

February 2, 2011

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington DC 20554

Re: Notice of *Ex Parte* Presentation: MB Docket No. 10-91; CS Docket No. 97-80; PP Docket No. 00-67. *Video Device Competition; Implementation of Section 304 of the Telecommunications Act of 1996: Commercial Availability of Navigation Devices; Compatibility Between Cable Systems and Consumer Electronics Equipment*

Dear Ms. Dortch:

This is to notify you that on February 1, 2011, Robert McIntyre (Vice President and Chief Technology Officer, Service Provider Business), Ken Morse (Chief Technology Officer, Service Provider Video Technology Group), Bob Scott (Director, Service Provider Video Technology Group), and Jeffrey Campbell (Senior Director, Technology and Trade Policy), all of Cisco Systems, Inc. ("Cisco"), and the undersigned, counsel to Cisco, met separately with the following Federal Communications Commission ("FCC" or "Commission") staff:

Marilyn Sonn (Office of Chairman Julius Genachowski, participating by telephone) and Paul de Sa and Doug Sicker (Office of Strategic Planning);
Joshua Cinelli (Office of Commissioner Michael Copps);
Rosemary Harold (Office of Commissioner Robert McDowell);
Jennifer Tatel (Office of Commissioner Meredith Baker);
David Grimaldi (Office of Commissioner Mignon Clyburn); and
William Lake, Nancy Murphy, Alison Neplokh, and Brendan Murray (Media Bureau).

Neil Chilson of Wilkinson Barker Knauer, LLP also participated in the Media Bureau meeting.

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The purpose of these meetings was to discuss Cisco's announcement regarding its development of Videoscape, a comprehensive digital television architecture that benefits consumers by allowing service providers, such as multichannel video programming distributors ("MVPDs"), to integrate linear television delivery with multiple applications and online content, including user-generated content and social media. As explained in the attached handout, which was distributed and discussed at the meetings, Videoscape allows consumers to access content from multiple sources of their choice via multiple devices of their choice, with the security and premium quality-of-service that consumers expect from multichannel video distributors. Videoscape is an *open* platform that utilizes the "cloud," the network, and client devices to deliver new, Internet-based video experiences in conjunction with traditional multichannel video. The Videoscape client is independent of a provider's ultimate access technology. As consumers increasingly are seeking adaptability and portability, Videoscape software clients can be incorporated into a wide range of home and mobile devices, including Internet-enabled television sets, tablets, smartphones, and retail set-top boxes, any of which can access a Videoscape-enabled provider's full suite of content as well as any unaffiliated Internet or user-generated content. Videoscape's built-in network intelligence enhances Internet video for display on devices and delivers premium quality-of-service resolution best suited to the displaying device. Videoscape thus enables a wide range of consumer devices to function as smart video devices.

Videoscape is real, not speculative. Although it has not yet been deployed in the United States, a major Australian service provider has successfully launched a Videoscape architecture, and Cisco believes that large-scale U.S. trials likely will commence early next year, with major deployments by the end of 2012. Cisco plans to continue apprising the Commission of the progress of Videoscape deployment in the United States.

In addition to sharing details about Videoscape as a follow-up to Cisco's recent announcement, the meeting participants discussed the market dynamics underlying development of Videoscape, including Cisco's projection that by 2014, more than 90 percent of consumer IP traffic will be video content. Consistent with the Commission's statements in the April 21, 2010 notice of inquiry in the above-referenced dockets (the "AllVid NOI"),¹ consumers increasingly are seeking a multi-screen experience that integrates multichannel content and online content with intuitive, unified navigation functionality. Cisco designed Videoscape to accommodate this evolution in consumer demand. Yet, as discussed in the meetings, Videoscape would not even have been possible as recently as two years ago. It is only today, with increased computer processing power, reduced memory costs, and higher broadband speeds, that this seamless, high-

¹ *In the Matter of Video Device Competition; Implementation of Section 304 of the Telecommunications Act of 1996; Commercial Availability of Navigation Devices; Compatibility Between Cable Systems and Consumer Electronics Equipment*, 25 FCC Rcd 4275, 4281-82 ¶17 (2010) ("NOI") (proposing AllVid to "provide the necessary flexibility for consumer electronics manufacturers to develop new technologies, including combining MVPD content with over-the-top video services (such as videos offered from, for example, Amazon, Hulu, iTunes, or NetFlix), manipulating the channel guide, providing more advanced parental controls, providing new user interfaces, and integrating with mobile devices.").

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quality unification of content, accessible to an MVPD subscriber through any device, is even possible.

