



# NEWS

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**Federal Communications Commission**  
**445 12<sup>th</sup> Street, S.W.**  
**Washington, D. C. 20554**

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See *MCI v. FCC*, 515 F 2d 385 (D.C. Circ 1974).

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FOR IMMEDIATE RELEASE  
January 18, 2001

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## FCC INITIATES PROCEEDING ON INTERACTIVE TELEVISION

Washington, D.C. – The Federal Communications Commission (FCC) has adopted a Notice of Inquiry (“NOI”) on interactive television (“ITV”) services. The FCC said that comments filed in the AOL-Time Warner merger proceeding raised the possibility that a vertically integrated cable operator/interactive television services provider could discriminate in favor of affiliated interactive services. The FCC initiated this proceeding in order to develop a complete record and determine whether rules of general applicability should be considered to ensure that the interactive television (ITV) services develop in a competitive fashion.

The NOI seeks comment on a suitable definition of ITV services, noting that ITV is a service that supports subscriber-initiated choices or actions related to one or more video programming streams (e.g., integration of video and data, real-time interaction with other viewers, and “t-commerce”). The NOI identifies three major technical “building blocks” needed to provide ITV service—a video pipeline (e.g., an MPEG video stream), a high speed Internet Protocol connection (at least on a going forward basis), and specialized customer premises equipment (i.e., an ITV set top box). It then seeks comment on whether any particular multichannel video programming distributor (“MVPD”) (e.g., cable) has or will have a substantial advantage in delivering ITV services.

The NOI requests comment on whether a vertically integrated MVPD that itself offers ITV services, would have the incentive in addition to the ability to discriminate against unaffiliated ITV service providers. Comment is also sought on whether vertical integration is a necessary predicate for possible anti-competitive conduct. The NOI further explores the possibility that the public interest might be served by imposing on an MVPD with a substantial advantage in delivering ITV services a nondiscrimination requirement vis a vis unaffiliated ITV service providers and seeks comment on how to make this principle operational. The NOI also seeks comment on jurisdictional issues and FCC authority related to ITV services.

Action by the Commission, January 12, 2001 by Notice of Inquiry (FCC 01-15). Chairman Kennard, Commissioners Ness, Powell and Tristani. Commissioner Furchtgott-Roth dissenting and issuing a separate statement. Commissioner Tristani issuing a separate statement.

-FCC-

Docket No.: CS 01-7

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