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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Stevie Pyon  
Direct Dial: (310) 964-4829  
Facsimile: (310) 726-4884

March 11, 2003

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

Re: Ex Parte Notice — Carriage of Digital Television Broadcast Signals (CS Docket No. 98-120); Implementation of Satellite Home Viewer Act of 1999; Local Broadcast Signal Carriage Issues (CS Docket No. 00-96)

Dear Ms. Dortch:

In accordance with Section 1.1206 of the Commission's Rules, 47 C.F.R. § 1.1206, DIRECTV, Inc. ("DIRECTV") submits this letter to report that on Tuesday, February 25, 2003, David Baylor and Stevie Pyon of DIRECTV and James Barker of Latham & Watkins met with Ben Bartolome, Paul Gallant, Eloise Gore, William Johnson, Deborah Klein, Michael Lance, Ronald Parver, and John Wong of the Media Bureau; and Rosalee Chiara, John Martin, and Robert Nelson of the International Bureau. As a follow up to our meeting with the staff members of the Commission identified above, below please find responses to the follow-up issues that were raised during the above-referenced meeting.

1. ***How many HD Set-Top Boxes ("STBs") have been deployed by DIRECTV?***

We have approximately 180,000 active subscribers with HD STBs and have shipped approximately 260,000 HD STBs.

2. ***How effective is the ATSC tuner in the HD STB in receiving local channels?***

Our experience has been that the ATSC tuners in DIRECTV manufacturers' various HD STB models receive ATSC broadcasts as

effectively as other ATSC devices under similar reception conditions. Overall, with the quality of ATSC reception and propagation advantages relative to analog broadcast signals, and the integration with the electronic program guide, we believe this is an important way of facilitating DIRECTV customers' receipt of local HD broadcast signals in a seamless fashion. Conditions that affect reception of ATSC broadcasts, all of which are outside DIRECTV's control, include the broadcast signal strength, the distance from the broadcast antenna, the receiving antenna's qualities and the sources of interference, including signal multipath.

3. ***Is installation of an outside antenna included within the standard installation for a HD STB?***

If the customer has a pre-existing antenna, DIRECTV will attach cabling from the antenna to the set top box. If the customer does not have an antenna or the antenna requires installation, these services are available at an additional cost of approximately \$100-\$300 to the customer, depending on the complexity of the installation.

4. ***How many HD-DVR STB does DIRECTV expect to roll out at the end of 2003 and 2004?***

The market for an HD-DVR STB is untested and it is unclear what the demand will be. However, DIRECTV anticipates that the volume could be as high as 30,000 to 50,000 HD-DVR STBs in 2003 and 2004 (very few in 2003 and the bulk in 2004). The actual volumes will depend on consumer demand for the product.

An original and one copy of this *ex parte* notice is being filed with the Commission. We again thank you and the other staff members of the Commission for the opportunity to make the HD Local Channel presentation. If you have any further questions or comments, please call me at (310) 964-4829.

Sincerely,



Stevie Pyon  
Assistant General Counsel

cc: Ms. Rosalee Chiara  
David Baylor  
James Barker, Esq.