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August 3, 2001

VIA ELECTRONIC FILING

Magalie R. Salas
Secretary
Federal Communications Commission
The Portals
445 12th Street, S.W.
Washington DC 20554

**Re: *Ex Parte*: In the Matter of Implementation of Section 304 of the
Telecommunications Act of 1996: Commercial Availability of Navigation Devices,
CS Dkt. No. 97-80.**

Dear Ms. Salas:

Motorola, Inc. respectfully asks that the attached comment be entered into the record in the above-captioned proceeding.

Kindly direct any questions regarding this matter to my attention.

Sincerely,

/s/
Jonathan A. Friedman
Counsel for Motorola, Inc.

Att.

Washington, DC
New York
Paris
London

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION**

WASHINGTON, D.C. 20554

In the Matter of)	
)	
Annual Assessment of the Status of)	CS Docket No. 01-129
Competition in the Market for the)	
Delivery of Video Programming)	

COMMENTS OF MOTOROLA, INC.

Motorola, Inc. (“Motorola”) hereby files its comments in response to the Commission’s Notice of Inquiry (“*Notice*”) in the above-captioned proceeding.¹

Motorola is pleased to provide information to the Commission on the state of competition in the video marketplace. As a leading manufacturer of consumer electronics equipment, including cable set-top equipment and cable modems, Motorola is uniquely qualified to comment on recent developments in this increasingly competitive market. In addition, Motorola takes this opportunity to update its comments filed in response to the Commission’s Further Notice of Proposed Rulemaking in the navigation devices proceeding.²

¹ *In re Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming*, Notice of Inquiry, CS Docket No. 01-129, FCC 01-191 (rel. June 25, 2001) (“*Notice*”).

² *See* Motorola Comments, filed in CS Dkt. No. 97-80 (Nov. 15, 2000) (“Motorola Retail Sale Comments”); Motorola Reply Comments, filed in CS Dkt. No. 97-80 (Dec. 18, 2000) (“Motorola Retail Sale Reply Comments”).

The Notice invites comment on the retail availability of consumer equipment.³ Motorola, a leading vendor of cellular handset equipment in the retail market, is also committed to providing consumers with a variety of equipment choices for video distribution and broadband services. To this end, Motorola offers a range of consumer products, including set-top terminals and cable modems, through a variety of distribution channels. For example, Motorola offers its cable modem equipment to MSOs, who then sell or lease the equipment to consumers. Motorola has also delivered over five million cable modems to retail outlets for sale to consumers. Motorola SURFboard® modems are now carried in over 1,000 retail stores in the United States, including Best Buy, Circuit City, CompUSA and The Wiz. Motorola anticipates that the retail sale of modems will only increase as consumers become more familiar with cable modem services and the value the equipment provides in delivering high quality Internet content, video, and audio services to the home. In addition, Motorola has for over a year been selling cable modems directly to the consumer through its Web site at <http://broadbandstore.motorola.com/>. As these developments illustrate, Motorola is fully committed to offering its products at retail in response to consumer demand.

Similarly, in the set-top equipment arena, Motorola is developing a range of consumer products and actively pursuing multiple distribution channels to provide its MSO and retailer customers, as well as consumers, with an array of purchase and lease options. As the Commission is aware, Motorola continues to manufacture the DCT-2000 set-top terminal and market this equipment to cable MSOs, who in turn lease this

³ See Notice at ¶¶ 56-57.

equipment to their customers. In addition, as Motorola noted in previous filings in the navigation devices proceeding, specifications for interoperable set-top terminals have been developed by the OpenCable process with input and comment from a wide group of CE vendors.⁴ Vendors have been building interoperable products with those specifications for well over a year, and interoperability has been demonstrated between the various vendors' products. In fact, several new products were announced this year at the Consumer Electronics Show in Las Vegas and the National Cable Show in Chicago, including television sets with embedded digital video capability and point of deployment (“POD”) slots. In this regard, Motorola has also produced an interactive set-top “Host” terminal, the DCT-2020, that complies with OpenCable POD/Host standards.⁵ None of the retailers Motorola has contacted to date has expressed interest in carrying the DCT-2020 Host product.

Motorola continues to pursue aggressively the development of set-top products designed to meet the needs of retail customers, despite the lack of interest by retailers in the DCT-2020, and expects to launch a new retail product line, the DCP-501 and DCP-503, for the 2001 Holiday season. These devices, which have built-in security rather than a POD slot, combine the navigation capability of the digital set-top terminal with a single or triple DVD player and powered A/V receiver. They will provide video capability as well as impulse pay-per-view, and future versions may include an embedded cable

⁴ See, e.g., Motorola Retail Sale Comments at 4-5; Motorola Retail Sale Reply Comments at 4-5; NCTA Comments, filed in CS Dkt. No. 97-80, at 11 & App. A (Nov. 15, 2000); NCTA Reply Comments, filed in CS Dkt. No. 97-80, at 10 (Dec. 18, 2000).

⁵ The DCT-2020 Host terminal costs approximately \$75 more than the DCT-2000, due to the added expense of separating the security from the other components.

modem for high-speed Internet access, enhanced interactive applications, and other features. Motorola expects the Manufacturers Suggested Retail Prices for the devices to be approximately \$849 and \$949, respectively. Based on market research, Motorola believes that the DCP-501 and DCP-503 are compelling retail products because they enable the customer to replace or upgrade existing components with a single multimedia system, and accordingly, would overcome a significant initial hurdle in persuading the consumer to obtain such equipment from a retailer. Attached to this filing is further information about these products.