The AllVid NOI also set forth a number of goals that can be met with Videoscape. For example:

- The NOI seeks to provide consumer electronics manufacturers the flexibility “to develop new technologies, including combining MVPD content with over-the-top video services ... manipulating the channel guide, providing more advanced parental controls, providing new user interfaces, and integrating with mobile devices.”² Videoscape establishes a framework of open, standards-based services which enable consumer electronics manufacturers to provide all of these technologies.
- The NOI seeks to “unleash an expanding retail market for innovative and portable smart video devices.”³ Videoscape makes it possible to transform many existing, non-MVPD-supplied retail devices from a wide variety of manufacturers into smart video devices through a software-based approach to video access. Some devices that Videoscape could enable to access MVPD and non-MVPD video services include iPhones, iPads, Android smartphones, gaming systems, smart television sets, retail set-top boxes, and home computers.
- The NOI seeks to “give device manufacturers the ability to develop smart video devices that can access MVPD programming regardless of the delivery technology that the MVPD uses” and “accommodate any delivery technology that an MVPD chooses to use and allow MVPDs to continue unfettered innovation in video delivery.”⁴ Videoscape enables an MVPD to provide its programming over many different delivery technologies (including wireless), while maintaining the quality of the consumer experience by converting the content into a format best suited for transmission over that technology.
- The NOI seeks to “allow consumer electronics manufacturers to design to a stable interface and to integrate multiple functions within a retail device.”⁵ Videoscape provides for an open, available application programming interface (API) which consumer devices can use to access the Videoscape cloud of content and services.

² *Id.* at 4281-82 ¶ 17.

³ *Id.* at 4283 ¶ 23.

⁴ *Id.* at 4281-82 ¶¶ 16, 17.

⁵ *Id.* at 4281-82 ¶ 17.

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- The NOI seeks to ensure that content is protected from theft.⁶ Videoscope employs existing, well-accepted content protection, digital rights management, and user authentication techniques to prevent the theft of content.
- The NOI seeks to deploy AllVid (or equivalent) devices beginning December 31, 2012. As the record demonstrates, this timeline is not feasible.⁷ Cisco estimates that the standardization process alone could take between 24 and 36 months, with manufacturing adding at least an additional 18 to 24 months depending on the number of AllVid device variants required.⁸ Yet, as noted above, the Videoscope architecture has been deployed and is expected to have substantial rollout in the U.S. before the proposed deadline for deployment of the first AllVid devices. Cisco also expects similar approaches will be made available by other vendors as well, using standards-based technology.

Finally, participants in these meetings discussed the ways in which U.S. deployment of Videoscope and any similar products under development could be hindered by implementation of the proposal set forth in the AllVid NOI. Specifically, AllVid is not a forward-looking approach; it would ultimately hinder the very network and device innovation the Commission hopes to promote. AllVid, like its predecessor CableCARD, is a hardware-based solution that requires the specification, design, manufacture, and testing of a physical consumer device. In contrast, Videoscope incorporates a software client platform, which has many advantages over a hardware-based approach. For example, a software client can run on any sufficiently powerful device, including already-existing and already-deployed devices. This makes rapid deployment possible. A software client also easily is updated and upgraded with no need to change hardware, making it much more “future-proof” and cost-effective than a single-purpose hardware standard. Forcing providers and manufacturers to implement a backward-looking hardware-based approach will slow or even prevent the evolution to a far more flexible architecture, harming consumers.

Based on the above, Cisco respectfully requests the Commission to defer action on its AllVid proposal in light of marketplace developments, including Videoscope, that accomplish

⁶ *Id.* at 4285 ¶ 28.

⁷ *See, e.g.*, Cisco Reply Comments at 9-10; Michael G. Baumann & John M. Gale, ECONOMIC ANALYSIS OF THE REGULATION OF MVPD NAVIGATION DEVICES, at 12-13 (July 19, 2010) (attached to Letter from Neal M. Goldberg, NCTA, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-91 (July 19, 2010)) (noting that the development of the CableCARD standards was substantially simpler than the AllVid proposal and still took five years to develop); Charter Communications Comments at 7 (“[I]t is unrealistic to expect that so many standardized protocols can be developed within the time frame expected by the Commission.”); Telecommunications Industry Association Comments at 8-9 (concluding that the Commission’s deadline “is unrealistic given the number of diverse interests involved and the complex technical issues around which these parties must develop consensus”); Montgomery County Comments at 2 (“Even the most optimistic ‘AllVid’ supporters, however, must recognize that it will take many years to develop and fully implement a successor technology.”).

⁸ Cisco Comments at 34.

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the goals of AllVid and would be harmed if hardware-based, limited functionality AllVid rules were adopted.

This letter is filed pursuant to Section 1.1206 of the rules of the Federal Communications Commission. Please direct any questions to the undersigned.

Respectfully submitted,

WILKINSON BARKER KNAUER, LLP

By: /s/ Natalie G. Roisman

Natalie G. Roisman
Counsel to Cisco Systems, Inc.

Attachment

cc: Marilyn Sonn
Joshua Cinelli
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