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Before the  
Federal Communications Commission  
Washington, D.C. 20554

FEB 15 2005

In the matter of )  
 )  
Requirements for Digital Television Receiving ) ET Docket No. 05-24  
Capability )

NOTICE OF PROPOSED RULEMAKING

Adopted: January 19, 2005

Released: February 14, 2005

COMMENT DATE: [30 days after publication in Federal Register]  
REPLY COMMENT DATE: [45 days after publication in Federal Register]

By the Commission:

1. By this action, the Commission commences a proceeding to consider adjusting the schedule by which new broadcast television receivers with screen sizes 25 to 36 inches are required to include the capability to tune digital television (DTV) signals. This provision of the rules is an element of the Commission's phase-in plan for requiring that all new broadcast television receivers include DTV reception capability by July 1, 2007. The DTV reception requirement was adopted by the Commission in the *Second Report and Order and Second Memorandum Opinion and Order (DTV Tuner Order)* in the DTV review proceeding and is also often termed the "DTV tuner requirement." This requirement is being phased-in over a four-year period to avoid imposing undue costs on manufacturers and consumers and to avoid disruption of the TV receiver market.<sup>1</sup> On November 5, 2004, the Consumer Electronics Association and the Consumer Electronics Retailers Coalition (CEA-CERC) submitted a Petition for Rulemaking requesting that we eliminate the scheduled July 1, 2005 date for 50 percent of new TV receivers with screen sizes 25 to 36 inches to include DTV reception capability and advance the date on which 100 percent of such receivers must include that capability by three months, from July 1, 2006 to March 1, 2006.<sup>2</sup> CEA-CERC submit that this change is needed to resolve certain adverse consequences of the 50 percent aspects of the phase-in plan for the DTV tuner requirement that have become apparent

<sup>1</sup> See *Second Report and Order and Second Memorandum Opinion and Order* in MM Docket No. 00-39, 17 FCC Rcd 15978 (2002) at ¶¶ 8-46. We note that it is important to recognize that DTV reception capability involves circuitry more than just a tuner. Specifically, to provide this capability requires a tuner to receive the digital signal, an MPEG decoder/formatter, and associated processors and memory. As CEA-CERC observe, a DTV tuner is actually a small computer and so is very different from an NTSC analog TV tuner, CEA-CERC petition at 3.

<sup>2</sup> See Petition for Rulemaking filed by the Consumer Electronics Association and the Consumer Electronics Retailers Association on November 5, 2004. In view of the need to act expeditiously on this matter due to the approaching effective date of the provision requiring that 50 percent of new TV receivers with screen sizes 25 to 36 inches have DTV tuners, we have decided to respond to the CEA-CERC petition by proceeding directly to a rule making proceeding rather than assign this petition a file number, announce its submission in a Public Notice, and initiate comment and reply cycle for responses. In this regard, we are waiving Sections 1.403 and 1.405 of the rules for the CEA-CERC petition, see 47 C.F.R. §§ 1.403 and 1.405. There will be a full opportunity for comments and replies to CEA-CERC's request and the issues raised therein in the context of this rule making.

recently through experience in retailing and manufacturing. In response to the CEA-CERC petition, we request comment on whether there is need to revise the implementation schedule of the DTV tuner requirement for receivers with screen sizes 25 to 36 inches and, if so, how that schedule should be revised to achieve our goal that all new television receivers include DTV tuning capability by July 1, 2007.

