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March 13, 2006

VIA ELECTRONIC DELIVERY

Marlene H. Dortch, Esquire
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

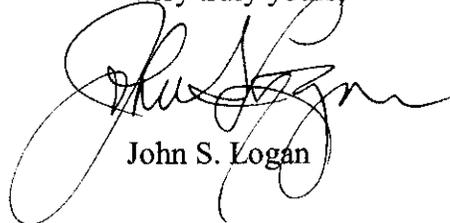
Re: Notification of Ex Parte Communication
ET Docket No. 05-24

Dear Ms. Dortch:

This is to advise you, in accordance with Section 1.1206 of the FCC's rules, that on February 27, 2006, Anne Swanson of this firm and I met with Donna Gregg, Chief, Mass Media Bureau, Eloise Gore, Assistant Division Chief, Policy Division, Media Bureau, and Michael Lance, Deputy Division Chief, Engineering Division, Media Bureau, to provide background on and review the positions PDI Communications Systems, Inc. ("PDI") has previously taken in the above-referenced dockets. At the meeting, PDI provided a handout that presents a written summary of the issues. A copy of the handout and a response to specific questions is attached.

In accordance with the requirements of Section 1.1206 of the Commission's rules, an original and one copy of this notice are being filed electronically and a copy of this notice is being provided to the Commission participants in the meeting. This electronic copy is being submitted as a follow-up to a hand delivered copy filed earlier today, which may have been missing certain of the attachments.

Very truly yours,



John S. Logan

Enclosure
cc w/o enclosure (by email):
Donna Gregg, Esq.
Eloise Gore, Esq.

Questions and Answers Regarding PDI Communications Systems, Inc. and Its Specialized 10" Small-Screen Video System

Q: *Who purchases the PDI video system?*

A: PDI designs and manufactures its specialized video system for health care providers and sells exclusively to hospitals, rehabilitation centers, clinics and other similar health care institutions.

Q: *Do any individual consumers purchase the PDI video system?*

A: No.

Q: *Can a consumer use a PDI viewing unit?*

A: No. The viewing unit is housed in a mechanical arm and only function when connected to a central unit that supplies both signal and operating electrical power through a specialized coaxial connection. The viewing unit cannot be operated apart from the central unit. The viewing unit is sealed, and there is no port or other provision for an antenna connection. Without a connection to the central unit, you cannot get electrical power or a video signal to the viewing unit. In addition, the unit has to be used with the associated mechanical arm because it won't sit solidly on a flat surface.

Q: *How many of the viewing units does PDI distribute?*

A: During calendar year 2005, PDI shipped approximately 22,000 viewing units to customers, with all of the shipments to institutional customers in the health care field. PDI estimates that it produces well in excess of 90% of the arm-mounted patient video units used in the health care field. This is a market that is generally unattractive to larger companies because of the very small and highly specialized nature of the customer base, and because of the need to meet the particularized Underwriters Laboratory safety requirements for a unit that will be used by patients who may have intravenous therapy.

Q: *How large a company is PDI?*

A: PDI has 70 employees and is located in Springboro, Ohio.

Q: *Do PDI's health care industry customers use the PDI viewing units to pick up over the air broadcast television transmissions?*

A: No. The viewing units are sealed and have no outlet for the connection of an external antenna. The viewing units receive only the signals that are sent, combined with operating power, through a specialized coaxial connection. Video signals are delivered through a central unit. Most of PDI's customers use a cable television feed to the central unit to obtain video entertainment programming and then combine the cable feed with hospital-related video information. Others use satellite-delivered video. A few health care institutions, principally those in rural areas, augment satellite-delivered services with

one or more local television stations picked up off the air and delivered into the central unit; with the central unit then feeds the video signal to the viewing unit. The video display unit is incapable of picking up those signals on its own.

Q: *What plans did PDI have for the digital transition at the time of the November 2005 order?*

A: In mid-2005, PDI was at work redesigning its viewing units to include a digital tuner. For some time, PDI actively has been seeking to make arrangements with a supplier of digital tuner technology. The redesign of a video unit to digital requires more than simply the purchase of chips. A significant amount of interaction with the technology owner over technical aspects of the design and the digital technology is necessary to produce a quality product. Owners of the technology have limited human resources for this purpose and, understandably, are first addressing the needs of major manufacturers. PDI has made progress toward obtaining such a relationship and is confident that it will have a redesigned unit ready for market well before the February 17, 2009 analog-to-digital transition date, but it will require six to twelve months after the March 2007 deadline that the Commission has now set forth in the its November 2005 Order to accomplish the planned changes.

Q: *Would the continued manufacture and distribution of the PDI video system after the March 2007 date set in the November 2005 Order leave hospitals and health care institutions with equipment they cannot use after the 2009 digital transition?*

A: No. Indeed, quite to the contrary, the continued availability of the units will allow health care institutions to continue to serve their patients while preserving an extensive and installed infrastructure that will allow a smooth transition to digital video.

