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ATTORNEYS AT LAW

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BY ELECTRONIC FILING

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: ***MB Docket No. 07-18***

Dear Ms. Dortch:

Following up on a meeting with the Commission's Transaction Team on June 27, 2007, The DIRECTV Group, Inc. ("DIRECTV") provides additional information on the interactive television ("ITV") offerings it has developed over the last few years. As discussed in that initial meeting, ITV technology remains widely available from multiple sources,¹ enabling any MVPD to develop an ITV offering should it choose to invest the time and energy necessary to do so – as DIRECTV has done.

DIRECTV got a bit of a late start with ITV compared to other multichannel video programming distributors ("MVPDs"), as its first foray into ITV during 1998-2003 (using a technology from Wink Communications) was not successful. For example, EchoStar Communications had already deployed over four million set top boxes with ITV capabilities as of January 2002, and cable operators have offered video-on-demand ("VOD") and other ITV services for many years as well. By investing significant resources in ITV over the last few years, DIRECTV has been able not only to close the gap with its competitors, but to assume a leading role in ITV programming.

Perhaps the best known ITV services offered by DIRECTV are part of its NFL Sunday Ticket SuperFan package, featuring an interactive mix of eight games on one screen, a unique "Red Zone" highlight channel, the ability to view an entire game in 30

¹ As an example of the size of the ITV industry, dozens of ITV-related companies belong to two of the larger trade associations, the Interactive Television Alliance and the Information Technology Association of America's Interactive TV Council.

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minutes, and high-definition (HD) broadcasts. In addition, the new "Player Tracker" feature allows fans to select up to nine NFL players from around the league and track their performance throughout the day via real time on-screen alerts that appear when one of the selected players does anything of significance during a game. Viewers can even bring up a "My Players" statistical overlay at the touch of a button, listing up-to-the-minute cumulative statistics for their players. DIRECTV has also added a variety of new team statistics available on demand, including first downs, third-down efficiency, interceptions/interception yards and fumbles/fumbles lost, as well as individual statistics showing the top four players on each team in rushing, passing and receiving. Finally, a "Today's Best" tab features the top five players from the day's NFL Sunday Ticket games in each of the three aforementioned categories.

Building on its experience with NFL programming, DIRECTV has extended ITV enhancements to many other sports as well. For example:

- With NASCAR HotPass, each of the five dedicated driver channels offer multiple camera angles, real-time car telemetry, in-car audio communication and a dedicated announcer team. The new service, combined with race day telecasts and nascar.com coverage, gives racing fans the most comprehensive and powerful NASCAR experience possible.
- DIRECTV has expanded the MLB Extra Innings options to include a game mosaic channel; a Strike Zone Channel that takes viewers to live cut-ins of MLB games in progress at key points; detailed player and team statistics, real-time scores and live updates from other games.
- DIRECTV's NCAA Mega March Madness package of the first three rounds of the men's basketball tournament, which supplements CBS Sports' exclusive coverage of the entire tournament, offers on-demand features for customers with interactive receivers. The latest enhancements include: Game Mix, featuring up to four game broadcasts on one screen; On Demand Scoreboard that is viewable via an on-screen L-wrap application at the push of a button on all four game channels; and the On Demand Bracket feature that provides an interactive on-screen overlay, allowing viewers to view the current state of the NCAA Division I Men's Basketball Championship bracket, input their own bracket predictions and track their progress.
- Last year, DIRECTV, USA Network and the USTA provided tennis fans with the first-ever interactive TV coverage of a major U.S. tennis event through a new service, US Open Interactive. Free to DIRECTV customers, the interactive service expanded USA Network's national coverage of the 2006 US Open, including unprecedented access to more early round matches, statistics and information on demand, and the ability to view up to five matches simultaneously on a special US Open Mix channel. In all, DIRECTV customers had access to up to 300 hours of tournament coverage that included more than 100 additional matches. Viewers

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were able to select from any one of several live matches, and had access to a half-screen Scoreboard overlay on both the US Open Mix and the extra Court Channels, featuring the previous day and current day's match results, as well as the next day's upcoming match ups.

- Similarly, DIRECTV provided ITV programming for golf fans that supplemented ESPN's weekday national coverage of the first two rounds of the U.S. Open Championship earlier this year. This innovative offering provided fans with access to four channels of coverage through DIRECTV's U.S. Open Mix channel, and gave viewers an in-depth look at featured player groups and holes.

DIRECTV's ITV innovations are not limited to sports programming, however. For example, DIRECTV launched "What's Hot!" this week, the first-of-its-kind interactive application that allows viewers to instantly access a list of the top ten most popular programs on DIRECTV in real time, any time of day or night. With this service, DIRECTV customers have a fun and entertaining way to access a list of the most popular programming in their area, whether it be sports, news, movies, local channels or national programming. The instant results are aggregated from a universe of fellow DIRECTV customers, using anonymous data to protect the privacy of each subscriber.

DIRECTV is also developing a new VOD product that will enable it to better compete with incumbent cable operators whose own VOD offerings are well established. The "DIRECTV On Demand" product – schedule to be launched sometime this fall – will permit subscribers to watch more than 1000 movies that can be downloaded to DIRECTV receivers via broadband connections. By better integrating broadband connectivity with DIRECTV equipment, DIRECTV intends for DIRECTV On Demand to offer subscribers the content they want, exactly when they want it.

In addition, every DIRECTV set top box gives parents control over what their children are allowed to watch. Using the DIRECTV remote control, parents can limit viewing based on the television "V-Chip" and MPAA ratings, lock out entire channels, set limited viewing times, and even establish spending limits on pay-per-view purchases. Although sometimes overlooked, this is an important suite of ITV features that further empower DIRECTV subscribers to shape their viewing experience.

DIRECTV continues to explore new ITV applications, including those being developed by any number of programmers and third party technology companies around the globe. ITV is fast becoming a very competitive facet to a well-rounded MVPD offering, and there is no shortage of options and alternatives for any operator inclined to pursue them. DIRECTV believes that the ITV capabilities it has developed over the last few years have enhanced its ability to provide a compelling and innovative service offering. Indeed, DIRECTV's investment in interactive sports applications has yielded three Emmy Awards since 2004. But given the multitude of ITV resources available,

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there is no reason that such award-winning results could not be achieved by any other MVPD similarly willing to invest the time, energy, and capital necessary to develop attractive ITV programming.

Should you have any further questions about DIRECTV's ITV offerings or capabilities, please do not hesitate to contact me.

Respectfully submitted,

/s/

William M. Wiltshire

Counsel for The DIRECTV Group, Inc.

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