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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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 In the Matter Of)
)
 Definition of an Over-the-Air Signal of) RM 9335
 Grade B Intensity For Purposes Of The)
 Satellite Home Viewers Act)

**Reply Comments of
Mark F. Sorensen, General Partner, ACC Satellite TV**

In it comments, the NAB asserts several times¹ that currently “Grade B Intensity is An Excellent Proxy for Acceptable Picture Quality, and There is No Better Proxy Available”. To accept this argument one would have to accept the following analogy:

I live in a home with water service available. The water company supplies 40 PSI (pounds per square inch) of water pressure. However their water is contaminated with Cholera. But because the Water Company does supply a certain minimum pressure, ignoring quality, my home is deemed to be “served”. I therefore can not purchase water from any other source.

In defense the Water Company claims that the law is to protect “local” delivery companies.

I believe that the analogy is quite applicable, and again points out the fact that current “Grade B” completely fails to address signal quality. Any signal intensity reading says nothing about whether or not an individual home can receive it’s local network affiliate station and that it can ultimately produce a CUSTOMER ACCEPTABLE PICTURE at the customer’s television using a customer acceptable antenna. Current Grade B is completely irrelevant for use under the SHVA as it completely fails to qualify or quantify the desired end result of “picture quality” and “reliability”. If some sort of

¹ NAB 07/17/98 Page 18 ¶ 1; Page 32 ¶ 1; Page 41 ¶ 2

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measurement standard is to be used for the SHVA it ought to be one that satisfies consumer requirements. Consumers have no interest in any signal strength standard, dB μ V/Meter readings and the like. Consumers are merely interested in results, such as perfect picture and sound quality 99% of the time. There is no question that such a standard is high indeed, and would be very difficult to administer. But the public deserves no less.

The NAB admits that is impossible to predict "...whether particular households can receive 'acceptable' or 'adequate' reception."² This implies that satellite customers and the American public deserve no better than a flawed predictive and measurement system (current Grade B) whose primary and only goal is protectionism for the broadcasters. Complete rejection of the wants and needs of consumers, citizens, etc. Complete ignorance toward competition in the video delivery market place.

The NAB concludes that because a workable picture quality/reliability standard can not be created, that the NAB (broadcasters) should enjoy the economic benefits of the SHVA restrictions, restrain satellite company commerce on the sale of distant network channels, and censor the American public. I would argue for the opposite, that the public should not be damaged by flawed SHVA "Grade B" prediction and measurement standards that leave many satellite customers with zero network programming or poor picture quality on network programming. Any error in predictive and measurement standards should be fully to the advantage of the individual citizen, and his/her ability to choose.

The NAB asserts by title that restraint of network channel choice to the public "...does not hinder competition"³. Nothing could be further from the truth, as there is no question in my mind that the single largest barrier to DBS system sales, and by far the largest area of DBS system customer confusion, misconception and dissatisfaction is with the terms of the Satellite Home Viewers Act

² NAB 07/17/98 Page 11 ¶ 3

(SHVA) that restrict the delivery of network channels via satellite. The mere complexity of the issue serves to drive away many consumers from considering satellite TV as a delivery method. The NAB adds insult to injury in this area as now they propose that we somehow comfort consumers with “Geocoding”⁴, or that those consumers would care about OET Bulletin 69. Sounds like more complexity and red tape thrust upon consumers who are only interested in watching TV. The complexity and effects of the SHVA restrictions are a clear deterrent to satellite system ownership, and drive customers back to Cable TV. The NAB comments themselves suggest that consumers ought to be “troubled” and that they should bare the added “expense” of complying with the NAB sanctioned requirement that a non-cable TV customer use an off-air antenna. Further the NAB asserts that it is wrong to allow non-cable TV citizens to watch network channels without the penalty of making “...investments of time and money in over-the-air antennas.”⁵ The NRTC is quite correct and conservative to say “...that consumers today would never accept the signal quality and reliability typical of a ‘Grade B’ as it is defined today.”⁶

I would agree with the NAB assertion that local channels offer a “local voice”⁷. But I as a consumer should not be forced to listen to that voice, without alternatives, any more than I should be forced to subscribe only to my *local* newspaper. The station and its managers may design a “blend”⁸ of national network, local, and syndicated programming, but why must consumers be forced to accept the product that the “local” station has designed. Again, the marketplace ought to have the freedom to watch local affiliate stations and any other station offered by any video distribution source.

The NAB’s arguments against the importation of distant channels are impossible to accept.

³ NAB 07/17/98 Page 12

⁴ NAB 07/17/98 Page 24 ¶1

⁵ NAB 07/17/98 Page 29 ¶2 at c.

⁶ NRTC Reply Page 8

⁷ NAB 07/17/98 Page 14 top

Most of those arguments center on the fact that the broadcasters want to restrain competition, and fear “customer choice”. Each time the NAB points to some “evil” outcome⁹ of the importation of distant signals they merely describe a free market where consumers and the market place make normal purchase decisions.

The NAB correctly describes many reasons why consumers want distant network channels via satellite¹⁰. But insists that such commerce be restrained, as though the citizens making those viewing decisions are incapable of making such decisions, are powerless to do so, and should not be allowed to do so.

A 35-mile non-duplication zone proposed by the NRTC¹¹ would still need predictive and measurement standards to identify and serve those consumers who live in areas where terrain still serves to block their reception.

The Commission describes the comments opposing the petitions (NRTC and EchoStar) as generally represented by broadcast interest, while those supporting the petitions generally included DTH satellite interests¹². I believe that it is fair to refine that description to say that comments opposing the petitions were exclusively broadcast interests and cable TV interests, while those supporting the petitions were DTH satellite interests and comments of individual citizens. Other than broadcasters and cable TV interests I did not read any comments opposing the petitions of the NRTC and EchoStar.

⁸ NAB 07/17/98 Page 03 ¶ 2

⁹ NAB 07/17/98 Beginning on Page 28 ¶ 1 at a.

¹⁰ NAB 07/17/98 Beginning on Page 28 ¶ 1 at a.

¹¹ NRTC Reply Comments 09/21/98 at iii

Respectfully Submitted

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