



NEWS

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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. Cir. 1974).

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FCC TAKES ACTION TO UNLEASH VIDEO INNOVATION AND CONSUMER CHOICE

Washington, D.C.: The Federal Communications Commission today issued a Third Report and Order and Order on Reconsideration (Third R&O) to promote innovation and consumer choice in the video device marketplace. Recommended in the National Broadband Plan, the rules adopted in the Order promote the statutory goal of creating a competitive retail market for devices that can access cable video services. The Commission takes these steps as an interim measure while it considers new rules that would allow consumers to buy smart video devices that can access all multichannel video programming services, enabling them to change service providers without replacing their video devices.

The overwhelming majority of digital cable subscribers currently lease set-top boxes from their cable providers. Although the CableCARD regime has made it possible for manufacturers to develop innovative devices that consumers can buy to access cable services, its full potential has not yet been realized. The National Broadband Plan indicated that these devices promote broadband adoption and use because they enable consumers to merge Internet-delivered content with cable services. The Plan identified discrete problems that have hindered the consumer experience with retail devices and therefore restrained the development of a retail market. In April 2010, the Commission issued a Fourth Further Notice of Proposed Rulemaking that proposed solutions to remove the obstacles that have hindered a vibrant retail market for CableCARD devices.

Adoption of the Third R&O specifically remedies the CableCARD regime's shortcomings identified in the Fourth Further Notice of Proposed Rulemaking by: (1) ensuring that retail devices have access to all video programming that is prescheduled by the programming provider; (2) making CableCARD pricing and billing more transparent; (3) streamlining CableCARD installations; and (4) streamlining requirements for manufacturers who build CableCARD devices. The Third R&O also updates the Commission's rules to encourage consumers to connect their cable boxes to home networks and to ease the regulatory burdens on cable operators that are modernizing their systems.

Action by the Commission October 14, 2010, by Third Report and Order and Order on Reconsideration (FCC 10-181). Chairman Genachowski, Commissioners Copps, McDowell, Clyburn, and Baker. Separate statements issued by Chairman Genachowski, Commissioners Copps, McDowell, Clyburn, and Baker.

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