

THE TRANSITION TO DIGITAL TELEVISION

CEA POSITION: CEA supports the goals of the Congress and the Federal Communications Commission (FCC) to quickly accelerate the transition from analog to digital television (DTV). The rapid transition to DTV will provide numerous consumer benefits while enabling 108 megahertz of spectrum currently occupied by broadcasters on channels 52-69 to be reclaimed in order to meet the increasing demands for public safety and wireless services.

BACKGROUND: On February 8, 2006, President George W. Bush signed into law legislation setting February 17, 2009 as the date U.S. broadcasters must end transmission of analog television signals.

TV manufacturers are leading the DTV transition, offering more than 600 models of DTV products including integrated sets, digital monitors, and set-top receivers at affordable prices. CEA research shows a remarkable level of satisfaction with the product. More than 35 million DTV products have been sold since product introduction in 1998 and we're now in the home stretch of the DTV transition.

The FCC's expressed goals for DTV are "to preserve and promote free, universally available, local broadcast television in a digital world;" and "to promote spectrum efficiency and rapid recovery of spectrum by fostering the swift development of DTV." CEA is working with government and related industries to address the few remaining policy issues, such as intellectual property rights in the digital world and to create solutions that will avoid marketplace confusion and needless delay - bringing the enhanced performance and services found in digital television to consumers as soon as possible.

In September 2006, CEA joined with the Association for Maximum Service Television (MSTV) and the National Association of Broadcasters (NAB) to provide comments to the National Telecommunications and Information Agency's (NTIA) Notice of Proposed Rulemaking regarding the digital-to-analog converter box program. The comments emphasize that the converter box program should adhere to five key principles: (1) continued consumer access to broadcast television; (2) availability of high-quality, easy-to-use, low-cost digital converter boxes; (3) simplicity and clarity; (4) fairness and prevention of waste and abuse; and (5) industry cooperation to serve the consumer.

Additionally, CEA conducts numerous programs to increase public awareness of and confidence in the DTV transition. Among its educational efforts for DTV, CEA operates five websites that promote the DTV transition through consumer and dealer education. One of these websites specifically permits consumers and salespeople to determine the free, over-the-air DTV signals that can be received at their location and what type of antenna is needed to do so. This website is located at www.antennaweb.org and it receives approximately 100,000 hits per month. CEA also maintains another website at www.CEknowhow.com, an online program that is designed to equip retailers with up-to-date product category training for sales associates. CEknowhow.com is customizable, allowing retailers to license and tailor the program to suit their particular needs. In 2004, more than 24,000 sales persons completed training via CEknowhow.com. Another website that CEA maintains is www.myCEknowhow.com. MyCEknowhow, help consumers navigate the new features and options made available by digital television. In October 2004, CEA released The Connections Guide website, an interactive resource designed to help consumers better understand how to connect their audio and video (including DTV) products. In addition to these web sites, CEA includes a wealth of information about HDTV on its own web site www.CE.org/hdtv.

CEA's educational materials also appear on several partner websites and publications. For instance, Decisionmark's consumer education website, www.CheckHD.com, features CEA's educational brochure, *Consumer's Guide to the Wonderful World of HDTV*. Many of CEA's pieces are available for download at www.CE.org/hdtv.

In March of 2006 CEA announced a broad-based, member-driven voluntary labeling program for TVs that have only analog TV tuners. The language agreed upon is as follows:

Notice: This TV has only an 'analog' broadcast tuner so will require a converter box after February 17, 2009 to receive over-the-air broadcasts with an antenna, because of the nation's transition to digital broadcasting on that date, as required by Federal law. (It should continue to work as before with cable and satellite TV systems, gaming consoles, VCRs, DVD players and similar products.)

The program began on July 1, 2006. Some manufacturers also are applying Spanish-language labels to analog-only sets and their cartons.

During the fourth quarter of 2006, CEA developed a syndicated newspaper article titled, “Digital Television: You got questions?” The article was nationally distributed in both English and Spanish. CEA is currently compiling results from this distribution.

Leveraging new fall TV programming, CEA has reached hundreds of thousands of TV viewers through a satellite media tour (SMT) featuring CEA’s Digital Answer Man Jim Barry. The SMT featured back to basics questions about the transition from analog to digital. To date, the tour was viewed by an audience of over 700,000 consumers.

In conjunction with the FCC and the Consumer Electronics Retailers Coalition (CERC), CEA designed, printed, and has made available to retailers a tip sheet explaining the DTV transition and basic DTV terms and technology. In addition to being posted on CEA’s web site, over one million tip sheets have been distributed, including to every Best Buy and Circuit City in the country, at the International Consumer Electronics Show (CES), to the Professional Audio-Video Retailers Association (PARA) who distributed them to their members, to the Home Theater Specialists of America (HTSA) and at CEA’s HDTV Summit. The tip sheet also has been published three times in the *HDTVGuide*, which is distributed to 20,000 *TWICE* subscribers. This distribution extends further through press kits and education, CEA’s distribution lists and to all CEA events.

CEA is actively engaged with broadcasters, cable operators, public interest groups and other stakeholders to build coalitions for coordinated communications related to the DTV transition.

OUTLOOK: To date, the transition has been a resounding success for equipment manufacturers, suppliers, and the consumers they serve. DTV sets, and high definition television (“HDTV”) sets in particular, are among the fastest selling products in consumer electronics history. We forecast that this already-rapid introduction will accelerate with the introduction of Digital Cable Ready (“DCR”) and over-the-air (“OTA”) integrated DTV sets.

CEA urges broadcasters to more aggressively promote digital broadcast channels, both during analog broadcasts and in TV program listings. In addition, broadcast stations must fully construct their facilities to reach all the viewers of their analog signal with a digital signal. For their part, cable operators must support Digital Cable Ready (“DCR”) integrated television sets with adequate supplies of CableCARDS in order to provide a seamless viewing experience for new digital viewers.

For more information, please contact CEA at publicpolicy@CE.org or visit www.CE.org/hdtv.