

SUPPORT FOR COMCAST SET-TOP BOX WAIVER REQUEST

RCN

“Grant of a waiver of the integration ban for low-cost, limited-capability set-top box equipment will help accelerate consumer adoption of digital programming and services. These types of set-top boxes provide a cost-effective way for cable consumers with analog televisions to access a wide array of digital programming, including VOD, parental control technologies, and tiered programming. . . [F]ailure to grant the waiver would result in harm to cable operators and consumers because making limited-capability set-top boxes compliant with the Commission rules would require a substantial redesign and would greatly increase the overall cost of the device.” RCN Reply at 3, 5 (June 30, 2006)

American Cable Association

“The move towards all-digital networks in smaller markets has been made possible by the availability of low-cost, limited-capability set-top boxes. These boxes allow ACA members to provide small market customers with digital services that they can afford, including local VOD, family, and themed-tier programming. . . Banning these low-cost set-top boxes or requiring the addition of CableCARD slots will raise the price of digital services beyond the reach of many subscribers and significantly slow the digital transition, negatively impacting ACA members and their smaller-market subscribers.” ACA Comments at 2 (June 15, 2006).

Armstrong Utilities

“The Comcast waiver request is extremely important to our company and other ACA members. A low-cost set-top like the DCT-700 is essential to expanding lower cost digital offerings as we transition to an all-digital network. We have invested over \$1.6 million in infrastructure to be able to offer our all-digital product, TV Plus. With the DCT-700 set-top, we can make this accessible to nearly all our customers. . . [W]e offer TV Plus for just \$2.95 more than analog expanded basic. We launched TV Plus this year, and customers are telling us they love it. The DCT-700 is the lynchpin of this offering.” *Ex Parte* at 1 (September 11, 2006).

Thomson

“Grant of a waiver will reflect recent technological developments and marketplace changes and better position the nation for a more rapid and consumer-friendly transition. . . Not granting a waiver for low-end set-top boxes would mean a significant incremental cost and therefore slow down the transition to all-digital services and technologies. . . Diversion of Comcast’s resources to solutions that may have been bypassed by technology will not enhance the robustness or competitiveness of the future digital marketplace.” Thomson Comments at 1 (June 14, 2006)

Panasonic

“Comcast’s ability to offer such limited-capability set-top boxes would assist in the Nation’s transition to all-digital television. . . [W]e believe that first-time exposure of basic and/or analog-only cable subscribers to even a limited number of digital services . . . will broaden awareness of the digital transition and encourage cable subscribers to learn more about their overall digital television choices. . . [T]he sooner Comcast can free up the space in its cable systems currently occupied by relatively bandwidth-hungry analog channels, the faster Comcast would be able to provide additional digital programming channels and other services to its customers, including more HDTV programming. . . Because the availability of HDTV programming is the driving and motivating force for consumers to participate in the digital transition, Panasonic deems more HDTV programming to be essential to the transition.” Panasonic Comments at 3, 6-7 (June 15, 2006)

Samsung

“[T]here is significant value for consumers in facilitating cable systems’ transition to all-digital operation, which will reclaim bandwidth on cable systems that is currently devoted to analog channels for more efficient and higher quality digital transmissions. The continued availability of minimal-cost, limited-functionality digital cable set top boxes, without the cost of the CableCARD, will assist cable operators in converting to all-digital operation. Therefore, Samsung supports the requests by Comcast Corporation and Charter Communications, Inc. for limited waivers from the integrated security prohibition.” *Ex Parte* at 3 (September 29, 2006)

Association of Public Television Stations

“As public television continues to develop and distribute high-quality multicast services to address the educational needs of local communities, it is important that cable subscribers have access to these services, including the large number of cable

subscribers with analog television sets who use the set-top box models described in Comcast's waiver petition." APTS Letter at 1 (June 29, 2006).

Motorola

"[F]ailure to approve the waiver could slow the development and implementation of downloadable security. . . The participants in the downloadable security initiative will likely have to shift manpower and other resources away from downloadable security to develop CableCARD alternatives to low-cost set-top boxes. . . Motorola is concerned that reallocating resources in this way will slow progress on downloadable security and deny cable operators, cable customers, and CE manufacturers the many public interest benefits associated with downloadable security and generally detract from further innovation with respect to cable equipment." Motorola Comments at 5 (June 15, 2006)

Cisco

"Including CableCARD functionality in low cost set-top boxes will almost double the cost of the boxes and will effectively mean that they are no longer low cost boxes. The availability of low cost set-top boxes is crucial to the cable industry's transition from mixed analog/digital platforms to an all-digital platform. The analog spectrum can then be repurposed for better services including High Definition broadcasts and higher speed broadband Internet access." *Ex Parte* at 1 (August 11, 2006)

Black Leadership Forum

"Particularly troubling is the unnecessary nature of what can only be described as a regressive 'tax' on cable customers. With gas prices spiraling through the roof and wages stagnant, the federal government should be seeking ways to provide working Americans relief. Instead, the FCC appears poised to allow a regulation to go into effect which would saddle consumers with added costs and give them nothing tangible in return." *Ex Parte* at 1-2 (September 28, 2006).

Hispanic Federation

"The Hispanic Federation urges the FCC to grant the petition for waiver of the integration ban. The cost of the integration ban is too high for consumers and will unduly tax Hispanic and other Americans while giving little in return." *Ex Parte* at 2 (October 2, 2006)

League of Rural Voters

"[I]ncreasing the cost of digital set-top boxes would make America's digital transition goals even more challenging to achieve. It would dampen the incentive for rural Americans to switch from analog to digital services that offer premium content and help keep rural areas connected. By reducing the ability of rural Americans to afford digital cable boxes, the FCC will also reduce the incentive for network operators to spread their digital networks far and wide throughout rural America." *Ex Parte* at 2 (October 2, 2006)

Americans for Prosperity; Americans for Tax Reform; Citizens Against Government Waste; National Taxpayers Union; Institute for Liberty; Reason

"[Our] organizations would like to express our support for pending waiver requests of the so-called 'integration ban' rule that requires certain video providers to implement costly 'security card' technology in their leased set-top boxes. This unnecessary regulation will result in a \$2 per month increased fee for affected video service subscribers, imposed by government fiat. The subscribers receive no benefit from this expense[.]" *Ex Parte* at 1 (October 2, 2006)

National Black Chamber of Commerce

"The integration ban is yet another example of needless government regulation that stifles competition and taxes unnecessarily. To make matters worse, consumers will be asked to bear these costs without gaining any new features or capabilities." *Ex Parte* at 1 (October 3, 2006)

Hispanic Technology & Telecommunications Partnership

"The Hispanic community currently uses video services at a higher rate than the non-minority national average. . . [T]he imposition of additional monthly cable charges for a feature which is not needed will disproportionately impact the Hispanic community and is an unacceptable consequence resulting from the FCC 'Integration Ban' rule." *Ex Parte* at 2 (October 4, 2006)