2. *Background.* In the *DTV Tuner Order*, the Commission adopted rules requiring that all TV receivers shipped in interstate commerce or imported into the United States, for sale or resale to the public, with screen sizes 13 inches or larger and TV interface devices be capable of receiving the signals of DTV broadcast stations over-the-air no later than July 1, 2007.<sup>3</sup> Under these rules, TV broadcast receivers are required only to provide useable picture and sound commensurate with their video and audio capabilities when receiving DTV signals. The DTV tuner requirement was intended to facilitate the transition to digital television by promoting the availability of DTV reception equipment and to protect consumers by ensuring that their TV receivers will provide off-the-air TV reception in the digital world just as they do today.<sup>4</sup> In order to minimize the impact of the DTV tuner requirement on both manufacturers and consumers, the Commission adopted a phase-in schedule that applies the requirement first to receivers with the largest screens and then to progressively smaller screen receivers and TV interface devices. This phase-in plan is intended to allow increasing economies of scale with production volume to be realized so that tuner costs will be lower when they are required to be included in smaller sets and TV interface devices. The phase-in plan is currently as follows:

Receivers with screen sizes 36" and above -- 50% of a responsible party's units must include DTV tuners effective July 1, 2004; 100% of such units must include DTV tuners effective July 1, 2005;

Receivers with screen sizes 25" to 36" -- 50% of a responsible party's units must include DTV tuners effective July 1, 2005; 100% of such units must include DTV tuners effective July 1, 2006;

Receivers with screen sizes 13" to 24" -- 100% of all such units must include DTV tuners effective July 1, 2007;

TV Interface Devices (videocassette recorders (VCRs), digital versatile disk (DVD) players/recorders, etc.) that receive broadcast television signals -- 100% of all such units must include DTV tuners effective July 1, 2007.

3. *The CEA-CERC Petition.* In their petition for rulemaking, CEA-CERC request that we eliminate the July 1, 2005 requirement for 50 percent of TV receivers with screen sizes 25 to 36 inches to include DTV reception capability and instead advance from July 1, 2006 to March 1, 2006 date for all such receivers to include a DTV tuner. They submit that manufacturers and retailers experience with the 50 percent provision for 36 inch and larger receivers is that the 50 percent aspect of the phase-in plan is antithetical to the purpose of the requirement. CEA-CERC state that, in practice, the 50 percent requirement has proven to be unduly disruptive in the marketplace in ways unforeseen and, in fact, threatens to slow, rather than speed, consumer migration to TV receivers with DTV tuners. They indicate that this is because consumers typically choose a lower-priced product with otherwise similar features except for the DTV tuner.

4. CEA-CERC submit that for retailers faced with the prospect of a much higher price for

<sup>3</sup> See *DTV Tuner Order*, at ¶ 40 and 47 C.F.R. §§ 15.117(a), (h), and (i). For purposes of these rules, TV broadcast receivers also include devices such as TV interface devices, *i.e.*, set-top boxes, that are intended to provide audio-video signals to a video monitor with an antenna or antenna terminals that can be used for off-the-air TV reception.

<sup>4</sup> *Id.* at ¶ 44.

an entry-level product that will be sold alongside a product of the same size and brand that many or most consumers may view as identically satisfying their needs, the 50 percent rule presents an economic imperative that is at odds with the Commission's goals for completing the DTV transition. They state that a retailer must assume that, whether or not a manufacturer can find a market for its DTV-tuner equipped sets, it will adhere to the 50 percent rule. They state that, in this situation, the retailer must assume that the supply of lower-priced non-DTV-tuner equipped sets will be rationed, with the result that their acquisition process will be driven up. CEA-CERC submit that the 50 percent rule therefore forces retailers to take early steps to secure supplies of the non-DTV-tuner equipped sets, which are being made artificially scarce. They state that no matter how committed a retailer is to the DTV transition, the 50 percent rule provides an imperative to over-order the potentially scarce non-DTV tuner products and to under-order the more expensive products whose prices may be driven down later as a manufacturer seeks to achieve a 50/50 balance.

