

**REMARKS OF COMMISSIONER JONATHAN S. ADELSTEIN**  
**“MIXED SIGNALS: HOW TV RETAILERS MISLEAD CONSUMERS ON THE**  
**DIGITAL TELEVISION TRANSITION”**  
**U.S. PIRG REPORT**

**FEBRUARY 13, 2008**

U.S. PIRG’s small but hearty crew unearthed problems the entire consumer electronics industry and the Federal government have not fully confronted: yet another weak link in the national effort to help millions of Americans weather the DTV transition. I thank them for bringing this to light.

If young, tech savvy retail workers don’t get it, imagine how your grandma who’s owned the same TV for 30 years is going to cope. Imagine the challenge that awaits the elderly, those with disabilities, the low income, non-English speakers, and people in rural America.

Today’s report underscores the Federal government’s failure to have a real national DTV plan to coordinate the efforts of government and the private sector. The message that consumers are getting from retailers is mixed, distorted, and at times, inaccurate.

We’re sending out weak signals, so the public isn’t getting a clear picture.

Consumers rely on the retailers’ sales staffs. Their need for informed and accurate advice about technical and practical matters will only increase in the next year. So it is alarming that some sales associates are so unclear about the details of the government’s converter box and coupon program. Even scarier, some can’t even provide basic details like the date of the DTV transition. There should be no confusion about the February 17, 2009 date -- that’s the simplest and most consistent fact of all.

The report shows deep misunderstandings about the coupon program, the features and functionality of converter boxes, and antennas.

Sales associates are the first line of defense to keep uninformed or misinformed consumers from making poor decisions about how to prepare for the DTV transition. Since retail sales associates are part of the ground effort to assist consumers, retailers need to redouble their efforts to better educate their staffs. The FCC also needs to facilitate retailers’ efforts to invest more in staff training, on-floor displays and general DTV education. We need to reach a consensus with retailers as soon as possible. Time is literally running out!

We must avoid a state of mass confusion at all costs. This is why Chairmen Inouye and Chairman Dingell took the extraordinary step yesterday to write the White House about the need to make the transition a clear national priority and to create an interagency DTV Task force.

For over a year now, I’ve been urging the FCC to create a federal interagency task force with NTIA and the many other federal agencies involved, such as the Administration on Aging, Health and Human Services, and the Veterans Administration. It is long overdue for the federal

government to coordinate our efforts. This multi-agency task force would develop benchmarks and a timeline to achieve nationwide awareness and give consumers the tools they need to have a smooth transition. It would be accountable to Congress and the American people.

Not only has there been an unwillingness to develop an interagency task force, the Commission actually disbanded its internal DTV task force and has been unwilling to reconstitute it despite clear indications that the lack of coordination has caused problems. I was pleased to learn today that Chairman Kevin Martin finally has agreed to my proposal to restore our internal DTV task force. It's about time.

Surveys show that while Americans are becoming increasingly aware of the DTV transition, many are confused about what to do about it. It is long overdue for the FCC to present a comprehensive strategy -- a DTV State of the Union -- about how it plans to provide better guidance to the American people and to work closer with the broadcast, cable, satellite and consumer electronic industries to ensure that no household is left out of the DTV transition.

The DTV chain of communication has many weak links principally because we never created a coordinating mechanism between government, industry and the public. Communication is the FCC's middle name, but we haven't lived up to it. As the Government Accountability Office found, the FCC does not have a plan, and nobody is in charge. And as a result, there is not a coordinated, national effort to educate the American people about the details and they need to deal with the transition.

Only the government can play the role of referee to ensure that industry representatives with sometimes conflicting priorities are coordinated to send a clear message that serves all consumers and is not skewed by self-interest. The transition is an enormous opportunity for consumers, but it shouldn't be turned into an enormous opportunity to sell them equipment they don't need.