

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
Request for the Allowance of Optional Electronic) RM-11673
Labeling for Wireless Devices)

**COMMENTS OF SAMSUNG TELECOMMUNICATIONS AMERICA, LLC
IN SUPPORT OF TELECOMMUNICATIONS INDUSTRY ASSOCIATION
PETITION FOR RULEMAKING**

I. INTRODUCTION

Samsung Telecommunications America, LLC (“Samsung”) hereby respectfully submits these comments in support of the petition for rulemaking (“Petition”) filed by the Telecommunications Industry Association (“TIA”).¹ The Petition urges the Federal Communications Commission (“Commission” or “FCC”) to amend its rules to permit electronic labeling (“e-labeling”) of wireless devices. As one of the world’s largest manufacturers of wireless devices, Samsung supports the adoption of e-labeling by the Commission and agrees that the Commission should initiate a rulemaking proceeding to further consider the public interest benefits that can be secured by permitting manufacturers, at their option, to utilize e-labeling. The rapidly improving on-screen user interfaces of wireless devices that are relied on by consumers to control and interact with their devices also are ideally suited to provide consumers with the information currently required to be disclosed through permanently affixed

¹ Petition for Rulemaking by the Telecommunications Industry Association (“TIA”), RM-11673, (filed Aug. 6, 2012) (“Petition”); *Consumer & Governmental Affairs Bureau Reference Information Center Petitions for Rulemaking Filed*, Public Notice, Report No. 2960 (CGB rel. Sept. 5, 2012).

physical regulatory markings. As a result, adoption of permissive e-labeling standards by the Commission stands to provide a myriad of benefits to both device manufacturers and consumers.

II. E- LABELING WILL FOSTER INNOVATION WHILE REDUCING COSTS AND LOGISTICAL BURDENS FOR MANUFACTURERS

The Commission's regulations historically have required certain identifying information and other text and regulatory symbols to be permanently affixed to wireless devices using stickers or etchings.² Due to the rapid pace of innovation in the wireless device market, these physical labeling requirements have become outdated and should be freshly evaluated by the Commission through the initiation of a rulemaking proceeding. By permitting manufacturers, at their option, to provide regulatory information to consumers using e-labeling, the Commission can facilitate the realization of several important benefits without any concomitant reduction in the value or accessibility of the information. Further, adoption of e-labeling is fully consistent with the Commission's emphasis on updating its regulations to promote the market's rapid evolution to a digital environment in which consumers desire and expect to receive information electronically.³

E-labeling would reduce costs to manufacturers. As explained in the Petition,⁴ the cost and production complexity associated with affixing labels to wireless devices in accordance with the Commission's requirements has increased as the size of certain types of devices has decreased and as the designs of devices have evolved, thereby leaving less room for markings. In particular, the increasing use of sealed battery compartments and metal and glass casings has posed new challenges to manufacturers. Sealed battery compartments may prevent manufacturers from affixing markings internally using permanent stickers and specialized

² See, e.g., 47 C.F.R. §§ 2.925, 2.926, 2.954, 2.1074, 15.19.

³ See Petition at 10-11.

⁴ See *id.* at 2-3, 14-16.

equipment is required to etch informational labels in metal and glass casings. E-labeling would enable manufacturers to significantly reduce the costs imposed by physical marking requirements. Moreover, the high level of competition present in the wireless device market will ensure that any such reduced costs ultimately are passed through to consumers, such as through lower prices or more innovative product offerings.

E-labeling would streamline production. The development and production cycle of wireless devices has become much shorter than in the past. New models of devices, new generations of existing models, and new categories of devices are developed and brought to market at an accelerated pace. The time periods between the design, manufacture, marketing, distribution, and replacement of devices become shorter every year. Devices cannot be produced and distributed until labeling requirements applicable to the products have been finalized, and such labeling requirements often cannot be finalized until testing and regulatory approvals are completed. However, due to commercial sensitivities around public disclosures involved in the testing process, testing and regulatory approvals often are not undertaken until the very latest time possible. Due to these trends, physical labeling requirements are becoming increasingly burdensome on manufacturers. By comparison, e-labeling is less resource-intensive and can be accomplished much more quickly than physical labeling. As a result, adoption of e-labeling standards by the Commission has the potential to significantly streamline wireless device production.⁵

⁵ In conjunction with certain other rule changes by the Commission, the promulgation of optional e-labeling also could enable manufacturers to disclose to consumers electronically certain information currently required to be printed in a device's user manual. For example, in its rulemaking, the Commission should consider permitting manufacturers to disclose hearing aid compatibility ("HAC") information on a device's user interface and on the manufacturer's website in lieu of printing HAC ratings in user manuals. See 47 CFR § 20.19(f). This would enable manufacturers to print user manuals prior to the completion of a device's HAC testing.

