cable

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February 23, 2007

Ms. Krista Witanowski
Senior Legal Advisor
Office of Strategic Planning & Policy Analysis
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: CS Docket No. 97-80 (Commercial Availability of Navigational Devices); PP Docket No. 00-67 (Compatibility Between Cable Systems and Consumer Electronics Equipment)

Dear Ms. Witanowski:

There has been much debate in the above-referenced dockets and elsewhere about the best way to bring "two-way" digital cable ready products to market so consumers may access cable services without the need for a set-top box supplied by the cable operator. Some have sought government intervention to micromanage a solution to the complex technical and business issues involved in bringing two-way products to market. In contrast, the cable industry, with support from a number of major consumer electronics ("CE") companies, supports a market-based approach based on the OpenCable Applications Platform ("OCAP") – *an approach that is working to bring two-way products to market much faster than any hypothetical approach could ever do.*

Several leading CE manufacturers are building two-way, OCAP-enabled products for retail and many of those products were displayed at the 2007 Consumer Electronics Show. Furthermore, major cable operators have committed to using OCAP in their own leased set-top boxes and have started to deploy support for OCAP for those devices and for retail devices. They remain committed to the deployment schedule for OCAP technology and support outlined by NCTA in filings with the Commission last year. It is in the business interest of the cable industry to roll out OCAP rapidly to leased and retail products because OCAP streamlines and improves the cable business and because OCAP provides applications developers and consumers with an interactive platform which is fully competitive with IPTV and other video services.

In this regard, I am enclosing for your information a February 21, 2007 *Wall Street Journal* article which reports on cable operators' support for two-way "plug and play" television sets, set-top boxes and other products which use OCAP. As the article observes, "manufacturers such as Panasonic, Samsung and LG already have designed OCAP TV sets that will eliminate the need for set-top boxes, the scourge of many a home-entertainment center. With OCAP TVs,

scheduled to be available as early as this year, users just have to attach a cable and the set will get video-on-demand, advanced program guides and other interactive features from cable."

I am also enclosing a recent press release from CableLabs describing the numerous OCAP-enabled "two-way" products displayed at the 2007 Consumer Electronics Show. The CableLabs press release notes that "with more than a dozen manufacturers displaying two-way 'plug-and-play' TVs, set-top boxes and other cable-ready devices, the just completed 2007 Consumer Electronics Show marked a significant milestone in the cable industry's efforts to bring interactive digital TV services to consumers that will not require the use of a leased set-top box."

In addition, the same press release reports that "High-Definition Cable Content [is] Now Available on PCs." As the release states, "a new technology interface that will allow consumers for the first time to view high-definition and other digital cable content on new Microsoft Vista-enabled personal computers was also displayed at CES. The cable interface for personal computers – called OCUR or OpenCable Unidirectional Receiver – will initially support one-way services (e.g., linear programming) while a two-way interactive interface is being developed."

If you have any questions, please feel free to contact me.

Sincerely,

/s/ Neal M. Goldberg

Neal M. Goldberg

cc: Ms. Marlene Dortch (for inclusion in CS Docket No. 97-80 and PP Docket No. 00-67)
Monica Desai, Chief, Media Bureau
Andrew Long
Brendan Murray

Attachments

THE WALL STREET JOURNAL. ONLINE
February 21, 2007

PORTALS

Cable TV's New Aim: Free Us From Tangle Of Boxes and Remotes

By PETER GRANT

When it comes to innovation, the cable TV industry has been long on talk but slow on action. For years, cable executives have promised viewers they'd soon be using remotes to shop, play games, interact with advertisers and vote contestants off the island. But these and many other features, for the most part, haven't been delivered.

Meanwhile, innovations appear daily on the Internet. Some prognosticators predict the Internet eventually will beat cable in the battle for the living room, with most of the entertainment Americans consume piped over the Web to television sets. That would leave cable operators with the unglamorous and less lucrative job of providing the pipes.
But now something is happening that may tilt the playing field more to the cable guys' advantage. After more than six years of development by CableLabs, the industry's research and development arm, cable operators are rolling out technology that could facilitate new applications and help cable TV maintain its dominant position in home entertainment.

The technology addresses an age-old problem at the root of the cable industry. Because the industry grew up as thousands of separate systems, there was little consistency in the technology used, making service upgrades difficult. This remained true even though many systems were consolidated by giants such as Comcast and Time Warner. Just to add a feature like a news ticker on the bottom of the screen, for example, software has to be modified many times to fit different set-top boxes and network gear in a multitude of systems.