5. CEA-CERC state that this process and imperative have been present in the 36 inch screen size and above market during the current 50 percent environment, in which the costs of the DTV tuner accounts for a much smaller percentage of product cost. They believe that if allowed to shape the 25 inch to 36 inch market this process can produce a result that would be opposite of the result that the Commission, CE manufacturers, CE retailers, and indeed all interest in this matter would like to see. CEA-CERC state that repealing the 50 percent rule for 25 inch to 36 inch receivers and moving up the date for 100 percent compliance by such receivers will much better align the policy behind the DTV tuner rule with market forces and consumer expectations. They therefore argue that it would be in the interests of all concerned parties with respect to achievement of the goals for the DTV tuner requirement for the Commission to revise its rules delete the 50 percent deadline for 25 inch to 36 inch receivers and replace it with a single 100 percent deadline to be effective March 1, 2006.

6. *Discussion.* The DTV tuner requirement is intended to provide this capability to the general population on a schedule that will promote a rapid completion of the transition while minimizing the potential for the incremental costs of DTV tuning capability to disrupt the television receiver market. At the time we adopted the 50 percent of production elements of the phase-in provisions of the DTV tuner requirement, our intent was that these intermediate increases in the proportions of new receivers with DTV tuners would gradually apply the tuner requirement to progressively greater proportions of receivers as manufacturers develop efficiencies in production and thereby minimize the impact of the tuner requirement on both manufacturers/importers and consumers.<sup>5</sup> As described in the CEA-CERC petition, it now appears that the partial production elements of this plan may be impeding rather than promoting the introduction of TV receivers that include DTV tuners. We are initiating this rulemaking proceeding to consider whether there is a need to modify the implementation schedule of the DTV tuner requirement for receivers with screen sizes 25 to 36 inches to address the disruptive effects on the TV receiver market indicated in the CEA-CERC petition and, if so, to develop revisions to that plan that will achieve our goal that all new television receivers include DTV tuning capability by July 1, 2007 in a phased in approach that will help develop economies of scale, and our goal of furthering the DTV transition.

7. In considering this matter, it is our intent that any revisions we may make to the tuner requirement should not serve to delay the completion of the DTV transition. We believe it is important that the implementation schedule under any such revisions should foster a more rapid introduction of DTV reception capability and in no event should extend the current July 1, 2007 date for full implementation. We also continue to believe that it is desirable and important to provide for the gradual introduction of the DTV tuner requirement in order to allow manufacturers and importers to develop the economies of scale that are necessary to reduce the costs of DTV tuners when they are included in smaller screen sets and other devices such as videocassette and DVD recorders that do not include a viewing screen.

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<sup>5</sup> *Id.* at ¶ 41.

8. In this context, we request comment on whether there is need to revise the TV tuner requirement implementation schedule for receivers with screen sizes 25 to 36 inches and suggestions for specific revisions to the schedule for such devices to address that need. We specifically request comment on the approach suggested by CEA-CERC whereby the requirement that 50 percent of receivers with screen sizes 25 inches to 36 inches incorporate a DTV tuner in the period from July 1, 2005 to July 1, 2006 would be eliminated and replaced with a new provision requiring that all receivers with screen sizes 25 inches to 36 inches be required to include a DTV tuner effective March 1, 2006. We also invite alternative approaches for addressing the market situation described in the CEA-CERC petition and intend to consider the full range of options that are consistent with our stated goals. However, commenting parties are advised that we do not intend to extend the July 1, 2007 date by which all broadcast television receivers include DTV reception capability.

9. *Administrative Matters.*

10. *Ex Parte Rules.* This is a permit-but-disclose notice and comment rulemaking proceeding. Ex parte presentations are permitted, except during the Sunshine Agenda period, provided that they are disclosed as provided in the Commission's Rules. See generally 47 C.F.R. §§ 1.1202, 1.1203, and 1.1206(a).

11. *Comment Information.* Pursuant to Sections 1.415 and 1.419 of the Commission's rules, 47 C.F.R. §§ 1.415, 1.419, interested parties may file comments on or before [30 days after publication in the Federal Register], and reply comments on or before [45 days after publication in the Federal Register]. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 Fed. Reg. 24121 (1998). Accessible formats (computer diskettes, large print, audio recording and Braille) are available to persons with disabilities by contacting Brian Millin, of the Consumer & Governmental Affairs Bureau, at (202)418-7426, TTY (202) 418-7365, or at [bmillin@fcc.gov](mailto:bmillin@fcc.gov).

