

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

In the Matter of)	
)	
Cablevision Systems Corporation's)	CSR-7078-Z
Request for Waiver of Section 76.1204(a)(1))	
of the Commission's Rules)	
)	
Implementation of Section 304 of the)	
Telecommunications Act of 1996)	CS Docket No. 97-80
)	
Commercial Availability of)	
Navigation Devices)	
)	

To: The Commission

**NAGRAVISION USA, INC. COMMENTS ON
APPLICATION FOR REVIEW**

Nagravision USA, Inc. ("Nagravision") files these comments on the Consumer Electronics Association's ("CEA") application for review of the Media Bureau's Order¹ granting Cablevision Systems Corporation ("Cablevision") a temporary extension of its waiver of Section 76.1204(a)(1) of the Commission's Rules until December 31, 2010.² Nagravision expresses no view on the propriety of the Bureau's extension of Cablevision's waiver; instead, it submits these

¹ *Cablevision Systems Corporation's Request for Waiver of Section 76.1204(a)(1) of the Commission's Rules, Implementation of Section 304 of the Telecommunications Act of 1996: Commercial Availability of Navigation Devices*, Memorandum Opinion and Order, CSR-7078-Z, CS Docket No. 97-80 (rel. Jan. 16, 2009) ("Order").

² *Cablevision Systems Corporation's Request for Waiver of Section 76.1204(a)(1) of the Commission's Rules, Implementation of Section 304 of the Telecommunications Act of 1996: Commercial Availability of Navigation Devices*, Application for Review, CSR-7078-Z, CS Docket No 97-80. ("Application").

comments on ways in which the Commission can assist in the development of a downloadable security system that achieves the Commission's objective of common reliance.³

Nagravision is one of the largest independent suppliers in the world of conditional access systems and other content management tools for digital television providers.⁴ Nagravision is a major supplier of conditional access systems to MVPDs both in and out of the United States. Based on state-of-the-art conditional access and encryption technologies, Nagravision solutions allow service providers to deploy securely a multitude of services including subscription and on-demand, and are used by more than 120 leading digital television providers worldwide securing content delivered to more than 92 million devices.

For many of these digital television systems, set-top boxes ("STBs") are sold at retail, encouraging competition and consumer choice. In some systems, the STBs work with multiple service providers and, indeed, can be deployed with other competitive security systems. In addition, Nagravision technology is integrated into over 1000 different STB models by over 100 different consumer electronics and Original Design Manufacturers, further encouraging competition for the best price, performance and features. *See* Comments of Nagravision USA, CS Docket No. 97-80 (filed Aug. 24, 2007).

In the *Order*, the Bureau adopted milestones for Cablevision for deploying a downloadable security system developed by NDS. The Bureau recognized that Cablevision had not asked the Commission to approve the proposed downloadable security system nor provided details of the system that would have allowed the Commission to approve it. *Order* ¶ 9. Rather, it made clear that Cablevision bears the risk that this system – or whatever downloadable system

³ *See Implementation of Section 304 of the Telecommunications Act of 1996: Commercial Availability of Navigation Devices*, 20 FCC Rcd 6794 ¶ 31 (2005).

⁴ Nagravision is a division of the Kudelski Group, a publicly traded company based in Switzerland.

it deploys – must “fully comply with the integration rules.” *Id.* ¶ 8 n.23. To the extent that the CEA *Application* rests on an argument that the Commission has *sub silentio* approved the NDS/Cablevision system, that argument does not appear to have support in the *Order*.

Nagravision believes that to have a successful downloadable security system that both complies with the integration rules and meets the commercial needs of consumer electronics manufacturers, MVPDs, and security system suppliers, a combined effort of all stakeholders is required. While Nagravision appreciates Cablevision’s assurance to the Commission that NDS “is committed to making available the NDS key ladder,” and that it will be “licensed by NDS without charge,”⁵ Nagravision agrees with CEA that the approval of a downloadable security system developed by one security vendor in connection one cable operator is far from an ideal way to achieve a system that can be deployed across many cable systems and integrated into devices to be sold at retail.

Indeed, if Cablevision/NDS develops one system that meets the requirement of separating the navigation and security functions, and other manufacturers and cable operators develop and adopt different systems that have the same capability – as the *Order* would appear to permit – and even if every manufacturer makes its technology available to competitors, it is very likely that a number of different and perhaps incompatible systems will ultimately be deployed. In that case, consumer electronics manufacturers will not want to include multiple and competing systems in STBs or television receivers that would allow their products to be moved between

⁵ *Implementation of Section 304 of the Telecommunications Act of 1996, Commercial Availability of Navigation Devices*, CS Docket No. 97-80, CSR-7078-Z, Cablevision Systems Corporation’s Request for Extension of Waiver of 47 C.F.R. § 76.1204(a)(1) at 3-4 (Nov. 26, 2008).

cable systems. Thus, the retail market the Congress and the Commission have sought to engender will not develop.

The Commission should, instead, amend the *Order* to require Cablevision and NDS to participate in an industry standard-setting process to develop a single downloadable security solution – or at a minimum a common technology that will accept different downloaded security systems when connected to a cable system. Even if that system requires the use of a common chip or other hardware, the prospect of its adoption by cable systems (and perhaps other MVPDs) across the country would reduce the cost of such devices and enable manufacturers to include the technology in retail devices.

Nagravision believes that the building blocks for such a system already exist and only require a commitment from all cable operators, consumer electronics manufacturers, and conditional access vendors to choose a common platform. Nagravision therefore believes that the process of selecting a common system can be completed within a relatively short period, and would support the Commission's adoption of a requirement that all interested parties participate in such a process. Nagravision is committed to assisting in achieving the goal of a commonly-usable downloadable security system.

Conclusion

Nagravision believes that the approach presented by Cablevision may have merit if wider participation in its development is assured. Nagravision, however, agrees with CEA that the Bureau's adoption of the *Order* alone will not result in achieving the Commission's objectives. The Commission should therefore require NDS and Cablevision, as a condition of the extension

of Cablevision's waiver, to participate in a process intended to develop a single commonly used downloadable security system.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jack N. Goodman". The signature is fluid and cursive, with the first name "Jack" being particularly prominent.

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March 4, 2009

Certificate of Service

I, Andrea W. Burch, hereby certify that I have, this 4th day of March, 2009, caused to be sent by mail, first class postage prepaid, copies of the foregoing "Nagravision USA, Inc.

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A handwritten signature in black ink, appearing to read "Andrea W. Burch", is written over a horizontal line.