The new technology, with the cumbersome name of OCAP, for Open Cable Application Platform, is software that behaves like an operating system that runs on digital cable set-top boxes and other devices. OCAP, then, is to set-top boxes what Microsoft Windows is to computers. Adding a new feature, like the ticker, is an easy task regardless of the cable system. That ease is expected to spark a flurry of creativity among software companies, as new applications will no longer have to be tailored to fit separate cable systems.

Even better, manufacturers such as Panasonic, Samsung and LG already have designed OCAP TV sets that will eliminate the need for set-top boxes, the scourge of many a home-entertainment center. With OCAP TVs, scheduled to be available as early as this year, users just have to attach a cable and the set will get video-on-demand, advanced program guides and other interactive features from cable.

OCAP also enables manufacturers to design a unit combining DVD players, digital video recorders and other devices within a set-top box. So, cable subscribers won't need to lease boxes from their operators -- income hardly worth the capital outlay -- to get all of the interactive features. Any OCAP device they buy from an electronics retailer will do the trick, as long as the cable system has been upgraded for it.

Some manufacturers predict a slew of new devices to follow, such as one that could pipe in cable TV while grabbing photos, music and videos off home computers. Some see OCAP even helping to solve that other curse: multiple remotes.

But be patient. Like any new technology, OCAP still faces significant obstacles and uncertainty. It will have an impact only if it's used in enough cable systems to attract the attention of software companies and device makers who need to sell in large volumes.
The good news is that a few of the largest cable operators are moving quickly to deploy OCAP, hoping to head off growing competition from phone companies, satellite TV and the Internet. Time Warner plans to install its first OCAP set-top boxes in subscribers' homes in May, and is scheduled to have all of its systems OCAP-ready by July. Time Warner Cable subscribers will first see the benefit of this later this year, when the company uses OCAP to enhance its program guide.

Other cable operators aren't far behind. Comcast, the largest cable company with more than 23 million subscribers, plans to deploy OCAP in two markets before year's end. Cox Communications, another large operator, hopes to be able to begin trials for OCAP devices in a half-dozen markets this year.

But no matter how fast cable operators move, their progress in deploying OCAP is going to be limited by the tens of millions of digital cable boxes already in place. Most of those boxes don't have the memory or the processing power to run OCAP. For OCAP to reach critical mass, cable operators must offer enough advanced features -- at a good price -- to convince consumers to order the new devices.

Cable companies don't have a luxury of time. While some consumer-electronics companies are working with OCAP, others -- like Sony, Hewlett-Packard and Apple -- are developing devices that bypass cable operators altogether by routing movies, TV shows and other content from the Internet to the TV.

The race is on.

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FOR IMMEDIATE RELEASE

2007 CES Featured Cable's Two-Way Future; High-Definition Cable Content Now Available on PCs

CableLabs® Briefs Two-Way Licensees at CES

Louisville, Colorado, January 24, 2007 – With more than a dozen manufacturers displaying two-way "plug-and-play" TVs, set-top boxes and other cable-ready devices, the just completed 2007 Consumer Electronics Show marked a significant milestone in the cable industry's efforts to bring interactive digital TV services to consumers that will not require the use of a leased set-top box.

The new plug-and-play devices will use the cable industry's software platform – called OCAP™ or OpenCable™ Applications Platform – to facilitate the delivery of interactive applications and services. Major cable operators are rolling out support for the new OCAP platform on their networks in 2007 and 2008, setting the stage for wide availability of the new two-way plug-and-play devices.

In addition to the two-way devices, a new technology interface that will allow consumers for the first time to view high-definition and other digital cable content on new Microsoft Vista-enabled personal computers was also displayed at CES. The cable interface for personal computers – called OCUR or OpenCable Unidirectional Receiver – will initially support one-way services (e.g., linear programming) while a two-way interactive interface is being developed.

"The 2007 CES demonstrated how far cable and our manufacturer partners have come in preparing to bring consumers a whole new array of interactive TV devices," said Dr. Richard R. Green, President and CEO of CableLabs®. "This progress clearly shows that the world's largest consumer electronics manufacturers are adopting and developing products that incorporate cable's interactive TV software," he added.

Thirteen companies displayed two-way plug-and-play cable-ready products at CES this year, including a LG plasma TV that won a CES 2007 Innovations Award. Products that were displayed, and their manufacturers, included:

- Samsung – Exhibited a high-definition DVR set-top box that includes a CableCARD™ interface. (Samsung has previously won CableLabs certification for a two-way, OCAP-enabled cable-ready digital television.) Cox Communications announced at the show it has signed an agreement with Samsung to accelerate development of OCAP-based interactive services on Samsung's HDTV sets and other products. Some of these services, including the GuideWorks interactive program guide, began testing in Cox's Gainesville, Florida Division last month.

