



CHAIRMAN

Federal Communications Commission

Washington, D.C.

April 4, 2002

The Honorable Ernest F. Hollings
Chairman
Committee on Commerce, Science and Transportation
U. S. Senate
253 Russell Senate Office Building
Washington, DC 20510

Re: Digital Television Plan

Dear Chairman Hollings:

I applaud your continuing efforts to advance the availability of digital television for consumers. In support of those efforts and in the same spirit, I am writing to set forth a plan that I hope will provide a near-term boost to the DTV transition. This plan is not intended to be comprehensive or to undermine the importance of other DTV issues under discussion. Rather, it is intended to provide an immediate spur to the transition by giving consumers a reason to invest in digital technology *today*, while we continue to work on resolving the longer-term issues.

Among other things, the plan seeks to advance two key goals: (1) increasing the level of compelling digital content available to consumers; and (2) providing cable subscribers access to that content over their cable systems. Unfortunately, these goals sometimes get caught up in the policy debates over copy protection and cable compatibility for "plug and play" sets, and it is sometimes assumed that progress must wait until those broader issues are resolved. In my view, we can and should pursue these goals even as we continue to work on the broader issues. I do not minimize the importance of copy protection and "plug and play" cable compatibility. These are issues that can and must be resolved. But I do not believe that we must defer all progress on the digital television transition until we do.

The plan is purely voluntary but, as you can see, contemplates that each relevant industry will play a significant role. I intend to seek commitments along these lines in the near future.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Powell".

Michael K. Powell

Enclosures

cc: The Honorable John McCain
The Honorable Daniel K. Inouye
The Honorable Conrad Burns

Proposal for Voluntary Industry Actions to Speed the Digital Television Transition*

1. Top four broadcast networks (i.e., ABC, CBS, Fox and NBC), HBO, and Showtime:

Provide high-definition or other “value-added DTV programming” during at least 50% of their prime-time schedule, beginning with the 2002-03 season. Value-added DTV programming could be high-definition, innovative multicasting, interactive, etc. – so long as it gives consumers something significantly different than what they currently receive in analog. This would include something more than a single stream of standard-definition digital programming.

2. Broadcast Licensees:

By January 1, 2003, or as soon thereafter as they commence broadcasting, DTV affiliates of the top four networks in markets 1-100 will obtain and install the equipment necessary to pass through network DTV without degradation of signal quality (e.g., pass through HD programming, if that is what its network provides).

Stations broadcasting DTV programming will inform viewers of their digital content through on-air promotional announcements over their analog broadcast facilities.

3. Cable:

By January 1, 2003, cable systems with 750 MHz or higher channel capacity will:

Offer to carry, at no cost, the signals of up to five broadcast or other digital programming services that are providing value-added digital programming during at least 50% of their prime-time schedule.

Provide cable subscribers the option of leasing or purchasing a single set-top box that allows for the display of high definition programming. These devices will include digital connectors (e.g., 1394/5C and/or DVI/HDCP) at the request of the consumer.

Market the digital television products the operator provides, including on their systems and in monthly bills, so that consumers know what programming is available and how they can receive it over the cable plant.

4. Direct Broadcast Satellite:

By January 1, 2003, carry the signals of up to five digital programming services that are providing value-added digital programming during at least 50% of their prime-time schedule.

* Nothing contained in this Proposal for Voluntary Industry Action is intended to prejudice any issue in pending or future Commission proceedings.

5. Equipment Manufacturers and Retailers:

Commit to meeting the demand for cable set-top boxes that allow for the display of high definition programming.

Market broadcast, cable and satellite DTV options at point-of-sale.

Include over-the-air DTV tuners in new broadcast television receivers according to the following schedule:

Sets 36" and above – 50% of units to have DTV tuners by January 1, 2004; 100% by January 1, 2005;

Sets 25"–35" – 50% of units to have DTV tuners by January 1, 2005; 100% by January 1, 2006;

Sets 13"-24" – 100% of units to have DTV tuners by December 31, 2006.

Include digital input(s) (e.g., 1394/5C and/or DVI/HDCP) on all new HD-capable television receivers and display devices by January 1, 2004.