12. Comments filed through the ECFS can be sent as an electronic file via the Internet to <http://www.fcc.gov/e-file/ecfs.html>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers are referenced in the caption of the comments, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov), and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply. Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appear in the caption of the comment, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Vistrionix, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

13. *Initial Paperwork Reduction Act Analysis.* This document contains proposed [new or modified] information collection requirements. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and the Office of Management and Budget (OMB) to comment on the information collection requirements contained in this document, as required by the Paperwork Reduction Act of 1995, Public Law 104-13. Public and agency comments are due **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. Comments should address: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology. In addition, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107-198, *see* 44 U.S.C. 3506(c)(4), we seek specific comment on how we might "further reduce the information collection burden for small business concerns with fewer than 25 employees."

14. *Regulatory Flexibility Act.* As required by the Regulatory Flexibility Act,<sup>6</sup> the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on a substantial number of small entities of the proposals addressed in this Notice of Proposed Rulemaking. The IRFA is set forth in Appendix A. Written public comments are requested on the IRFA. These comments must be filed in accordance with the same filing deadlines for comments on the Notice, and they should have a separate and distinct heading designating them as responses to the IRFA.

15. *Additional Information.* For additional information on this proceeding, please contact Alan Stillwell, Office of Engineering and Technology at (202) 418-2925.

16. *Ordering Clauses.* Accordingly, IT IS ORDERED that, pursuant to the authority contained in sections 2(a), 4(i) & (j), 7, and 303 of the Communications Act of 1934 as amended, 47 U.S.C. §§ 152(a), 154(i) & (j), 157, and 303, this Notice of Proposed Rule Making IS ADOPTED.

17. IT IS FURTHER ORDERED that the Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, will send a copy of this Notice, including the IRFA, to the Chief Counsel for Advocacy of the Small Business Administration, in accordance with the Regulatory Flexibility Act.<sup>7</sup>

FEDERAL COMMUNICATIONS COMMISSION



Marlene H. Dortch  
Secretary

<sup>6</sup> See 5 U.S.C. § 603.

<sup>7</sup> See 5 U.S.C. § 603(a).

**APPENDIX A**  
**INITIAL REGULATORY FLEXIBILITY ANALYSIS**

As required by the Regulatory Flexibility Act of 1980, as amended ("RFA"),<sup>8</sup> the Commission has prepared this Initial Regulatory Flexibility Analysis ("IRFA") of the possible significant economic impact on small entities by the policies and rules proposed in this Notice of Proposed Rulemaking ("Notice"). Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments on the Notice provided above in paragraph 11. The Commission will send a copy of the Notice, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration.<sup>9</sup> In addition, the Notice and IRFA (or summaries thereof) will be published in the Federal Register.<sup>10</sup>

**A. Need for and Objectives of the Proposed Rules.** As described in the Notice, the changes to the rules being considered in this proceeding are intended to ensure a smooth transition of the nation's television system to digital television. Beginning in 1987, the Commission undertook to bring the most up-to-date technology to broadcast television. That resulted in several Commission decisions, including those adopting a digital television (DTV) standard, DTV service rules, and a Table of DTV Allotments. The Table of DTV Allotments provides each existing television broadcaster with a second channel on which to operate a DTV station for the transition period, after which one of its channels will revert to the government for use in other services. The transition deadline established by Congress is December 31, 2006. Consistent with its efforts to promote the expeditious completion of the DTV transition, the Commission has adopted a requirement that all new television receivers imported or shipped in interstate commerce after July 1, 2007 include the capability to receive DTV signals off-the-air. In order to minimize the impact of the DTV tuner requirement on both manufacturers and consumers, the Commission adopted a phase-in schedule that applies the DTV tuner requirement first to receivers with the screens and then to progressively smaller screen receivers and TV interface devices. The Consumer Electronics Association and the Consumer Electronics Retailers Coalition (CEA-CERC) submitted a petition for rule making requesting that the Commission eliminate the portion of the phase-in schedule requiring that 50 percent of TV receivers with screen sizes 25" to 36" include DTV reception capability from July 1, 2005 to July 1, 2006 and instead advance the date for requiring all such receivers to include a DTV tuner to March 1, 2006 from July 1, 2006. CEA-CERC indicates that the 50 percent requirement has proven to be disruptive to the market in the case of larger screen receivers. We are issuing this Notice to consider whether there is a need to modify the portion of the DTV tuner requirement phase-in plan that applies to receivers with screen sizes 24" to 36", and if so, to develop revisions to that plan that will achieve our goal that all new television receivers include DTV tuning capability by July 1, 2007.

