

September 19, 2006

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

Re: Erratum to IT Commenters Comments on Verizon's Request for Waiver of
47 C.F.R. 76.120(a)(1); CS Docket 97-80; CSR 7042-Z

Dear Ms Dortch:

Hewlett-Packard Company, Intel Corporation, Sony Electronics Inc. and Dell Inc. (the "IT Commenters") electronically filed Comments in the above referenced matter on September 18, 2006. Unfortunately, due to an inadvertent clerical error in the editing process, the last paragraph of the Comments is incorrect. The corrected Comments are attached.

Should you have any questions concerning this matter please contact the undersigned.

We apologize for the inconvenience.

Sincerely,

/s/ Jeffrey T. Lawrence
Jeffrey T. Lawrence
Director, Content Policy and Architecture
Intel Corporation
JF3-147
2111 N.E. 25th Avenue
Hillsboro, OR 97124-5961

Attachments

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

In the Matter of)	
)	
Implementation of Section 304 of the Telecommunications Act of 1996)	CS Docket No. 97-80
)	
Commercial Availability of Navigation Devices)	
)	
Verizon Petition for Waiver of the Set-Top Box Integration Ban, 47 C.F.R. § 76.1204(a)(1))	CSR-7042-Z
)	

**Comments of Hewlett-Packard Company, Intel Corporation
Sony Electronics Inc. and Dell Inc. Regarding Verizon's
Request for Waiver of 47 C.F.R. § 76.1204(a)(1)**

Hewlett-Packard Company¹ Intel Corporation², and Sony Electronics Inc.³, and Dell Inc.⁴ ("the IT Commenters") hereby comment with respect to certain aspects of the

¹ HP is a technology solutions provider to consumers, businesses and institutions globally. The company's offerings span IT infrastructure, global services, business and home computing, and imaging and printing. For the four fiscal quarters ended Oct. 31, 2005, HP revenue totaled \$86.7 billion. More information about HP is available at <http://www.hp.com>.

² Intel, the world leader in silicon innovation, develops technologies, products and initiatives to continually advance how people work and live. Additional information about Intel is available at www.intel.com/pressroom.

³ The U.S.-based electronics unit of Sony Corporation of America and the Sony Corporation, Sony Electronics Inc. manufactures and sells personal computers through its VAIO division.

⁴ Dell Inc. is a trusted and diversified information-technology supplier and partner, and sells a comprehensive portfolio of products and services directly to customers worldwide. Dell, recognized by Fortune magazine as America's most admired company and No. 3 globally, designs, builds and delivers innovative, tailored systems that provide customers with exceptional value. Company revenue for the last four quarters was \$54.2

request of Verizon for a waiver of the requirement under 47 C.F.R. § 76.1204(a)(1), commencing July 1, 2007, that no multichannel video programming distributor shall place in service new navigation devices, whether by sale, lease or other transfer for use, that do not separate conditional access security functions from other device functions.⁵

Verizon makes several points that are consistent with some of the basic principles that the IT Commenters have long advocated in these Cable Plug and Play proceedings, including the importance of consumer choice, consumer control, and a truly open and interoperable Downloadable Conditional Access Security (“DCAS”). Without addressing the waiver request itself in this filing, we wish to highlight and emphasize our agreement with Verizon’s positions with respect to those basic points.⁶

A. Consumer Choice

Consumer choice among navigation devices is fundamental to a robust retail market. This means at the very least that a consumer should be able to buy at retail a product competitive with one they might obtain from their local cable company. To that end, the IT Commenters consistently have argued that the specifications and license requirements for cable-compatible plug-and-play devices should be flexible enough to allow for the incorporation of plug-and-play capability in a wide range of consumer electronics and information technology devices, including traditional stand-alone televisions, cable and satellite set-top-boxes, digital video recorders, game consoles,

billion. For more information about Dell and its products and services, visit www.dell.com.

⁵ The IT Commenters will comment on the merits of Verizon’s waiver request individually or through their respective trade associations.

⁶ The IT Commenters and Dell Inc., discussed these issues at some length in their joint comments regarding DCAS. *See* Comments Of Dell Inc., Hewlett-Packard Company, Intel Corporation, and Sony Electronics Inc., CS Docket No. 97-80, DA 05-3237 (January 20, 2006).

personal computers, and other multi-function devices. Neither the specifications themselves nor the robustness, compliance, and certification rules that govern licensing of necessary technology should preclude any particular class or type of machine from participating in the market for plug-and-play devices. In this context, the IT Commenters enthusiastically support Verizon's call for "Open DCAS".

Verizon points out several elements of "Open DCAS" consistent with the long standing positions of the IT Commenters. Open DCAS should (1) be network agnostic and based on industry standards developed in an open forum; 2) neither benefit nor be controlled by individual competitors in the marketplace, and 3) allow real innovation in the provision of services and the design and manufacture of consumer devices.⁷

At the heart of an Open DCAS is an "open, and interoperable DCAS system, which . . . allows conditional access software to be transmitted from the video provider to the customer's device without the use of separate physical cards or other equipment."⁸ As the IT Commenters have consistently pointed out, all indications from submissions made thus far by the Cable industry portend that DCAS will not be a true downloadable software solution. Rather, it will be a proprietary hardware-based solution that simply replaces one piece of hardware with another -- essentially shrinking the CableCard to a proprietary microchip onto which software can be loaded. True downloadable secure software solutions are available and in use on conditional access video systems in other countries. They are inexpensive to implement, readily renewable, and most amenable to implementation across the widest variety of consumer electronics and information technology platforms. While Verizon's analysis focuses primarily on the development