First, the PDI video system involves central units that distribute video signals and operating electrical power through specialized coaxial connections. Hospitals using the PDI system thus have extensive installed infrastructure to support the system. Viewing units may be damaged from time to time in the hospital environment. If PDI cannot continue to supply replacement units after March 2007, hospitals will not be able to acquire replacement units to serve their patients.

Second, as already noted, most of PDI's healthcare customers obtain video through cable or satellite providers, with the video connected at the central unit for processing and distribution. Regardless of the digital capability of the PDI viewing units, PDI's customers likely will use analog signals from these sources for as long as those feeds are available. As also noted above, very few of PDI's customers resort to over-the-air signals as a source for video input into the central unit.

Third, the existing infrastructure for the PDI video system (central unit and powered coaxial network) is fully capable of relaying digital signals. The redesigned viewing unit that PDI is developing will be backward compatible with its customers' existing infrastructure. PDI believes it will have that redesigned viewing unit available no later

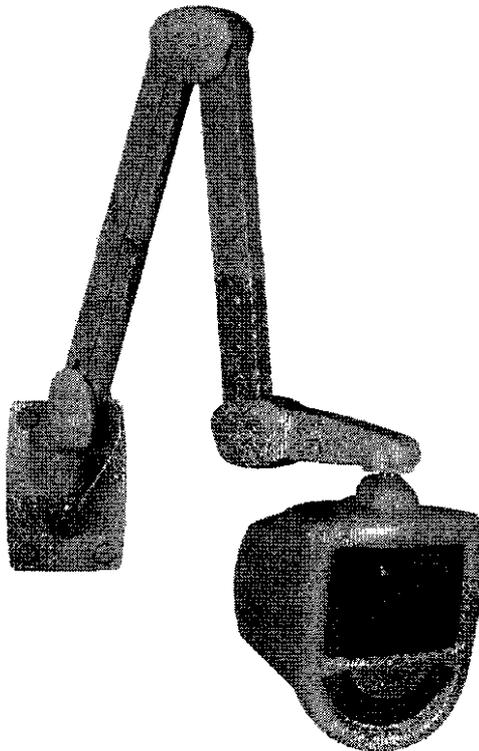
than about a year after the current March 2007 deadline. With the redesigned unit, if a hospital chooses, for example, to input a digital signal into the central unit, the redesigned viewing unit will display that signal as a digital signal. If the hospital chooses to continue to input analog video signals into the central unit, the redesigned unit will display that signal as an analog signal. This approach preserves the substantial investment that PDI customers have in their existing video infrastructure by continuing to use that infrastructure while viewing units are replaced at the end of their useful life by redesigned units that display digital signals.

Fourth, although few PDI customers choose to input to the central unit any over-the-air television broadcast signals, the few who do can easily adapt to the DTV transition. Thus, if a customer were to seek to add to the channel mix an over-the-air television broadcast signal available in digital format, only a single conversion box at the central unit would be required to permit all of the viewing units to receive that signal in analog form.

PDI'S UNIQUE VIDEO RECEIVER UNITS, WHICH FOR MEDICAL FACILITY SAFETY REASONS CANNOT OPERATE ON A STAND-ALONE BASIS, ARE NOT THE TYPE OF EQUIPMENT FOR WHICH THE FCC DEEMED THE DTV TUNER DEADLINE ESSENTIAL (ET DOCKET NO. 05-24)

- PDI manufactures a specialized, one-of-a-kind video system used exclusively in the health care industry.
- Because the PDI system has to meet special Underwriters Laboratory environmental and shock-prevention requirements to protect patients undergoing intravenous therapies, the dependent display device is connected to a central unit by a single coaxial cable that combines power and programming.
- **The dependent display units are not sold to consumers. They cannot be used on a stand-alone basis by viewers.**
- Unlike regular TV receivers, there is no standard electrical plug on the special patient viewing unit. The sole source of power for the patient viewing unit is through the specialized coaxial connection.
- There is no port, outlet, or other opening for the connection of an over-the-air antenna to the patient viewing unit. The patient viewing unit can only receive video signals (together with operating power) through the specialized coaxial connection to the central unit.
- **Given the very unique attributes of this product, the application of the tuner requirements to the PDI video system would not serve the purposes the Commission set forth in its November 8 Order when it established a March 2007 deadline for DTV tuners in small receivers.**

PDiTM
Communication
Systems



PDI 9" Television

A Personal Color TV Designed Expressly for Hospitals, Dialysis Centers and Nursing Homes

The Persona 9" Television has been designed to mount on either the Model 500 Series or 400 Series Arm for optimum Patient viewing convenience.

- *Forward facing speaker and earphone jack for better sound control and clarity*
- *Sealed medical grade membrane switches*
- *Four tiers of operation including Patient accessible Self Rental*
- *Built-in Closed captioning with front access button*
- *Setup buttons are disabled to prevent patient tampering*
- *Hospital  approved for use in both the United States and Canada*
-  *Energy Star qualifies TV*