**B. Legal Basis.** The authority for the action proposed in this rulemaking is contained in Sections 4(i) & (j), 303, 307, 309 and 336 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i) & (j), 303, 307, 309 and 336.

**C. Description and Estimate of the Number of Small Entities to Which the Proposed Rules Will Apply.** The RFA directs the Commission to provide a description of and, where feasible, an estimate of the number of small entities that will be affected by the proposed rules.<sup>11</sup> The RFA generally

<sup>8</sup>See 5 U.S.C. § 603. The RFA, *see* 5 U.S.C. §§ 601-612, has been amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA), Pub. L. No. 104-121, Title II, 110 Stat. 857 (1996).

<sup>9</sup>See 5 U.S.C. § 603(a).

<sup>10</sup>See *id.*

<sup>11</sup> 5 U.S.C. § 603(b)(3).

defines the term "small entity" as having the same meaning as the terms "small business," "small organization," and "small governmental entity."<sup>12</sup> In addition, the term "small business" has the same meaning as the term "small business concern" under the Small Business Act.<sup>13</sup> A small business concern is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the Small Business Administration ("SBA").<sup>14</sup>

**Electronics Equipment Manufacturers.** Rules adopted in this proceeding would apply to manufacturers of DTV receiving equipment and other types of consumer electronics equipment. The SBA has developed definitions of small entity for manufacturers of audio and video equipment<sup>15</sup> as well as radio and television broadcasting and wireless communications equipment.<sup>16</sup> These categories both include all such companies employing 750 or fewer employees. The Commission has not developed a definition of small entities applicable to manufacturers of electronic equipment used by consumers, as compared to industrial use by television licensees and related businesses. Therefore, we will utilize the SBA definitions applicable to manufacturers of audio and visual equipment and radio and television broadcasting and wireless communications equipment, since these are the two closest NAICS Codes applicable to the consumer electronics equipment manufacturing industry. However, these NAICS categories are broad and specific figures are not available as to how many of these establishments manufacture consumer equipment. According to the SBA's regulations, an audio and visual equipment manufacturer must have 750 or fewer employees in order to qualify as a small business concern.<sup>17</sup> Census Bureau data indicates that there are 554 U.S. establishments that manufacture audio and visual equipment, and that 542 of these establishments have fewer than 500 employees and would be classified as small entities.<sup>18</sup> The remaining 12 establishments have 500 or more employees; however, we are unable to determine how many of those have fewer than 750 employees and therefore, also qualify as small entities under the SBA definition. Under the SBA's regulations, a radio and television broadcasting and wireless communications equipment manufacturer must also have 750 or fewer employees in order to qualify as a small business concern.<sup>19</sup> Census Bureau data indicates that there 1,215 U.S. establishments that manufacture radio and television broadcasting and wireless communications equipment, and that 1,150 of these establishments have fewer than 500 employees and would be classified as small entities.<sup>20</sup>

<sup>12</sup> 5 U.S.C. § 601(6).

<sup>13</sup> 5 U.S.C. § 601(3) (incorporating by reference the definition of "small business concern" in the Small Business Act, 15 U.S.C. § 632). Pursuant to 5 U.S.C. § 601(3), the statutory definition of a small business applies "unless an agency, after consultation with the Office of Advocacy of the Small Business Administration and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the Federal Register."

