Before the
Federal Communications Commission
Washington, D.C.

In the Matter of	)	
	)	
Nondiscrimination in the Distribution of	)	
Interactive Television Services Over Cable	)	CS Docket No. 01-7
	)	
	)	

Reply Comments of Scientific-Atlanta In Response to Notice of Inquiry

Scientific-Atlanta is a leading supplier of transmission networks for broadband access to the home, digital interactive subscriber systems designed for video, high-speed Internet and voice over IP (VOIP) networks and worldwide customer service and support. We would like to offer reply comments in response to some of the issues raised in the comments in the Commission's Notice of Inquiry.

Scientific-Atlanta endorses those comments that note that interactive television is in its infancy and should not be made subject to premature government regulation. We would similarly counsel against the imposition of any regulation in this nascent market. Any such regulations would almost certainly deter investment and slow the development of interactive television.

There are three specific areas that we would also like to address. First, the comments of Cable + Technologies conclude that there are security problems with the POD or point of deployment device mandated by the Commission in its proceeding on the Commercial Availability of Navigation Devices. Scientific-Atlanta developed a POD in compliance with the FCC's mandate in this area. We know of no such security problems with our POD or, for that matter, with any of the PODs developed pursuant to the FCC's orders and mandates in this area. Cable + Technologies should

be required to provide specific documentation or proof of such security problems. We would be willing to meet with representatives of Cable + Technologies to determine the validity of any such allegations.

Secondly, Gemstar asks that the Commission regulate vertically integrated interactive television providers, particularly those with electronic programming guides and requests nondiscriminatory access to the cable network. Scientific-Atlanta opposes this request and notes the hypocritical nature of this proposal. The Gemstar electronic programming guide is not an open platform and is in fact the type of closed, proprietary platform that is denounced in its comments. For example, applications developers to the cable platform currently being offered by Scientific-Atlanta and cable operators are able to offer a variety of applications for web-browsing, t-commerce, video-on-demand, games, learning and other interactive television services. This opportunity does not exist on the closed Gemstar platform. The Commission should not propose nondiscriminatory access, because such requirements would provide a disincentive to invest in infrastructure. The lack of investment in so-called "last mile" infrastructure, such as that provided by cable operators, is regarded by many analysts of information technology to be the major bottleneck in the deployment of new services.

Scientific-Atlanta also does not agree with the comments of the Consumer Electronic Retailer Coalition that criticize cable operators for limiting competition in navigation devices and interactive applications. To the contrary, Scientific-Atlanta has been required by its cable operator customers to license its technology to competitors and the platform offered by cable operators is beginning to offer a variety of competitive interactive services.

In conclusion, Scientific-Atlanta strongly endorses those commenters who believe that FCC intervention in interactive television is premature and would more than likely be counterproductive.

Respectfully submitted,

/s/ Bill Loughrey
Bill Loughrey