E-labeling would enable manufacturers to easily and rapidly correct and revise labeling information. As TIA states in the Petition, the etching process often used for physical labeling of devices is permanent, and therefore any labeling error can be extremely costly to correct. Error correction can require the wholesale remanufacture and manual replacement of device casings. Similar costs can accrue when a manufacturer is required to modify device labeling due to a change in specifications by its customers. For example, a customer may decide to reroute a particular shipment of devices to a different market than initially intended, and the new market may have different regulatory labeling requirements than the initially intended destination market.⁶ Further, changes by regulators to applicable labeling requirements can impose the same types of unnecessary costs. In each case, e-labeling would dramatically simplify and reduce the costs of labeling modifications when such modifications occur late in the production process. In contrast to physical labels, modification of e-labels can be accomplished via simple software updates, which in some instances even may be possible to accomplish remotely.

Optional e-labeling would unleash further innovation. E-labeling would enhance the recent proliferation of innovative new wireless device designs driven by the highly competitive nature of the wireless device market. If device manufacturers are not required to consider the placement and legibility of physical device labels when developing new product designs, but instead are permitted to rely on a device's on-screen user interface to display required regulatory labels, the manufacturers will be freed to design devices solely in response to consumer preferences. As a result, e-labeling may enable additional design innovation, such as increased

The Commission should evaluate whether there are other similar opportunities to streamline device production and distribution given how rapidly new devices are brought to market.

⁶ See Petition at 14-16.

customization and personalization of device casings for a manufacturer's individual carrier customers or even for individual consumers.

Optional e-labeling would lead to greater harmonization of international regulatory requirements. As noted in the Petition, e-labeling has already been adopted by some nations⁷ and discussions are underway to adopt e-labeling in Europe.⁸ Moreover, numerous nations' telecommunications regulatory agencies historically have looked to the Commission's requirements to identify regulatory best practices when developing and modifying their respective national regulatory regimes. Further, e-labeling has industry support as evidenced by the 3rd Generation Partnership Project, or 3GPP, agreement on Technical Standard 22.030 (Man-Machine Interface (MMI) of the User Equipment (UE)). Technical Standard 22.030 specifies the use of MMI Command “*#07#” for the purpose of displaying the type of regulatory information that would be involved e-labeling.

As a result, by initiating a rulemaking on e-labeling, the Commission can foster global harmonization of e-labeling requirements. Consequently, in light of the proliferation of “world” devices that are designed to be marketed globally, the benefits that could be realized in the United States through adoption by the Commission of permissive e-labeling could be multiplied across device manufacturers' operations around the world.

III. E-LABELING WILL PROVIDE DIRECT AND IMMEDIATE BENEFITS TO CONSUMERS

In addition to providing concrete benefits to manufacturers, e-labeling also has the potential to greatly benefit consumers and increase the usefulness of device labels. The efficacy

⁷ See *id.* at 6.

⁸ Digital Europe, a European Union (“E.U.”) digital technology industry trade association, through its Mobile Terminals Working Group within the association's Technical and Regulatory Policy Group, has recommended that e-labeling be permitted across all E.U. directives.

of current, required device labels is inherently limited by space and legibility considerations. Regulatory markings tend to be too truncated or difficult to locate to impart much substantive information to consumers about their wireless devices. As a result, many consumers probably know little about the meaning of the various physical markings found on their devices, and therefore are unable to effectively utilize the information that the markings are intended to impart. E-labeling can resolve these issues.

As an initial matter, consumers increasingly expect information to be provided to them electronically in today's digital world. Although in the past a consumer would first look to their device manual to answer questions about their device, today consumers may be more likely to seek guidance from the device's user interface.⁹ Consumers simply may expect to receive useful information about their device directly from the device, including information that regulators determined is sufficiently important to warrant mandatory physical labeling.

Moreover, the inherent space and legibility limitations that encumber affixed physical labels are not present with respect to e-labeling. The versatility of modern, on-screen user interfaces enables manufacturers to impart far more information than physical labeling, to make the information easier for consumers to locate, and, most importantly, to provide the type of context and guidance necessary for consumers to fully understand the purpose and substance of the labels.¹⁰

⁹ Although Samsung supports the Petition's request for an e-labeling option, Samsung urges the Commission to refrain from mandating that an FCC identifier appear on the display screen of a device each time the device is powered on, as suggested in the Petition. *See* Petition at 11. The Commission should leave to manufacturers the discretion to select the most appropriate approach for implementing e-labeling on a particular device, including by methods such as displaying labeling information on the startup screen or in the device menu, or by causing the information to appear on the display screen upon the user's entry of a short code.

¹⁰ *See id.* at 10, 12-13.

IV. CONCLUSION

For the reasons set forth herein, Samsung urges the Commission to grant the Petition and initiate a rulemaking proceeding to explore the public interest benefits that can be accomplished through the promulgation of e-labeling standards.

Respectfully submitted,

SAMSUNG TELECOMMUNICATIONS AMERICA, LLC

By: /s/ Cindi Moreland
Cindi Moreland
Vice President and General Counsel
1301 E. Lookout Dr.
Richardson, TX 75082
(972) 761-7000

John Godfrey
Vice President,
Government & Public Affairs
Samsung Information Systems America, Inc.
1200 New Hampshire Avenue, N.W.
Washington, DC 20036
(202) 887-5667

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