

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of:

Implementation of Section 210 of the
Satellite Home Viewer Extension
and Reauthorization Act of 2004 to Amend
Section 338 of the Communications Act

MB Docket No. 05-181

REPLY COMMENTS OF DIRECTV, INC.

DIRECTV Inc. (“DIRECTV”) would like to briefly reply to Microcom’s suggestion that Alaska subscribers not in a designated market area be allowed “to subscribe to any one of the Alaska local network packages they can receive.”¹ The statute does not contain such a rule, nor could DIRECTV comply with one. DIRECTV, however, has reached out to Alaska officials to help determine the markets in which Alaska subscribers not in a DMA should be placed in accordance with the technical capabilities of DIRECTV’s system.

As the Commission is aware, Alaska – alone among all states – has areas that are not part of any DMA.² For this reason, the Satellite Home Viewer Extension and Reauthorization Act (“SHVERA”) provides that “the retransmissions of the stations in at least one market in [Alaska] shall be made available to substantially all of the satellite

¹ Microcom Comments at 3.

² See *Implementation of Section 210 of the Satellite Home Viewer Extension and Reauthorization Act of 2004 to Amend Section 338 of the Communications Act*, Notice of Proposed Rulemaking, FCC 05-92, MB Docket No. 05-181, at ¶ 18 (rel. May 2, 2005) (“Notice”).

carrier's subscribers in areas of [Alaska] that are not within a designated market area.”³

The *Notice* concludes that, on this point “the statute speaks for itself and that no special rule is required to implement this statutory requirement.”⁴ That is, the statute leaves the choice of local package that DIRECTV subscribers in non-DMA areas should receive up to DIRECTV, so long as such subscribers receive the “transmissions of the stations in at least one” Alaska market.⁵ Microcom, however, argues that each Alaska subscriber not in a DMA should be able to choose whether to receive Anchorage, Fairbanks, or Juneau signals.

DIRECTV is not now capable of allowing individual subscribers to choose the markets from which they receive their local signals. This is because DIRECTV's system for delivery of local signals is entirely based on location.⁶ Each DIRECTV set top box is assigned to a particular local market (this is known as a “market ID”) based on a subscriber's location. This market ID, in turn, is used to determine local signal eligibility, to determine the equipment needed by a particular subscriber for local reception, and to ensure that the set top box displays the correct local channel information. Thus, for example, a set top box used by a subscriber in Anchorage is assigned an Anchorage market ID. Once DIRECTV launches local service in Anchorage, it will use this market ID to deliver the program guide for Anchorage stations. This

³ 47 U.S.C. § 338(a)(4).

⁴ *Notice* at ¶ 18.

⁵ 47 U.S.C. § 338(a)(4).

⁶ As DIRECTV set forth in its comments in the *Significantly Viewed* proceeding, DIRECTV can now determine a subscriber's location based in zip codes, and will soon be able to also determine a subscriber's location in a particular county. See Comments of DIRECTV, Inc. in MB Docket No. 05-49 at 4-5 (filed Apr. 8, 2005).

market ID will also ensure that the set top box displays Anchorage local stations and not, for example, Seattle local stations.

Microcom's proposed "subscriber request" system is, of course, not based on location. If each Alaska non-DMA subscriber got to choose local signals from a variety of markets, DIRECTV could not assign a market ID to Alaska non-DMA zip codes. Without such a market ID, DIRECTV's billing and customer service systems could not determine the status or equipment needed for such subscribers. Enabling customer selection of local signals would thus require DIRECTV to reconfigure its set top boxes, billing systems, and customer service systems.

DIRECTV realizes, of course, that it is important to provide Alaska non-DMA subscribers with the most attractive programming possible, and has reached out to Alaska officials for input on how best to do so. But DIRECTV's provision of local service to such subscribers must remain within the confines of its system's technical capabilities. As Congress intended, the choice of markets in which to place non-DMA subscribers must remain with DIRECTV.

Respectfully Submitted,

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