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October 30, 2000

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Ms. Magalie R. Salas  
Secretary  
Federal Communications Commission  
445-12<sup>th</sup> Street, S.W.  
Room TW-A325  
Washington, DC 20554

Re: Ex Parte filing in MM Docket No. 00-39

Dear Ms. Salas:

On October 30, 2000, I forwarded, by e-mail, the attached document to Susan Fox of the Mass Media Bureau and Robert Pepper of the Office of Plans and Policy. I hereby file this copy of said document for inclusion as an ex parte filing in the above-referenced docket.

Sincerely,

Valerie Schulte

No. of Copies rec'd 011  
List A B C D E

To: sfox@fcc.gov; rpepper@fcc.gov  
Subject: FW: TV TechCheck -- 10/30/00

# *TV TechCheck*

*The weekly newsmag for TV broadcast engineers*

October 30, 2000

## **An All-Channel Receiver Requirement for DTV: Could History Repeat Itself?**

On October 10, 2000, FCC Chairman William Kennard's speech at the Museum of Television and Radio included several recommendations for action from Congress to bring about completion of the DTV transition. One of particular interest:

"Congress should direct the FCC to adopt a requirement that, by a given date-say January 1, 2003-all new television sets include the capability to receive DTV signals. In addition to accelerating DTV deployment, this order would make DTV technology much more affordable by unleashing market forces and economies of scale to drive down the cost of equipment and receiver chips in both sets and converter boxes."

This subject had been brought up at several points in the Commission's advanced television proceeding. In August 1995, the FCC's *Fourth Further Notice of Proposed Rulemaking*, discussed the All-Channel Receiver Act of 1962 and its relationship to advanced television. NAB believes the Commission already has the authority to invoke the Chairman's request. In comments filed last May in the DTV Biennial Review, NAB noted the parallel situation of the DTV transition today with the UHF transition of the 60's and urged the Commission "to promptly notice and then adopt All-Channel Television Receiver Rules which will require that all new television receivers 13" and greater in diagonal screen size be capable of receiving all frequencies allocated by the Commission to television broadcasting, including all NTSC and all DTV channels." There are some interesting parallels between the UHF broadcasting issues that led to passage of the All-Channel Receiver Act and the present situation with DTV and NTSC.

In a January 11, 1962, speech at the National Press Club, FCC Chairman Newton Minnow used all-channel legislation as his main theme announcing that "our chief legislative proposal for 1962 is the all-channel TV receiver bill." *Broadcasting Magazine* reported that "the success of the FCC's No. 1 lobbying crusade is somewhat doubtful. Similar bills have been introduced in the past three Congresses but have not been successful in even getting a committee hearing." Closely tied up with proposed all-channel legislation was the FCC proposal to "de-intermix" eight markets by withdrawing their VHF channels, on the supposition that UHF stations could not compete effectively with VHF stations. Nine bills were introduced in the House to block the de-intermixture move, and five of those also included an all-channel receiver proposal as a better way to encourage UHF development. By February 19, *Broadcasting Magazine* reported a change was in the wind: "The feeling is growing that an all-channel receiver bill will pass..." On February 20, EIA testified at hearings before the Senate Communications Subcommittee justifying its opposition to the all-channel legislation, saying it would result in a 14%, or \$30, increase to the price of sets. EIA said the failure of UHF was not due to lack of UHF sets, but to a lack of enterprise and imagination on the part of UHF station operators. As an alternative, EIA suggested a "voluntary program in which manufacturers would cooperate in a campaign to promote UHF." The House held hearings the next month where NAB President LeRoy Collins stated NAB's support for all-channel legislation and maintaining VHF/UHF intermixture.

The House Commerce Committee approved a bill for all-channel receivers in late March 1962. It passed the House with a vote of 279-90 in early May. EIA opposed the legislation (although RCA, Zenith and Admiral supported it) but, in case it passed, made the somewhat bizarre proposal that "[Congress] should at least require VHF broadcasters to provide parallel UHF program service... to compensate the consumer for the extra cost of his set.

In late May, the Senate Commerce Committee approved an all-channel receiver bill and included an amendment requested by the FCC to require noise figures of receivers to meet minimum criteria. It passed the Senate in early June. By agreement with the FCC, the de-intermixture proposals were put on hold, and were eventually withdrawn by the FCC. The magnitude of the accomplishment of the passage of the bill was noted in a *Broadcasting Magazine* editorial on June 25:

"The incredible, if not the impossible, happened in the passage of all-channel receiver legislation by Congress....Enactment of this legislation against what were regarded as insuperable odds is a striking example of what can be achieved when broadcasters work together for a just cause.

President Kennedy signed the bill into law on July 10 1962, authorizing the FCC to require television receivers "be capable of adequately receiving all frequencies allocated by the Commission to television broadcasting." In September, the FCC released a *Notice of Proposed Rulemaking* requiring any television set manufactured after April 30, 1964, to be an all-channel set. They also proposed a maximum noise figure for the tuner. The *First Report and Order* establishing this rule was issued in November 1962. And what was the result?

YEAR	Avg. (B/W) TV Factory Cost (\$)	% homes wi UHF receivers	#UHF stations
1961	125	7.1	91
1962	128	7.3	102
1963	118	9.6	113
1964	109	15.8	120
1965	106	27.5	129
1966	98	38.0	148
1967	92	47.5	174
1968	74	57.0	211

EIA's prediction apparently didn't materialize. But the predicted growth of UHF television stations and potential UHF viewing audience is indeed apparent. Today there are over 900 UHF television stations. Is any of this relevant to DTV? The saying goes: he who does not study history is condemned to repeat it. Maybe that wouldn't be such a bad thing for the DTV transition.