

NARDA

North American Retail Dealers Association

10 E. 22nd Street, Lombard, IL, 60148 630/953-8950

January 28, 2002

Michael K. Powell
Chairman
Federal Communications Commission
445 – 12th Street S. W.
Washington, D. C. 20554

VIA Electronic Mail

Dear Commissioner Powell:

NARDA is a trade association whose members are consumer electronics and home appliance retailers.

The dealers we represent have been waiting for decades to compete with cable companies in selling consumer electronics devices that work directly with cable such as cable-ready DTV receivers.

Despite mandates included in the Telecommunications Act of 1996 and FCC rulings in 1998, cable companies have not developed adequate specifications that could be used by vendors in manufacturing competitive digital set-top boxes, which could be sold at retail. Manufacturers do not have confidence in the recently published OCAP standard.

Technology has traditionally been driven by competition. That spirit brings daily change that improves the quality of life for every American. Without an open market, a limited few decide what products consumers should have, how they will acquire them and how they will be used.

Cable customers today have no choice but to lease set-top boxes from their cable company.

We are five years into the digital age and to date, cable operators have sold 25 million set-top boxes while retailers have sold none. 135,000 digital set-top boxes are being leased each week.

The rules are clear. I urge you to act quickly to enforce them so that we can assure equal treatment as to the standards for competitive set-top boxes sold at retail and the charges for subscribers who choose those retail devices.

I look forward to hearing from you.

Sincerely,

Elly S. Valas
Executive Director