Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

In the Matter of	)	
	)	
Implementation of Section 304 of the Telecommunications Act of 1996	)	CS Docket No. 97-80
	)	
Commercial Availability of Navigation Devices	)	
	)	
Comcast Corporation Request for Waiver of 47 C.F.R. § 76.1204(a)(1)	)	CSR-7012-Z

COMMENTS OF
CISCO SYSTEMS, INC.

Cisco Systems, Inc. ("Cisco") files these comments in support of the Application for Review submitted by Comcast Corporation ("Comcast") in this proceeding.[1] The Media Bureau recently denied Comcast's request for a waiver of the Commission's "integration ban" for certain low-cost, limited capability set-top boxes, including the Explorer 940 manufactured by Cisco's Scientific-Atlanta subsidiary.[2] Cisco agrees with Comcast that the Commission should reverse the Media Bureau's decision and that the public interest would be served by expeditiously granting Comcast's requested waiver.

The Commission has recognized that it is "critical" for consumers to have continued access to low-cost set-top boxes in order to "further the cable industry's migration to all-digital networks, thereby freeing up spectrum and increasing service offerings such as high-definition

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1 Comcast Application for Review (Jan. 30, 2007) ("Application for Review"). All pleadings referenced in these comments were filed in CS Docket No. 97-80.

2 *Comcast Corporation Request for Waiver of Section 76.1204(a)(1) of the Commission's Rules,* Memorandum Opinion and Order, CSR-7012-Z, CS Docket No. 97-80, DA 07-49 (released Jan. 10, 2007).

television."[3] The record shows, however, that including CableCARD functionality in such low-cost, limited-capability set-top boxes so that they comply with the integration ban will significantly increase their cost,[4] effectively depriving consumers of a low-cost option. The Commission consequently invited cable operators to request waivers of the integration ban for these devices.[5]

The set-top boxes covered by Comcast's waiver request are precisely the sort of low-cost, limited-capability devices the Commission had in mind when it adopted its waiver policy. As Comcast points out,[6] they are the lowest cost, most limited capability digital cable boxes that are currently being commercially offered. Without the option to buy these low-cost boxes, there will be significantly lower consumer demand for digital set-top boxes, and fewer households with analog televisions will be able to access digital programming and services. This will slow the cable industry's transition to all-digital platforms and require cable operators to continue dedicating system capacity to analog service instead of recapturing this capacity to expand and improve their high-definition and broadband Internet services. This is contrary to the Commission's stated policy in this proceeding. It is also contrary to the statutory directive that the Commission waive its navigation device rules where it is necessary to assist the development or introduction of new or improved multichannel video programming or services.[7]

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3 *Implementation of Section 304 of the Telecommunications Act of 1996 – Commercial Availability of Navigation Devices*, Second Report and Order, 20 FCC Rcd 6794, ¶ 37 (2005) ("*Second Report and Order*").

4 *See* National Cable & Telecommunications Association ("NCTA") Request for Waiver of 47 C.F.R. § 76.1204(a)(1), CSR-7056-Z, at 7 & n.16 (Aug. 16, 2006) (citing Report of NCTA Regarding the Significant Costs to Consumers Arising from the 2005 Ban on Integrated Set-Top Boxes at 3-7 (Aug. 2, 2002) ("NCTA Cost Report")).

5 *Second Report and Order* ¶ 37.

6 Application for Review at 3.

7 47 U.S.C. § 549(c).

Cisco agrees with Comcast that the Media Bureau order denying its waiver request is inconsistent with these statutory and Commission policies. Cisco strongly supported Comcast's waiver request in the earlier stages of this proceeding,[8] and urges the Commission to reverse the Bureau order and grant Comcast's waiver request expeditiously to avoid disrupting production cycles as the cable industry approaches the current July 1, 2007 integration ban deadline. Granting Comcast's request will do no harm to the Commission's objective of promoting competition in the sale of navigation devices, and will facilitate the cable industry's transition to all-digital technology and the introduction of new digital services. Grant of the waiver will also avoid diverting limited industry resources away from the implementation of downloadable security, which, as the Commission has recognized, promises a more efficient, flexible solution to complying with the Commission's integration ban.[9]

Respectfully submitted,

CISCO SYSTEMS, INC.

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8 *See* Letter from Jeffrey A. Campbell, Cisco, to Marlene Dortch, FCC Secretary (Aug. 11, 2006); Letter from H. Allen Ecker, Scientific Atlanta, a Cisco Company, to Marlene Dortch, FCC Secretary (June 15, 2006).

9 *Second Report and Order* ¶ 27.

Certificate of Service

I, Ruth Holder, hereby certify that on February 14, 2007, a true and correct copy of the foregoing Comments of Cisco Systems, Inc. was sent by first-class mail to:

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