Motorola urges the Commission to adopt a report to Congress that recognizes these developments in the consumer equipment marketplace.

Respectfully submitted,

/s/ _____
Christine G. Crafton
Vice President and Director
Broadband Regulatory Policy

/s/ _____
Jeanine Poltronieri
Director
Telecommunications Strategy
and Regulation

Motorola, Inc.
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Washington, DC 20005-3305
Tel: 202-371-6870

August 3, 2001

Motorola's DCP501 Home Theater System

Redefining Home Entertainment.

One platform for all your entertainment needs. Presenting Motorola's Digital Convergence Platform 500 Series. It has all the things you want in a home entertainment system. Motorola's DCP501 is packed with features combining a DVD/CD changer, digital audio/video receiver and an interactive digital cable receiver within a convenient, space-saving design that redefines home entertainment.

Motorola designed the DCP501 to deliver high-performance entertainment features that exceed the standards of the most demanding electronics enthusiast while offering the convenience of plug 'n' play installation. The DCP platform also provides the gateway to interactive services* such as video-on-demand movies, local source information, electronic programming guides, more channels of impulse pay-per-view movies and events, Internet access and more.

Ultimately, the DCP501 gives consumers more control and more choices.

*Digital cable and interactive services are subscription services offered by most cable service providers. Check with your local cable service provider to find out which services are offered in your area.

- DVD/CD Player
1 disc player
- Audio/Video Receiver,
100 watts x 5 channels
- DCT2000 Digital Cable
Receiver
- Dolby® Digital, Dolby® Pro
Logic II, DTS®
- Multiple I/Os for CD,
DVD, VCR
- Tripath Class T solid state
amplification
- Plug 'n' Play installation
- Space saving design



DCP501

Motorola's DCP501 Home Theater System

DIGITAL CABLE RECEIVER

- 50 – 860 MHz Tuner, supports clear analog, 64 and 256 QAM clear and encrypted digital cable services
- DigiCipher® II Access Control, compatible with Motorola-enabled digital cable services in both two-way and telephone return cable systems
- Supports Motorola DCT2000 digital cable applications
- 8 bit graphical user interface
- TV Pass Card slot for upgradeable security

A/V RECEIVER AND AMPLIFIER

- High Performance Tripath Class-T amplifiers, delivering all 5 channels at 100W each
- Dolby® Digital, Dolby® Pro-Logic II Processing and DTS®
- DSP Sound Effects: 6 modes
- 1 Coax (user assignable) and 2 Toslink (1 fixed, 1 user assignable) digital audio inputs
- 48 kHz 24 bit Analog-to-Digital and 96 kHz 24 bit Digital-to-Analog audio converters
- NTSC Decoder with digital adaptive comb filter, converts all composite video signals to S-Video and Component video
- Component video, S-Video and Composite video outputs to the TV/Monitor, active for all input video sources
- Front Audio/Video input includes Toslink digital audio input
- Digital audio inputs auto-detect
- Headphone output
- Pre-amplifier outputs
- Powered subwoofer output
- Universal remote for TVs and VCRs

DVD / CD PLAYER

- Single Disc Tray
- Compatible with DVD, CD, CD-R, CD-RW discs
- Plays MP3-encoded discs

SPECIFICATIONS

RMS Output Power	2x100 Watts, 20 Hz to 20 kHz, less than 0.1% THD 5 x 100 Watts, 1 kHz, less than 0.9% THD
Frequency Response	20 Hz to 20 kHz, ± 1 dB
Harmonic Distortion	All channels <0.05% from 20 Hz to 20 kHz at 1 Watt
Audio Signal-to-Noise Ratio	95 dB, A-weighted
Video Signal Type	NTSC
Composite Video Signal Level	1 Vp-p, 75 Ω
S-Video Signal Level	Y: 1 Vp-p, 75 Ω C: 0.286 Vp-p, 75 Ω
Component Signal Level	Y: 1 Vp-p, 75 Ω Cb/Cr: 0.7 Vp-p, 75 Ω
Video Signal-to-Noise Ratio	> 57 dB

FRONT PANEL INPUTS

Keypad
IR receiver
Composite video base band
Left/right audio base band
SPDIF optical

FRONT PANEL OUTPUTS

Headphone jack
Vacuum Fluorescent Display (VFD)

REAR PANEL INPUTS

RF
Cable TV input
FM tuner input
AM tuner input

Video
Composite & S-video – VCR1, VCR2, Video1

Audio
Left/right base band – VCR1, VCR2, Video1, Tape
SPDIF optical, assignable
SPDIF coaxial, assignable

REAR PANEL OUTPUTS

Video
Composite & S-video - VCR1, VCR2, TV
Component YPrPb video – TV/Monitor (active for ALL video sources)

Audio
Front left, center, front right, rear right, rear left speakers
Subwoofer output for powered subwoofer
Left/right baseband - VCR1, VCR2, Tape
Front left, center, front right, rear right, rear left pre-amplifier outputs

Other

Expansion port – can be used with HDD200 decoder for HDTV

MISCELLANEOUS

Power Requirements	120 VAC / 60 Hz
Weight (without packaging)	35 pounds
Dimensions (without packaging)	17 (W) x 6.1 (H) x 20 (D) inches
Included Accessories	Universal Remote, AM & FM antennas, 6' base band cable, 6' S-Video cable and 6' coaxial cable

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