- Panasonic – Displayed a high-definition digital plasma television running the full-featured Comcast i-Guide™, including video on demand and other interactive applications using OCAP standard middleware. In a press conference, Panasonic announced that this device would be trialed with Comcast during 2007 and be deployed in retail in 2008.
- LG Electronics – Showed a newly CableLabs certified, fully two-way plug-and-play cable-ready digital plasma television using OCAP.
- Thomson – Demonstrated a two-way plug-and-play cable-ready OCAP-enabled DCI 9000 set-top box with NDS OCAP middleware.
- TiVo® – Showed the TiVo DVR guide running on an OCAP-compatible, Motorola leased set-top box running TVNav, with plans to port to full OCAP. This will support a market trial of a Comcast service offering where customers can choose to use the TiVo interface with their cable service.
- Scientific Atlanta, a Cisco company – Showed the Explorer 8550HDC two-way cable-ready set-top box, with support for CableCARD, OCAP, advanced codecs, and DOCSIS®. The exhibit included a Flickr™ application running on OCAP; Flickr is a photo sharing Web service.
- Motorola – Displayed a line of interactive set-top boxes, including OCAP. Comcast expanded its purchase agreement for a number of OCAP-based set tops including Motorola's "Follow Me TV" multi-room DVR technology.
- VividLogic – Showed reference designs for set-top boxes and digital televisions.
    - Mitsubishi – Mitsubishi has licensed an OCAP middleware stack from supplier VividLogic.
    - Pioneer – Pioneer has licensed an OCAP middleware stack from supplier VividLogic.
    - Funai – Funai has licensed an OCAP middleware stack from supplier VividLogic.
- ADB – Displayed a prototype two-way cable-ready set-top box using OCAP and a CableCARD interface.
- Digeo – Exhibited a Moxi™ multi-room DVR with CableCARD interface; Moxi's DVR application has been ported to OCAP.
- Broadcom – Displayed a reference design for a two-way cable-ready television or two-way cable-ready set-top using OCAP and a CableCARD.

At least two other companies not listed above also showed OCAP-related products in private meetings.

The new cable-ready OCUR solution for personal computers includes a CableCARD interface, and allows for the display of one-way services, such as high-definition video, on Microsoft Vista-enabled personal computers. The manufacturers that displayed this product included:

- Microsoft
- AMD
- Dell
- Hewlett-Packard

- Gateway
- Toshiba
- Niveus – featuring a “dual OCUR design” which allows viewing two channels at the same time.

CableLabs Briefing

Also during CES, CableLabs briefed 10 companies that have signed the license which enables them to build two-way interactive cable-ready products, called CableCARD-Host Interface License Agreement, or CHILA. By signing the CHILA license, a company obtains necessary intellectual property rights and signals its intent to design cable-ready products that can display two-way cable-delivered interactive services, such as interactive program guides, video on demand, enhanced television, etc., without the need for a set-top box.

The briefing included information about MSO activities now underway to provide support of OCAP on the cable network in 2007 and 2008. They also briefed manufacturers about developer conferences planned for 2007 and supported by a growing array of tool developers and systems integration support, as well as lab support activities available at CableLabs in the coming year.

Companies in attendance included Advanced Digital Broadcast, SA; AMD, Digeo, Digital Keystone, Funai Electronics Co., Ltd.; LG Electronics, Inc.; NEC, Panasonic Corporation of America, Samsung, Toshiba American Consumer Products, LLC; and Vidiom.

The complete list of companies that have signed the two-way CHILA license also includes: Broadcom Corporation, Himax Technologies, Inc.; MAKUS Inc.; Micronas GmbH; PC Partner, Stexar Corp.; Sunplus Technology Co, LTD; Tata Elxsi Limited; Thomson; Video Without Boundaries, Inc.; VividLogic Inc. and ViXS Systems Inc.

About CableLabs

Founded in 1988 by members of the cable television industry, Cable Television Laboratories is a non-profit research and development consortium that is dedicated to pursuing new cable telecommunications technologies and to helping its cable operator members integrate those advancements into their business objectives. Cable operators from around the world are members. CableLabs maintains web sites at www.cablelabs.com; www.packetcable.com; www.cablemodem.com; www.cablenet.org; and www.opencable.com.

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