<sup>14</sup> 15 U.S.C. § 632.

<sup>15</sup> 13 CFR § 121.201 (NAICS Code 334310).

<sup>16</sup> 13 CFR § 121.201 (NAICS Code 334220).

<sup>17</sup> 13 CFR § 121.201 (NAICS Code 334310).

<sup>18</sup> Economics and Statistics Administration, Bureau of Census, U.S. Department of Commerce, 1997 Economic Census, Industry Series – Manufacturing, Audio and Video Equipment Manufacturing, Table 4 at 9 (1999). The amount of 500 employees was used to estimate the number of small business firms because the relevant Census categories stopped at 499 employees and began at 500 employees. No category for 750 employees existed. Thus, the number is as accurate as it is possible to calculate with the available information.

<sup>19</sup> 13 C.F.R. § 121.201 (NAICS Code 513220).

<sup>20</sup> Economics and Statistics Administration, Bureau of Census, U.S. Department of Commerce, 1997 Economic Census, Industry Series – Manufacturing, Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing, Table 4 at 9 (1999). The amount of 500 employees was used to estimate the number of small business firms because the relevant Census categories stopped at 499 employees and began at 500 employees.

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The remaining 65 establishments have 500 or more employees; however, we are unable to determine how many of those have fewer than 750 employees and therefore, also qualify as small entities under the SBA definition. We therefore conclude that there are no more than 542 small manufacturers of audio and visual electronics equipment and no more than 1,150 small manufacturers of radio and television broadcasting and wireless communications equipment for consumer/household use.

**Computer Manufacturers.** The Commission has not developed a definition of small entities applicable to computer manufacturers. Therefore, we will utilize the SBA definition of electronic computers manufacturing. According to SBA regulations, a computer manufacturer must have 1,000 or fewer employees in order to qualify as a small entity.<sup>21</sup> Census Bureau data indicates that there are 563 firms that manufacture electronic computers and of those, 544 have fewer than 1,000 employees and qualify as small entities.<sup>22</sup> The remaining 19 firms have 1,000 or more employees. We conclude that there are approximately 544 small computer manufacturers.

**D. Description of Projected Reporting, Recordkeeping and other Compliance Requirements.** At this time, we do not expect that the rule changes being considered in this proceeding would impose any significant additional recordkeeping or recordkeeping requirements. While the modifications being considered in the Notice could have an impact on consumer electronics manufacturers and broadcasters, such impact would be similarly costly for both large and small entities. We seek comment on whether others perceive a need for more extensive recordkeeping under specific options for addressing the issues in this Notice and, if so, whether the burden would fall on large and small entities differently.

**E. Steps Taken to Minimize Significant Impact on Small Entities, and Significant Alternatives Considered.** The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): (1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) an exemption from coverage of the rule, or any part thereof, for small entities.<sup>23</sup>

The rule changes under consideration in this proceeding would revise the schedule for implementation of the requirement that new television receivers include the capability for reception of broadcast DTV signals. We requested comment on a suggestion for revising the schedule submitted by CEA-CERC in their petition for rulemaking. We also invited interested parties to submit alternative suggestions for revising the implementation schedule.<sup>24</sup>

**F. Federal Rules Which Duplicate, Overlap, or Conflict with the Commission's Proposals.** None.

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No category for 750 employees existed. Thus, the number is as accurate as it is possible to calculate with the available information.

<sup>21</sup> 13 C.F.R. § 121.201 (NAICS Code 334111).

<sup>22</sup> Economics and Statistics Administration, Bureau of Census, U.S. Department of Commerce, 1997 Economic Census, Industry Series – Manufacturing, Electronic Computer Manufacturing, Table 4 at 9 (1999).

<sup>23</sup> 5 U.S.C. § 603.

<sup>24</sup> See Notice, ¶ 8.