

**Comments of Kyle McSlarrow
President and CEO
National Cable & Telecommunications Association
Regarding Completion of the DTV Transition
FCC Open Meeting – June 3, 2009**

Mr. Chairman and Commissioners, for the past several years, our industry has been pleased to work with the Commission, NTIA, our industry partners, and many consumer and community groups to help better educate consumers about the DTV Transition. As I have said before, we appreciate your and the FCC's leadership to keep all of us on track, and today I'd like to simply update you on our recent efforts to contribute to a smooth transition, and to affirm the cable industry's preparedness for June 12.

Industry Assistance on Call Center Operations

I know you're aware of our support this year for call center operations designed to aid consumers during the course of the transition. We were proud to join with the National Association of Broadcasters and other broadcast partners, including network owned-and-operated stations, in creating and developing the DTV Trusted Advisor Hotline. The hotline was a national virtual call center designed to address questions from consumers regarding the DTV transition.

We were pleased to be able to assist you in ensuring the success of the Hotline. Thanks to your efforts to open the lines of communication between industry and FCC call center experts, we were able to combine our industry call center operation with the call center resources the Commission had assembled. That meant callers anywhere in the country could dial a single toll-free number for help. And live agents for both industry and the Commission were equipped with essentially the same scripts and information resources, meaning consumers could find thorough answers to their questions regardless of whether they were talking to a live agent from industry or one from the government.

From the inception of the joint call center operation on February 12, 2009, through April 20, 2009, when the industry's call center project was completed, our joint operations efficiently handled nearly 800,000 calls from consumers. At the early peak period of this operation – around the initial transition period for hundreds of broadcast stations on February 17 – the industry had about 1,300 live agents available to answer calls, in both English and Spanish. And during the period in March and April when federal funding for call center operations was temporarily curtailed, hundreds of live agents staffed by industry were on duty to manage consumer calls and continue to provide “trusted advice.”

Work of Community Groups

We've said many times that a key to the success of the extensive volunteer efforts of industry groups has been the existence and leadership of the DTV Transition Coalition, which NCTA, NAB and CEA helped organize in the early part of 2007. However, the real success of

its efforts was driven in part by the direct and enthusiastic support and involvement of strong consumer groups such as the Leadership Conference on Civil Rights and AARP.

We took that lesson to heart as we crafted plans for cable's support of DTV transition activities. As we were completing work on some of cable's earliest public service advertising to help raise consumer awareness about the transition, we received substantial feedback and guidance from many consumer groups, as well as some policy makers, on the nature of the advertising. They offered many ideas that initially we had overlooked, on the tone of our advertising, how it should be designed to reach specific at-risk audiences, and what messaging would resonate best with different groups of viewers. That's when it occurred to me that instead of any one industry trying to provide information that was all things to all people – and trying to do all of that, for instance, in a 30-second public service ad – it might be better simply to invest some of our resources in groups that knew best how to speak directly to their constituents, what to say, and how to say it.

During 2007 and 2008, therefore, NCTA made cash grants totaling more than three-quarters of a million dollars to a group of about 20 community service organizations representing ethnic, rural, disabled, and elderly populations. These groups distributed converter coupon applications, circulated special publications, held and coordinated news briefings around the country, organized community meetings, and otherwise led a wide variety of community-based activities to help get the word out. To supplement these efforts, NCTA purchased tens of thousands of dollars in paid advertising in a variety of community publications in markets across the country, targeted at at-risk groups, to further spread the word on the transition.

In addition, many cable operators are working directly with community groups to ensure the greatest level of preparedness for the transition. Just last month, for example, Time Warner Cable enhanced an education effort targeted to Hispanic households that it had started last year, by launching a new major educational campaign. The “Get Informed, Stay Connected” campaign is particularly active in Los Angeles and other Time Warner service areas in the West, where the company serves high numbers of Hispanic subscribers. Time Warner is sponsoring bilingual community forums on the transition in many Walmart locations throughout its communities; it has enlisted the help of Hispanic celebrities to bolster education efforts; and it is providing a variety of bilingual educational materials to help the Hispanic community prepare for the culmination of the transition.

