

November 30, 2005

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, D.C. 20554

Re: CS Docket No. 97-80: Joint Status Report of the Consumer Electronics Association and the National Cable & Telecommunications Association

Dear Ms. Dortch:

The Consumer Electronics Association (“CEA”) and the National Cable & Telecommunications Association (“NCTA”), hereby submit the status report called for in the Second Report and Order in CS Docket No. 97-80, FCC 05-76, 20 FCC Rcd 6794 (rel. March 17, 2005) (“Second R&O). In the Second R&O, the Commission reviewed progress in negotiations, and pending issues, between the consumer electronics and cable industries, involving at times other interested parties, and required (par. 34) that “NCTA and CEA shall file joint status reports and hold joint status meetings with the Commission on or before August 1, 2005 and every 60 days thereafter on progress in bidirectional talks and a software-based conditional access agreement.” The Commission has since extended the due date for the second joint report to the date of this letter.¹ This report will update our report of October 14, 2005. This letter will provide a summary of the areas of agreement among the parties. Accompanying this letter are separate reports of how CEA would resolve the remaining issues, and of how NCTA would resolve the remaining issues.

Areas of Agreement

1. Interactive Digital Cable Ready devices (iDCRs) will support two-way connectivity via both ANSI/SCTE 55-1,-2 out-of-band signaling and DOCSIS with DSG functionality. There are technical and procedural issues that remain to be addressed.
2. The parties are striving to provide consumers with the ability to receive interactive cable content through retail devices. As previously reported, the parties have agreed to proceed on the basis that a framework recommended to the Commission would provide that interactive Digital Cable Ready devices (iDCRs) will include mutually defined refinements to the OpenCable Application Platform (OCAP). Such iDCR devices also may have other functions beyond accessing

¹ Media Bureau Announces Deadlines for Filing Reports Related to the Commercial Availability of Navigation Devices, DA 05-1930 (rel. Jul. 1, 2005); Order, CS Docket 97-80, DA 05-2645 (rel. October 3, 2005).

cable resources. Joint engineering discussions are the preferred means for determining how improvements can be made and device resources can be shared practically between cable applications and other applications of the iDCR, so that cable services can be accommodated concurrently with the other inherent functions of the product. The parties are in the midst of joint engineering discussions on how device resources can be shared practically between cable applications and other applications of the iDCR. These discussions are aimed at developing language for the submission of Engineering Change Requests (ECRs) as may be needed during their negotiation period to improve, clarify and adjust the OCAP Specification through the CableLabs engineering change processes; and to develop an Implementers Guide to assist manufacturers in bringing OCAP products to market. There are technical and procedural issues that remain to be addressed.

3. The parties have investigated and studied platform, application, and interoperability testing programs and procedures in Europe and Japan. Such testing will not test every application against every device, which would be too complex to be practical. We have agreed that a workable conformance testing program for iDCRs and software applications will feature: device testing; applications testing; and systems (interoperability) testing among a set of devices and applications, and that the set and testing will evolve over time. A broader interoperability testing program, which may not be part of the formal conformance program, is also envisioned. This will provide a greater assurance of practical interoperability. The parties are still discussing what level of participation in such broader interoperability testing is appropriate.
4. Tools capable of implementing elements of selectable output control should be included in iDCRs, subject to “encoding rules,” which have not yet been defined. There is agreement on passing through CGMS-A signaling, but there is no agreement yet on generating CGMS-A signaling for content output from iDCRs through analog ports. There is a need for a multi-industry means for sending revocation messages to compromised devices.
5. The parties are attempting to develop a means for software “bug fixes” to be delivered to iDCRs in a better manner than the cards and other hard media currently used to update various manufacturers’ DTVs. The parties agree that in band delivery of such “bug fixes” is technically viable but have not agreed that it is the most appropriate solution.
6. The parties have included representatives of the PC and IT industries as members of the “CE” caucus in these negotiations to remain sensitive to issues that may be unique to PCs.
7. The parties are seeking to strike an agreement that permits innovation and competitive differentiation in devices, services and networks. In this respect, issues of technological evolution have been discussed, as was contemplated by

the one-way agreement. A recent focus has been on the use by some cable operators of “switched digital” techniques, and on whether and how such techniques might be accommodated in future products.

8. “IDCR,” “iDCR,” and “Interactive Digital Cable Ready” and substantially similar terms will be reserved exclusively for use with compliant products. The Parties agree to jointly trademark these terms without compensation and to require that these terms be used only to describe products that are in compliance with the applicable FCC regulations. Should any Party already own a trademark or other legal right to the above terms, it agrees to drop all claims to such rights, provided that such Party consents to have the term in which it owns a trademark or other legal right used as the aforementioned term.

Respectfully submitted,

/s/ Neal M. Goldberg

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cc: Natalie Roisman, Media Bureau