherson & Hand, representing Philips Electronics North America Corporation ("Philips") and Thomson Consumer Electronics ("Thomson"), spoke telephonically with Karen Kornbluh, Deputy Chief of the Mass Media Bureau, regarding the Commission's proposed rules implementing Section 629 of the Communications Act.

The substance of this discussion covered Philips' and Thomson's concerns that cable set-top devices not block or degrade DTV signals transmitted by broadcasters to cable subscribers. Particularly, Thomson and Philips urged the Commission to adopt rules to ensure compatibility between DTV broadcast signals, including those transmitted in 1080-i format, cable set-top boxes and DTV receivers. Such rules would require set-top boxes to pass through and process all DTV formats, including 1080-i, thereby enabling consumers purchasing 1080-i displays to receive 1080-i DTV broadcast signals without degradation and safeguarding the ability of consumers with NTSC receivers to be able to view a 1080-i DTV signal when transmitted by the broadcaster and processed by the cable set-top device functioning as a digital-to-analog converter. The issuance of a Further Notice of Proposed Rulemaking in the above-mentioned proceeding was discussed as a possible vehicle for such a requirement.

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In accordance with Section 1.1206 of the Commission's Rules, an original and one copy of this letter are being filed with your office. Any questions concerning this matter should be directed to the undersigned.

Respectfully submitted,

Lawrence R. Sidman

Lawrence R. Sidman

cc: Karen Kornbluh