Low-Priced Basic Digital Tiers

Cable operators are continuing to help provide consumers with affordable and beneficial solutions to the DTV transition.

Here in the Washington area, if you've watched TV anytime in the last few weeks, you've probably noticed the advertising by Comcast and Cox to remind consumers that they can look to cable as another solution for any over-the-air household that wants to retain access to local broadcast stations. These companies and many others in our industry are offering consumers affordable, low-cost access to digital basic tiers of programming that include local

broadcast signals and other channels in the cable line-up. This is a direct result of the commitment we made to you and to other policymakers on Capitol Hill.

Cable-Broadcast Engineering Cooperation

We believe that one of the reasons that hundreds of stations have transitioned smoothly and successfully to date, with a minimum of consumer confusion, has been the excellent working relationship forged among cable and broadcasting engineers and technical personnel. NCTA has worked extensively with David Donovan and the Association of Maximum Service Television (MSTV) to ensure that members of the cable and broadcasting engineering communities have been talking with each other, at both the corporate and local level. This effort has been on-going since 2007.

MSTV and NCTA, in cooperation also with our colleagues at NAB, first set up a series of face-to-face regional meetings for engineers, as well as a variety of large group conference calls, to light up the lines of communications and make sure our engineers were tackling the tough technical issues. We continued to communicate to the engineering community information about key milestones and developments in the transition. And we circled back frequently to try to identify any new issues that needed to be addressed.

At the time of the first-wave transition in February, NCTA's Science & Technology unit also staffed a "war room" giving cable engineers an opportunity to report on activities in the field. And we traded information in real time with MSTV to address issues as they arose.

This heightened state of preparedness paid off, as we discovered that the very small handful of signal carriage issues – such as digital broadcast signals temporarily failing, or stations in isolated instances returning briefly to analog transmission – were addressed by engineers almost instantly. And in virtually all of these cases, the impact on cable carriage of the broadcast signal in question was minimal, with any problems being resolved in a matter of hours.

This tight communication relationship has been sustained through the spring as we've approached June 12. Just two weeks ago, for instance, cable and broadcasting engineers cooperated very closely during the national analog soft shut-off test. We wanted to make sure that consumers whose TV sets already were hooked up to cable or satellite service would understand that they didn't need to take any additional action as a result of any information they might have seen on broadcast transmissions during the soft shut-off. So we worked with MSTV and NAB, as well as with FCC staff, to ensure that appropriate language was being used during that soft shut-off experience. The result, again, was positive, with no apparent problems in this regard.

Cable Preparedness for Completion of the Transition

As we approach the goal line on June 12, our industry remains in a high state of preparedness for the completion of the transition. Cable call centers are staffed and prepared to handle calls from a variety of consumers during these next few weeks.

In addition, as we did in February, NCTA will manage a DTV Transition “war room” operation that will link cable engineering and operations executives to ensure rapid response to any issues that arise around cable carriage of broadcast signals at the time of the transition. We’ll have an open line to NCTA headquarters so that any cable executive in the field can alert us of any local issues, and we’ll stage a series of conference calls with engineering, operations, and communications executives before, during, and after June 12 to review developments as they occur. We’ll have the ability to communicate instantly with key corporate and field-based cable executives via email. We’ll maintain regular contact throughout with our colleagues at NAB, MSTV, and the American Cable Association, which represents many small and rural cable operators. And we’ll have an internal hotline number staffed by NCTA personnel in order to instantly address any issues.

Mr. Chairman, we’re happy to work with Commission staff to ensure that our industry efforts around the June 12 deadline are coordinated with Commission efforts in order to be able to speedily and effectively manage issues as they arise.

We’re ready, willing, and able to be of service to consumers as the transition is completed. And I’m happy to answer any of your questions about these developments.