⁷ Verizon Petition at 26 *et seq.*

⁸ See Verizon Petition at 11.

of standards based chipsets, the IT Commenters believe that the same principles can and should be applied to the development of standards-based *hardware capabilities* that can be implemented in open platform computing devices taking advantage of the power and flexibility of those computing platforms.⁹ As the IT Commenters have pointed out in previous filings, if in fact some hardware element (for example a root of trust) is deemed critical to DCAS, then open, industry-standard approaches based on standard interfaces and *hardware capabilities* rather than specific hardware designs is in the best interests of all stakeholders, including consumers, to lower cost innovative devices.¹⁰ An Open DCAS of this type may enhance the dynamic renewability and other benefits of downloadable software solutions, and be implemented in devices intended for global distribution because the capabilities could be used in multiple applications and not just the delivery of cable content. In this context, and with these general observations and qualifications, we support Verizon's call for an Open DCAS solution and its conclusion that such an open and interoperable system would be in the best interests of consumers.¹¹

B. Consumer Control

As technological advances provide consumers with new, multi-function products and innovative ways to link those devices, consumers should continue to have the right to control those devices and configure and control their own home networks in the manner that best suits their individual needs. In the plug-and-play context, this means that whatever conditional access technologies are adopted by industry must be versatile

⁹ An example of a hardware capability oriented initiative is the Trusted Computing Group. See <https://www.trustedcomputinggroup.org>.

¹⁰ Id. The IT Commenters nevertheless believe that renewable software solutions are adequate.

¹¹ See, e.g., Verizon Petition at 15.

enough to preserve consumers' right to control their own devices, and consumers' right to move lawfully acquired content from one device in the home network to another without complicating the viewing experience. We agree with Verizon that preserving consumer control will require a conditional access technology and licensing scheme that remains focused on essential conditional access elements, and in addition designates a reasonable number of approved protected output technologies with sufficient diversity to ensure that the many potentially interoperable home video devices can be seamlessly woven into home networks (such as Digital Transmission Content Protection over Internet Protocol ("DTCP over IP")).

The IT Commenters agree with Verizon's analysis of the DCAS regime proposed by Cable as it relates to consumer control issues. As Verizon points out, (i) OpenCable Application Platform ("OCAP") has nothing to do with conditional access and everything to do with competitive leverage and establishing complete control over consumer devices, and (2) there is nothing preventing anyone from implementing OCAP as part of any future DCAS solution and so an Open DCAS regime should not require OCAP in all implementations but leave those choices to service providers.¹² As Verizon correctly points out, Open DCAS would meet the needs of service providers, device manufacturers and consumers, is extremely technically feasible and would enable a truly competitive retail market for navigation devices where implementers have design and innovation freedom to provide look and feel elements attractive to consumers.¹³ In addition, an

¹² Id. at 31 *et seq.*

¹³ Service providers should, at the very minimum, have the freedom and flexibility to enable this type of competitive diversity instead of being forced into a one-size-fits-all top-to-bottom proprietary solution like that currently contemplated by the DCAS solution advocated by Cable.

Open DCAS would result in a platform that a broad range of service providers might find attractive. For example, although the Commission has not required Satellite and IPTV providers to separate security and navigation functions as part of these proceedings, an Open DCAS may in fact attract some or all of those services providers to the platform. In this context, device makers would be able to offer general platforms that not only enable Cable to meet its obligations in these proceedings, but ultimately lead to real and broad steps toward realization of the goals set out by Congress in Section 629. From a consumer and retail device perspective, an Open DCAS meets not only the letter, but also the spirit of the competitive environment for services and devices that will drive innovation for consumer benefit.

C. Conclusions

In summary, the IT Commenters agree with Verizon that a competitively and technically neutral program such as Open DCAS (as qualified by these comments) would ensure that the technological standard adopted by the Commission is open, fully interoperable, not designed to give one set of competitors an unfair advantage (either on the service or device side), and not designed to favor legacy technologies and dominant incumbent providers at the expense of innovation in both service offerings and competitive retail devices.

Respectfully submitted,

HEWLETT-PACKARD COMPANY

INTEL CORPORATION

/s/ Adam Petruszka
Adam Petruszka
Director, Strategic Initiatives
Office of Strategy & Technology
Hewlett-Packard Company
20555 State Highway 249
MS-140302
Houston, TX 77070

/s/ Jeffrey T. Lawrence
Jeffrey T. Lawrence
Director, Content Policy and Architecture
Intel Corporation
JF3-147
2111 N.E. 25th Avenue
Hillsboro, OR 97124-5961

/s/ Jim Morgan
Jim Morgan
Director & Counsel
Government & Industry Affairs
Sony Electronics Inc.
1667 K Street, NW, Suite 200
Washington, DC 20006

/s/ Mike Lazorik
Mike Lazorik
Director, Office of the CTO
Dell, Inc.
Business Development/Public Policy

Date: September 19, 2006

CERTIFICATE OF SERVICE

I do hereby certify that on September 19, 2006 I caused a true and correct copy of the foregoing Erratum to Comments of the IT Commenters on Verizon's Request for Waiver of 47 C.F.R. § 76.1204(a)(1) to be served via overnight mail, on the following:

Edward H. Shakin
William H. Johnson
1515 North Court House Road
Suite 500
Arlington, VA 22201

Helgi C. Walker
Joshua S. Turner
Wiley Rein & Fielding LLP
1776 K Street, NW
Washington, DC 20006

/s/ Patricia O'Keefe