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JACK VALENTI
PRESIDENT
AND
CHIEF EXECUTIVE OFFICER

October 22, 2003

Re: MB Docket No. 02-230

Dear Mr. Chairman

In recent days concerns have been raised against implementation of the Broadcast Flag that suggest widespread misunderstanding of how the Flag would impact consumers. I would like to take this opportunity to set the record straight with regard to what the Flag would, and would not, do.

What the Flag would do is place free, over-the-air broadcasters on a level playing field in terms of their ability to protect high value digital content from massive unauthorized redistribution on the Internet and other digital networks. If free TV cannot protect high value content from unauthorized digital redistribution, that content will be forced to migrate to subscription cable and satellite delivery systems which now have the technical capacity to prevent Internet redistribution. Implementation of the Broadcast Flag will assure consumers continued access to high value content on their local, free broadcast stations.

Despite some assertions to the contrary, there are a number of things the Broadcast Flag will not do:

1. Broadcast Flag implementation will have absolutely no effect on the ability of consumers to record digital broadcast programs.

2. Broadcast Flag implementation will not impact all digital consumer electronics devices and computers. It will affect a relatively small universe of consumer equipment -- only devices that can modulate and demodulate digital TV broadcast signals.

3. The Broadcast Flag will have absolutely no effect on the ability of consumers to view DTV programs on legacy analog and digital TV receivers. No existing DTV equipment will be rendered obsolete nor have its capabilities changed in any way.

4. The Broadcast Flag will not obsolete the some fifty million DVD playback devices currently in consumer homes. These DVD players cannot play back HDTV recordings today, and implementation of the Broadcast Flag will not alter this fact.

5. There are no "legacy" digital recording devices that will make recordings that will not play on future compliant machines (D-VHS is the only digital recording/playback device currently in the market and it is flag compliant now).

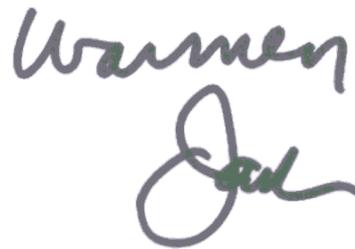
6. The Broadcast Flag will not increase the cost of consumer equipment. The cost of making consumer devices Broadcast Flag compliant, as a practical market matter and as confirmed by Thomson, is de minimus.

The only potential impact of the Broadcast Flag on consumers is that purchasers of new, compliant digital recording devices will not be able to send Broadcast Flag marked DTV content over unsecured digital networks outside the home network environment (but they will be able to record and send the physical recordings anywhere). It is our national policy, repeatedly endorsed by the Congress, to encourage free, off-air TV and localism. The Broadcast Flag will carry out this policy.

The Broadcast Flag is not a perfect solution, but it is adequate for the task at hand -- preventing massive unauthorized redistribution of DTV

programs over the Internet and other digital networks to ensure consumers will continue to be able to watch high value programming via free over-the-air television. The perfect should not be the enemy of the good.

The Commission should adopt regulations implementing the Broadcast Flag promptly. Delay will allow legacy devices to enter the marketplace in large numbers, diminishing the effectiveness of the Flag and creating consumer confusion and inconvenience.

A handwritten signature in dark ink, appearing to read "Warren" followed by a stylized initial or surname.

Chairman Michael K. Powell
Federal Communications Commission
445 Twelfth Avenue, SW
Washington, DC 20554

cc: Secretary Marlene H. Dortch